U.S. DEPARTMENT OF STATE
DIPLOMACY IN ACTION

Executive Summary

Guinea, a country of approximately 12 million, has endured more than 50 years of authoritarian rule and severe economic mismanagement prior to the transition to a democratically elected government in 2010. Since then, and despite very real challenges in cementing democratic gains until the 2013 legislative elections, the country has been on a more stable, sustainable, and economically viable path.

Despite a history of rampant corruption and fiscal misrule, the long-term economic prognosis for Guinea is better today than it was ten, twenty or thirty years ago. Guinea is home to nearly one-half of the world's bauxite supply, the world's largest untapped deposit of high-grade iron and promising possibilities of oil reserves. In addition, Guinea enjoys ample fertile soil and hyper-abundant rainfall sufficient, if harnessed, to provide hydroelectric power throughout the West African region. Macroeconomic management in the years after the 2010 democratic transition have been solid, and is poised to improve further with a HIPC-derived fiscal space to expand investment in infrastructure, health and education – $2.1 billion in external debt was forgiven in the fall of 2012, including approximately $93 million in bilateral debt with the United States government.

Although much progress has been made, there is still far to go in order to reduce poverty and achieve shared prosperity. A legacy of political instability, insecurity and poor governance prevents the benefits of Guinea's natural wealth from reaching the vast majority living in extreme poverty.

Although the return of political stability has brought renewed interest in Guinea from the private sector, an enduring legacy of corruption, inefficiency, and lack of government transparency continues to undermine Guinea's economic viability. Successive governments have failed in their turn to address the crumbling infrastructure issues and Guinea lacks the infrastructure capabilities necessary to support advanced commercial activities. Shortages in electricity, disrepair of road and rail systems, and the lack of access to clean water continue to plague development efforts. Guinea suffers from deplorable electricity service, irregular throughout the capital city and effectively absent in much of the rest of the country.

Although the new government is eager to attract foreign investment and has made significant efforts to improve the process, Guinea remains a difficult place to invest.
Investment in Guinea has substantially lagged its regional peers, constituting a significant drag on potential economic growth and undercutting employment. The results have been weakened mining activity and underinvestment in infrastructure. Guinea's government has begun aggressively targeting higher investments, most notably during a major international investment conference ("Guinea is Back") in Abu Dhabi in November 2013. It is also speeding up review of mining concessions granted under previous governments to provide more stability to long term investments and assist investors put together the financing needed to actualize these often enormous projects.

1. Openness To, and Restrictions Upon, Foreign Investment

Attitude Toward FDI

The GOG is proactively seeking FDI as noted at the "Guinea is Back" investment conference in Abu Dhabi in November 2013 and demonstrated by a senior level delegation of Guinean officials travel to Washington in April 2014.

The technical process of starting a business in Guinea is theoretically straightforward. In December 2011, the GOG made an effort to centralize the process by establishing the Agency for the Promotion of Private Investment (APIP) (http://www.apiguinee.org), basically a one stop shop, which falls under the Office of the President.

Perhaps precisely because Guinea's economy has been mired at such a low level for so many decades, opportunities abound for rapid gains now that political stability is more firmly entrenched. Hotels and other key service industries attracted to the promise of ramped up foreign investment are sprouting around Conakry. Guinea's import levels are increasing as the country imports capital goods needed to upgrade infrastructure and set the stage for substantial expansion of the mining sector.

Guinea's new Mining Code commits the country to increasing transparency in the mining sector. In the code, the GOG commits to award mining contracts by competitive tender and to publish all past, current, and future mining contracts for public scrutiny. Members of mining sector governing bodies and employees of the Ministry of Mines are prohibited from owning shares in mining companies active in Guinea or their subcontractors. Each mining company must sign a code of good conduct and develop and implement a corruption monitoring plan. Guinea has already implemented a portion of its cutting-edge transparency approach through the creation of a public database of its mining contracts designed by the Revenue Watch Institute (http://www.contratsminiersguinee.org).

President Condé committed Guinea to full membership in the Extractive Industries Transparency Initiative (EITI), which seeks to deepen transparency for oil, gas and mining industries in developing countries. Guinea is a candidate country, and has until April 2014 to achieve EITI Compliance or faces suspension of its candidacy. The USG pledged to help Guinea advance its candidacy during the June 2013 G-8 summit.

