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NATURAL RESOURCE MANAGEMENT IN AFRICA:
A CONVERSATION WITH PRESIDENT OF GUINEA ALPHA CONDÉ

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Featured Speaker:

HIS EXCELLENCY ALPHA CONDÉ
President, Republic of Guinea

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P R O C E E D I N G S

GENERAL ALLEN: Ladies and gentlemen, good afternoon. I'd like to welcome you this afternoon to the Brookings Institution. I'm John Allen and I'm the president of Brookings and it is my great pleasure and distinct honor to welcome to Brookings today his Excellency Alpha Condè, President of the Republic of Guinea. President Condè.

We're going to hold for just a moment until our translation is working. I'm hard enough to understand in English. Good sir, President Condè was first elected president nearly 10 years ago in 2010. When he was re-elected again in 2015 and has also had the honor of serving as a chairperson of the African Union. Prior to his political career President Condè was a professor of public law at the Sorbonne University in Paris. Shortly the president will deliver a set of remarks touching on many of the issues that are impacting Guinea and the African continent today. Not the least of them, national resource management and economic diversification which is the theme of today's event, and I assure you, Mr. President, that these are important issues for us at the Brookings Institution and the Africa Growth Initiative. Gold, bauxite, diamonds, are Guinea's main exports and resource revenues revolve largely around an extractive economy and comprise a significant portion of the GDP. The mining sector also produces more than 90 percent of Guinea's exports.

Once he has completed his remarks the president will be joined by Brahim Coulibaly who is our senior fellow and the director of the Africa Growth Initiative or the AGI as you'll hear it called here at Brookings. AGI has long examined how enhanced natural resource management can boost structural transformation in Africa and I have little doubt that that conversation will be tremendously insightful today. And for format, the president will make about 15 minutes of remarks and will be followed by a moderated discussion with Dr. Coulibaly and a question and answer session. A final reminder that today's event is very much on the record and with that, please join me in welcoming to the stage President Condè.

PRESIDENT CONDÉ: The members here - Guinea has always been a represented as a geological and agricultural scandal but we have been working on the issue of natural

resources. We know that in Guinea we have over half of the world's reserves of bauxite. We also have iron ore at the (inaudible) site as well as gold and bauxite. That's what people are most familiar with when we talk about Guinea. We have carried out a geo-physical survey recently and in addition to bauxite we have cobalt, copper, platinum and germanium. When I became president in 2011, we knew that Guinea had half of the world bauxite reserves but we only exported 13 million tons a year which is only seven percent of that market. But we have worked a great deal on the mining sector and I would like to thank many of the partners who have helped us and have worked with us on developing iron, ore and bauxite so that we don't repeat the mistakes that we've made in other countries.

Today we are producing 60 million tons and we hope to soon be producing 80 million tons, meaning that we will be the second largest producer in the world and the top supplier for China. When we talk about bauxite people think we give everything to the Chinese but I need to clarify that point. We started to mine bauxite several decades ago and we found that we had the largest bauxite reserves in the world. Then we were able to develop different sites throughout the country. There is an English American company that has also been mining in Guinea. We also have other private companies that are involved in the mining sector in Guinea.

The issue that we see today is the weakness of African countries, we don't have the technological expertise that we need. When you need to produce a certain number of barrels of oil, there may be oil in our countries but we don't have the technology to produce. So, the main challenge that we are facing is to develop the technological tools to know one, what resources we have and two, what the quality of these resources is. We may have bauxite but not all of it can be processed. So, those are some of the challenges that we are seeing in Africa today.

It is also important to have a code that addresses the concerns of African populations. The companies that come in to mine are in profits but we need to have a winning cooperation. A win, win cooperation in both -- in two respects with the government but also with the local population. We developed a mining code in Guinea. Mining companies must give 15 percent of their stake to the Guinean government, meaning that if there is a company mining bauxite then