Laws/Regulations of FDI

The Investment Code of the Republic of Guinea was approved by Ordinance N°001/PRG/87 of January 3, 1987 and modified by Act L/95/029/CTRN of June 30, 1995. It guarantees, on paper, the right of all individuals (both Guinean and foreign) to undertake any economic activity in accordance with current laws and regulations.

Limits on Foreign Control

Foreign ownership of up to 100% is permitted in commercial, industrial, mining, agricultural and service sectors. However, some industries, such as radio, television, and print media, are legally restricted from having a majority foreign ownership. Revised in 1992, the Investment Code authorizes private investment of all types: foreign private, mixed foreign and local, and mixed public and private. The Investment Code provides for penalties in the event that enterprises fail to meet their obligations and commitments. The Guinean government provides a guarantee in the Investment Code that it will not, except for reasons of public interest, take any steps to expropriate or nationalize foreign or locally held assets or businesses. In reality, this guarantee is insufficient protection, as the Transition Government carried out expropriations in 2009 and 2010 in the sake of "public interest".

TABLE 1: The following chart summarizes several well-regarded indices and rankings.

Measure	**Year**	**Rank or value**	**Website Address**
TI Corruption Perceptions index	2013	(150 of 177)	http://cpi.transparency.org/cpi2013/results/
Heritage Foundation's Economic Freedom index	2013	(133 of 177)	http://www.heritage.org/index/ranking
World Bank's Doing Business Report "Ease of Doing Business"	2013	(175 of 189)	http//doingbusiness.org/rankings
Global Innovation Index	2013	(126 of 142)	http://www.globalinnovationindex.org/content.aspx?page=gii-full-report-2013#pdfopener
World Bank GNI per capita	2012	$440 USD	http://data.worldbank.org/indicator/NY.GNP.PCAP.CD

TABLE 1B - Scorecards: The Millennium Challenge Corporation, a U.S. Government entity charged with delivering development grants to countries that have demonstrated a commitment to reform, produced scorecards for countries with a 2012 per capita gross national income (GNI) or $4,085 or less. A list of countries/economies with MCC scorecards and links to those scorecards is available here: http://www.mcc.gov/pages/selection/scorecards. Details on each of the MCC's indicators and a guide to reading the scorecards, are available here: http://www.mcc.gov/documents/reports/reference-2013001142401-fy14-guide-to-the-indicators.pdf

2. Conversion and Transfer Policies

Individuals or legal entities considering investment in Guinea are guaranteed the freedom to transfer the original foreign capital, profits resulting from investment, capital gains on disposal of investment, and fair compensation paid in the case of nationalization or expropriation of the investment, to any country of their choice.

Foreign Exchange

Although there have been no recent changes to remittance policies, it is difficult to obtain foreign exchange in Guinea's economy. Guinea has experienced significantly weakened liquidity levels over the last several years due to government mismanagement, populist policies, corruption, a decrease in mining revenue due to political unrest, and dwindling foreign aid levels. Further, liquidity levels of commercial banks are affected by tight reserve requirements (22% of deposits) that are in line with IMF performance criteria.

Guinea’s economy went through a difficult period in 2013, reflecting the fragile socio-political situation and a sharp slowdown in investment in the mining sector. As a result, growth is estimated to have slowed to 2.5 percent, sharply below the programmed 4.5 percent expansion. Inflation continued to fall, and at the end of 2013 was 10.5 percent year-on-year. International reserves were maintained at a satisfactory level, and the exchange rate remained broadly stable.

3. Expropriation and Compensation

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

In 2011, the GOG claimed full ownership of several industrial facilities it had previously held partial shares in as part of joint ventures—including a canned food factory and processing plants for peanuts, tea, mangoes, and tobacco—with no compensation for the private sector partner. Each of these facilities had been founded as a state-owned enterprise and languished following privatization under corrupt circumstances in the late 1980s and early 1990s. According to GOG representatives, a joint committee composed of representatives from the Ministry of Industry and the Ministry of the Economy and Finance is preparing dossiers on each facility in order to solicit bids by public auction; the GOG plans to maintain a 20 to 30 percent share in each business. By expropriating these businesses from their owners, whom the GOG deemed to be corrupt and/or ineffective, and putting them to public auction the GOG hopes to correct past mistakes and put the assets in more productive hands. The private partner in at least one of these joint ventures has protested the seizure of its assets and has been battling the GOG decision in court. As of 2014, there has been no resolution of the case. GOG representatives have said that this expropriation applies only to former state-owned firms, fully-owned private businesses and other joint ventures with the GOG will not be affected.

4. Dispute Settlement

Legal System, Specialized Courts, Judicial Independence, Judgments of Foreign Courts
The country’s legal system is largely based upon French civil law. However, the Guinean judicial system is reported to be understaffed, corrupt, lacking in transparency and accounting practices are frequently unreliable. U.S. businesspersons should exercise extreme caution when negotiating contract arrangements, and do so with proper local legal representation. From 2008 to 2009, the CNDD-led military junta reportedly sidelined the role of the formal judiciary in legal proceedings by transferring much of its power to a parallel military legal system. The Conde administration has targeted judicial reform as a major issue in need of renovation.

Investment Disputes
The Investment Code states that competent Guinean judicial authorities shall settle disputes resulting from interpretation of the Code in the accordance with laws and regulations. In

practice, however, fair settlements may be difficult. The current Guinean constitution mandates an independent judiciary, although many business owners and high level government officials frequently claim that poorly trained magistrates, high levels of corruption, and nepotism plague the administration of justice. Guinea established an arbitration court in 1999, independent of the Ministry of Justice, to settle business disputes in a less costly and more expedient manner. The Arbitration Court is based upon the French system in which arbitrators are selected from among the Guinean business sector, rather than from among lawyers or judges, and are supervised by the Chamber of Commerce. All parties must be in agreement to have their case settled in the arbitration court. In general, Guinea's arbitration court has a better reputation than the judicial court system for settling business disputes.

International Arbitration

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

ICSID Convention and New York Convention

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

Duration of Dispute Resolution

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

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

Business executives, Guinean and foreign, have publicly expressed concern over the absence of rule of law in the country. In 2009, Guinean business leaders were targeted by the military for burglary and wide-scale harassment. Although the frequency of such harassment diminished under the Transitional Government and later under the Conde administration, some businesses have still been subject to sporadic harassment and "requests" for donations from military and police personnel.

5. Performance Requirements and Investment Incentives

The Investment Code, last revised in 1995, provides tax advantages for certain priority investments. The government's priority investments are: promotion of small and medium-sized Guinean businesses, development of non-traditional exports, processing of local natural resources and local raw materials, and establishment of activities in less economically developed regions. Priority activities include agricultural promotion, especially of food, and rural development; commercial farming involving processing and packaging; livestock, especially when coupled with veterinary services; fisheries; fertilizer production, chemical or mechanical preparation and processing industries for vegetable, animal, or mineral products; health and education businesses; tourism facilities and hotel operations; real estate development with social benefit; and investment banks or any credit institutions settled outside specified population centers. (These priority sectors are also identified on the APIP website in paragraph 1.1).

Performance Requirements

Under the 2011 Mining Code, amended in April 2013 to reduce taxes and royalties, mining companies are required to hire Guinean citizens as a certain percentage of their staff, to have a Guinean country director eventually, and to award a certain percentage of contracts to Guinean-owned firms; the percentage varies based on employment category and the chronological phase of the project. The Code also aims to liberalize mining development and secure investment. In 2013, the Code created a Mining Promotion and Development Center, a one-stop shop to simplify the administrative process for investors.

6. Right to Private Ownership and Establishment

There is a right to private ownership of property in Guinea. The government's regulations provide for a complex set of tax and duty exemptions and rebates in order to encourage private investment.

7. Protection of Property Rights

Real Property

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

According to the 2014 World Bank's Doing Business Report, Guinea ranks 140 out of 189 countries for the ease of "registering property:" http://www.doingbusiness.org/data/exploreeconomies/guinea/

Intellectual Property Rights

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

Embassy point of contact: Alan Royston, RoystonAR@state.gov
Local lawyers list: http://conakry.usembassy.gov/commercial_section.html

8. Transparency of the Regulatory System

Guinea's amended Mining Code commits the country to increasing transparency in the mining sector. In the code, the GOG commits to award mining contracts by competitive tender and to publish all past, current, and future mining contracts for public scrutiny. Members of mining sector governing bodies and employees of the Ministry of Mines are prohibited from owning shares in mining companies active in Guinea or their subcontractors. Each mining company must sign a code of good conduct and develop and implement a corruption monitoring plan. Guinea has already implemented a portion of its cutting-edge transparency approach through the creation of a public database of its mining contracts designed by the Revenue Watch Institute (http://www.contratsminiersguinee.org/).