the government, according to this code has to have at least a 15 percent stake in the company. In addition, within these companies' decisions can only be made by the governing board on which the government has a representative. Another issue we face is environmental protection. As you know, development in countries has sometimes caused damage. If you go to Beijing for instance there's a great deal of air pollution. If you go to France that might not be the case. In other words, Africa needs to develop its natural resources without repeating the mistakes of other countries. That means we need to focus on environmental protection. Today, what we want to do -- what we have developed bauxite mining as well as iron ore. Unfortunately, before I became president the situation was a bit different. Seminole was the main mining site but a lot of that mining didn't actually happen. The mine wasn't actually developed and that was a loss for us. So, how can we cover -- how can we recover from that. The first thing we did was to make public all of the mining contracts that we have in Guinea. The second thing we did was to withdraw 800 mining permits from licensees. People had licenses but they didn't even know where the mines were located in some cases. In addition, there were other requirements that we had in our code that people were not upholding, that is why we withdrew all of those licenses. We also focused on local content. What does that mean? A certain percentage of the revenues that mining companies earn has to go back to local communities and to address environmental concerns. In addition, 15 percent of mining revenues will go to infrastructure. Oftentimes, we see most development happening in cities but there's a lot going on in rural areas and much of the population lives in rural areas. That is why we want to give 15 percent of mining revenues to develop these rural communities. Another challenge that we are facing today is processing raw materials but not just that, because of colonization we have been condemned to being producers of raw materials and not so much of finished products. Therefore, if we are to develop, we need to have better control over the value chain from the beginning that is mining bauxite all the way through to the commercialization process. Seven out of ten Africans do not have access to energy and without energy we can't develop. Africa has faced so many issues including issues that affected our young people and that prevented them from really developing their full potential.

Today we are seeing the fourth industrial revolution, which is major progress and is happening at an accelerated rate and what I've seen is that young Africans are just as good as Europeans and Americans when it comes to having technological ability. I see this in Ethiopia. I see this in Eritrea, I see it in other African countries. Young people have a lot of technological expertise which brings me back to the importance of energy. We need to have access to energy. This fourth industrial revolution will allow Africa to catch up. I can give you a simple example of this. When we had landlines back in the day, you needed to have the right technology to be able to use a land line but now we have cell phones and that allows people to use that technology no matter where they are. When we talk about technology, one of the most important aspects is making sure that young people know how to use the technology, that's the first part. The second part is infrastructure. We have just created the continental free trade area but will that really help us if there aren't any railroads connecting major cities for instance. So, we need energy but we also need infrastructure. I'm talking about all of Africa first because as you know, I was a president of the African Union before I was the president of Guinea. That is why I'm focusing on the importance of being able to process raw materials into finished products. As I mentioned, we have bauxite in Guinea. People often think wrongly that China is the largest bauxite market. But that actually is not the case. Africa is actually a major market for aluminum and actually the major market for that aluminum is in Africa, not in China. This also brings me to talk about agriculture. That is why we also need a value chain for agriculture so that we can have a value chain for the entire process from production all the way to commercialization that way countries can get benefits and profits. This also brings me to focus on natural resources. We have many natural resources in Guinea but many of them are still undeveloped. Even though we have half of the world's bauxite reserves, initially we were only exporting 13 million tons a year. We've been able to bring that up to about 80 even 100 million. We also need to make sure that we are investing in these bauxite mines so that the bauxite can be mined and turned into aluminum. The aluminum is then used to make certain products that are then exported to other African countries. Dust is very important. We need a lot of energy for gas for instance to be able to mine bauxite and process it. We have done a lot of

research and surveys into the concept of clean coal but I'm convinced that it does not exist because there is always going to be consequences when you burn coal.

We have dams that provide hydro-power but those dams are not sufficient for processing bauxite. You either need to have gas or coal. That is what you need to burn. We decided to use gas and as a matter of fact we have recently been developing that.

What do we still need? We still need knowledge, expertise. We don't always know or have the best way of knowing exactly how many tons are being shipped into on various boats. That's when challenge -- the second challenge is quality. So, we need to have laboratories that can tell us how much of the bauxite reserves can actually be developed. Those are the two most important elements -- the two main challenges that we are trying to address in Guinea. The boats that I mentioned before we need to know how many tons can go on those boats and secondly, we need to know how much of the bauxite can actually be developed. We don't have enough information about all of our natural resources that are still under ground. Companies may tell us that we have x number of tons of bauxite or other resources. We don't have the technology ourselves to make sure that what they're telling us is actually true. We need to have this technology so that we truly know what resources we actually have. We also want to avoid mistakes made by developed countries. In France, asbestos was used in homes which is becoming a major issue as you know. We know that this has serious consequences. The same is true in China. So, how can we develop our natural resources while still protecting the environment?