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

9. Efficient Capital Markets and Portfolio Investment

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

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

Individuals or legal entities making foreign investments in Guinea are guaranteed the freedom to transfer the original foreign capital, profits resulting from investment, capital gains on disposal of investment, and fair compensation paid in the case of nationalization or expropriation of the investment, to any country of their choice.

The Guinean Franc uses a managed floating exchange rate. The average official exchange rate for 2013 was 6,912 to the USD. The few commercial banks in Guinea are dependent on the Central Bank for foreign exchange liquidity, making large transfers of foreign currency difficult.

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

10. Competition from State-Owned Enterprises

While Guinea maintains some SOE's for public utilities (water and electricity), the Alpha Conde government is slowly moving towards allowing private enterprises to operate in this sphere. Recent failures and allegations of corruption at the state owned energy company have led the Ministry of Energy to revise the management framework of the company and bring in private sector experts to evaluate and repair Guinea's dilapidated energy grid. Several private projects aimed at harnessing Guinea's hydroelectric energy potential are currently undergoing feasibility studies, with the goal of producing and selling energy throughout Guinea and to neighboring countries.

11. Corporate Social Responsibility

The amended 2011 Mining Code includes Guinea's first legal framework outlining corporate social responsibility. Under the provisions of the code, mining companies must submit social and environmental impact plans for approval before operations can begin and sign a code of good conduct, agreeing to refrain from corrupt activities and to follow the precepts of the Extractive Industry Transparency Initiative (EITI). However, lack of capacity in the various ministries involved will make monitoring and enforcement of corporate social responsibility requirements difficult.

12. Political Violence

Political instability, along with corruption, has historically been the most significant barrier to investment in Guinea.

Following the death of President Lansana Conte on December 22, 2008, a military junta calling themselves the National Council for Democracy and Development (CNDD) took power in a bloodless coup. Immediately following the coup, the USG suspended all but its humanitarian and election assistance to Guinea. The African Union (AU) and the Economic Community of West African States (ECOWAS) suspended Guinea's membership pending democratic elections and a relinquishment of power by the military junta.

After months of public opposition to the tactics of the military regime, the Forces Vives, a group formed of political opposition, civil society, economic actors, and labor unions, organized a large rally at the capital's soccer stadium to symbolize their rejection of junta-leader Moussa Dadis Camara's intention to run in upcoming presidential elections. Soon after the rally began, members of Guinea's armed forces entered the facility and opened fire on the crowd, killing at least 150 people and injuring over a thousand others. Many of the female protestors were also publicly and brutally raped. In the aftermath of the massacre, the military continued to target political and economic opposition. Much of the international community condemned the massacre and the subsequent gross human rights abuses. On December 3, Moussa Dadis Camara was shot by his Aide-de-camp Lt. Abubaker "Toumba" Diakite and was flown to Morocco for treatment. After over a month of recuperation in Morocco, Camara flew to Burkina Faso on January 13. On January 15, Camara, Burkinabe President Blaise Compaore, and Guinean Minister of Defense Sekouba Konate signed the Ouagadougou Accord, creating a transition government and naming Konate as the Interim President of Guinea, and a civilian, Jean Marie Dore, as Prime Minister. The Transition Government was tasked with organizing presidential and legislative elections to usher in a new democratic government of Guinea.

Guinea experienced additional violent incidents during 2011 and thereafter. On July 19, 2011, the President's personal residence was attacked with small arms fire and rocket propelled grenades. Following the attack the government arrested and charged 38 people, mostly military personnel. The government also temporarily reinstituted road blocks nationwide with night time check points continuing for months.

The small mining town of Zogota located in Guinea's Forest Region saw the deaths of five villagers including the village chief during August 2012 clashes with security forces over hiring practices at Brazilian iron-mining company Vale. The villagers alleged that Vale was not hiring enough local employees and was instead bringing workers from other regions of Guinea. The ensuing instability led to Vale evacuating all expatriate personnel from the town.

In 2013, numerous protests resulting in more than 30 deaths took place in the lead-up to the national legislative elections which had been repeatedly postponed prior to finally being held on September 28, 2013. Many other protests were held in 2013 by citizens and residents angry about the extreme lack of water and electricity in the capital city of Conakry. Some of these protests turned violent and many small businesses were negatively impacted by the frequency of the protests.