The environment is several things. First, we must protect the rivers. When mines are developed, we need to make sure that fish populations don't die out. Secondly, we need to look after agriculture. We need to make sure that development is not preventing people from farming the land. We also need to protect rare species. This is one of the issues that we are working on with the World Bank.

We developed a dam and many people were displaced. We also had issues with other projects, chimpanzees actually there are many chimpanzees in Guinea and when we were developing one of our projects, we discussed this with the World Bank because near the site that

we were trying to develop, there was actually a large population of chimpanzees. So, we had to make certain modifications to the project to make sure that population of chimpanzees wasn't affected. Sometimes, there are people outside of Guinea who say that we have x number of chimpanzees or x amount of this or that but they don't have the most exact information. But for this project, we're able to protect those chimpanzees and make sure they were not affected by the dams. Sometimes it's difficult for people to understand why do we have to displace people but we're able to protect a chimpanzee population. There are a lot of multi-national companies that are involved in various African countries and they impose certain rules. In one part of the country, we have a great deal of iron ore but in that same area, we also have chimpanzees there and other resources. So, we're not able to develop the iron ore in that area.

And this is why we had an agreement with UNESCO to protect these populations. Now, as soon as we can protect such populations because what we really need to know today is that we want to also protect endangered species but the questions that Africans ask themselves, we have no food, we are poor, we cannot feed ourselves and at the same time we are being told that these chimpanzees are more important than we are but international organizations it is a problem. So, we need to take development into account this way but a number of things were done when we wanted to promote development and economic growth and a number of factors were not taken into account in the past. So, we don't want to make the same mistakes as in the past. When I remember talking to the vice president of the US, he said you need hydro-electric dams and I said well, no, there are other -- the things that we may need, we may need railways but for that means population resettlement oftentimes. And at the same time, we have to resettle populations and you don't want us to make these dams because the actual fight that we have in Africa is that we want to use clean energies because thermal plants -- thermal plants, coal plants are expensive and of course they contribute to more greenhouse gas emissions and CO2 emissions. Since the Paris COP meetings a number of countries have said that it is important first and foremost to have construction be respectful of climate change or at least be adaptive to climate change so we are not polluters and can also be resilient and fight against pollution. But we are not really the biggest

polluters in the world. The US, China, India are the bigger polluters but we are the most hardly hit by the effects of climate change, our countries are. And so, the question of surface area is a question that is problematic both for cattle breeders and for small-holder farmers or large-scale farmers. And so, it's a big problem and there are a number of cooperatives now between cattle breeders and artisanal workers as well as agriculturiers because little by little each persons' parcel of land gets smaller. Now, we have to also take into account energy vis a vis climate change. And so, these are a number of challenges that we have to surmount. In Kigali we were able to create the new African initiative and the only spokesperson for it for the time being but each country represents its own region, well, Egypt for northwest -- northeast Africa, Chad for Central Africa and we have our discussions together with the different heads of the African regions because we want to express ourselves in one single voice. I said to Secretary of State Pompeo that we do not intervene in Libya because if you intervene in Libya there will be two outcomes. Libya will be just like Somalia, it will be stateless, it will be lawless, that would be the first outcome and at the beginning there was a government being formed, Gadhafi was in power with some cabal leaders but now each tribe is having its own independence and its taking its own independence with its own leaders. So, that means if there's no more government who is going to actually bring government back. It's just like reforestation which you have in working in Burkina Faso is not the same thing that you have in Indonesia, they don't listen. You are here today and you are capable of telling our partners here that the major objective of Africa should be to get together and we are capable of making our own decisions but what we need is support. We need to be accompanied and we need assistance, we need support. No turn-key solution is not what we want at all but rather collaboration because we don't have the same history, we don't have the same backgrounds. And of course, the populations are different. Now we have a universal population but it has to be adopted -- everything has to be adopted to each country's context. So, we want not to abandon our cultures and our traditions but also use them to move forward. So, what do you do my brother Coulibaly and others, Dr. Coulibaly, what do you do for this vision and to promote this vision in Abidjan when I was president of the AU, I had said we need to sever the umbilical cord we have