On July 15, 2013, violence erupted in N'Zerekore, the administrative capital of Guinea's Forestiere Region, 350 miles southeast of Conakry. Conflicting accounts exist of what triggered the onset of the violence which escalated as vicious confrontations ensued between members of

Guerze and Konianke ethnic groups. According to local officials, mob and riot-inspired retaliation attacks put the death toll at more than 95 people dead and at least 150 injured. Local police and gendarmerie security forces were deployed to break up the fighting but were initially unable to quell the violence despite an imposed curfew. On July 16, President Alpha Conde publically deplored the violence in N'Zerekore and appealed for calm. By July 17, an uneasy calm was restored in the streets of N'Zerekore.

The impunity the military had previously enjoyed is now slowly being reversed. Security Sector Reform (SSR) training has identified and targeted the need to retrain and reorganize some elements of the security forces. In the uncertainty surrounding Guinea's first democratic elections, ethnic and political tensions sparked election-related violence that resulted in the deaths of over 15 people.

The success of the new democratic government continues to hinge upon President Alpha Conde's ability to restructure and maintain control of the security forces, and to create a government that fairly represents citizens of all ethnicities across Guinea. Thus far, the military has remained in its barracks during all political protests which is a marked departure from previous administrations.

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

13. Corruption

Corruption and bureaucratic red tape are hallmarks of Guinea's business climate. In its annual "Ease of Doing Business" index, the World Bank ranks Guinea 175th of 189 countries worldwide. Transparency International's 2013 "Corruption Perception Index" has Guinea ranked 150th of 177 countries listed.

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

The Conde administration has promised to combat corruption in both the government and in commercial spheres as one of its top priority agenda items.

14. Bilateral Investment Agreements

Countries with bilateral investment protections agreements with the Guinean government include Belgium, Benin, China, France, The Gambia, Germany, Great Britain, Iran, Italy, Japan, Morocco, Nigeria, Saudi Arabia, Senegal, South Africa, South Korea, Switzerland, and Tunisia. See the next section for U.S.-Guinea private investment guarantees.

15. OPIC and Other Investment Insurance Programs

Guinea and the U.S. have had an agreement on private investment guarantees in effect since 1962, making investors eligible for Overseas Private Investment Corporation (OPIC) insurance programs.

16. Labor

Guinea's Labor Code protects the rights of employees and is enforced by the Ministry of Social Affairs. The Labor Code sets forth guidelines in various sectors, the most stringent being the mining sector. Guidelines cover wages, holidays, work schedules, overtime pay, vacation, and sick leave. The National Assembly increased employer rights to hire and fire under the 1999 revision of the Labor Code. Employers no longer need to go through the labor office in order to contract or terminate the work of an employee, and the Act removed the requirement to hire only Guinean employees. Some employers, including the Guinean Government, avoid paying mandatory benefits by employing people as contractors for years at a time rather than as permanent employees. Many foreign managers cite incidents of theft, low productivity, and difficulty in terminating an employee as major problems.

The Labor Code outlines general guidelines related to health and safety, but the Guinean government has yet to articulate a set of practical occupational standards. The government has limited resources for this activity.

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

A contract of employment is a contract under which a person agrees to be at the disposal and under the direction of another person in return for remuneration. The contract may be agreed upon for an indefinite or a fixed term and may only be agreed upon by individuals of at least 16 years of age although minors under the age of 16 may be contracted only with the authorization of the minor's parent or guardian.

An unjustified dismissal provides the employee the right to receive compensation from the employer; in an amount equal to at least six months' salary with the last gross wage paid to the employee being used as the basis for calculating the compensation due.

The Labor Code also legalized employee labor unions and the right to collective bargaining. In 2006, Guinea's labor union gained strength and the independent unions joined with the National Labor Confederation (the government union) to form a union coalition that represented a vast majority of organized labor. Because of political infighting, the coalition has elected two different presidents, each claiming that the election of the other was illegitimate. There are about six major unions with national membership, and another eight or nine local unions in Conakry, all of which lobby for improved wages, benefits, and working conditions. They are also often used as avenues for voicing political dissent.

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

17. Foreign Trade Zones/Free Ports

There are no Foreign-Trade/Free Ports in Guinea

18. Foreign Direct Investment and Foreign Portfolio Investment Statistics

Key Macroeconomic data, U.S. FDI in host country/economy

	USG or international Source of data (Source of Data: BEA; IMF; Eurostat; UNCTAD, Other)		
Economic Data	Year	Amount	
Guinea Gross Domestic Product (GDP)	2012	$5.632 billion	http://www.worldbank.org/en/country http://www.indexmundi.com/guinea/economy_profile.html

19. Contact Point at Post for Public Inquiries

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