with France and that president -- the president of Guinea at the time, said are you sure we should do that and I said, you know, this is the right decision and I'm vouching for that decision. Well, we are no longer babies, the umbilical cord has been severed but we need to tie relations with other countries such as yourself in the United States. We don't yet have in Africa all the knowledge that is needed in facing multi-national companies that have all their lawyers and experts and bankers and so on and so forth that surround them and support them. We don't have all these experts. So, there is where we find bottlenecks, this is where we need assistance in order to better control the sort of maze in which the major lawyers are leading us into as well as the big financial institutions. So, that is the kind of support we need in order to be on an equal footing with MNCs even though we don't have as many resources, at least not the same resource as they do, but still work on an equal footing. You know, mines, that is all good and well, mining extraction, that is all good and well but it doesn't really hire that many people in our country. Actually, very few people are recruited. Seventy percent of the population in Africa is in rural areas, live in rural areas. So, small hold farmers, agriculture and agri-business, that is what we need. Agri-business is crucial because if we make mining resources all of our wealth from that, we will actually have fore-gone or lost opportunity. We also need to have agri-business. Agri-business processing is crucial, the entire value chain. So, we need to be involved there and that's what we tell the big mining operators and we have agreements with the African Development Bank to have bigger agricultural areas with bulldozers actually coming in to prepare the land and in order for people to be able to grow crops of course, exporting minerals is very good because we get revenue from that but our local populations also need to be involved and intervene in agri-business. Because when you funded a farmer, he can actually pay back but you need a whole value chain in order to fund this grower for processing, processing plants and then marketing of the product and then everyone has -- it's a win-win situation and everyone gets value from such a value chain. The more you have finished product made in your own country, the more wealth you have and so it is in our interest that for Guinea which has bauxite and iron ore we have just signed some agreements with -- well for iron ore for (inaudible) and one American company with Phillip and the (inaudible) iron ore extraction sign and

we launched a call for tenders for an investment program of 14 billion, so a big mine and then a railway of 600 kilometers in order for there to be connection routes. And we also -- many people say Guinea is the Chinese true, we have signed some agreements with China some two billion in this area and in creating our mining code we actually avoided the mistakes by -- made by the Congo. And so now we have well 5 billion for these mining extraction signs and 5 billion with China. So, if there are some private Chinese companies, they're actually carrying out extraction operations after a certain number of years and of course there has been a reimbursement loop a number of the revenues come back to Guinea. So, ALCOA, American company has a very big project of 5 billion dollars and most of the other projects are actually not as high but significant ones, and one project with Abu Dhabi and there's a French company also that has been implanted in our country and we wish there to be as many American investors as possible in our country as well.

The President, President Trump had invited us to launch when I was president of the AU and I was very surprised to hear you -- well, I mean, this private sector we know, as you know, the value of the private sector, we want the private sector and do as China does. We have relations with Exim Bank. Now we need American companies to do the same way because they might be risk-averse but at a certain point it's just useful to know that there is a policy that we have in order to invite more investors. Now, I'm not here to do politics or talk politics. Actually, politics really is what we do in Guinea itself and what I do but when we said no to France that was very important. We are a sovereign country and nobody gives us any orders. No, country does give us any orders. It's France or the United States, the Guinean population has elected me and it is the viewpoint of the Guinean population that is crucial and not that of France or of China or of the United States, of course, but the viewpoint of the Guinean population. This is how we haven't been able to further develop our own resources and now this is where we need support.

The mayor Dallas told me you need a better place. I said well, we are at the mercy of energy. We need energy in order to transform, you know, to process raw material. Of course, in Texas there's a lot of gas and hydro-carbons and so it was really impressive to see when I was in

Houston and in Dallas but we are always very curious to learn more. We have an appetite for learning. We need to be aware of our own shortcomings and see what we can do also to help you, work side by side with you in order for you to also overcome perhaps some other short-comings but we have a lot of progress to make and we have made some progress but we're really taking reforms as very important and we haven't been quite courageous in adopting these reforms. In adapting the mining code but of course you need to have appropriate mining extraction sites. So, I came here of course to speak but also to listen to you, to find out how you can best support us in order to go from a stage of shortcomings and release the opportunities that we have in our country and once we decide to protect our environment which we do, whether we're talking about the habitat of human beings or the habitats of endangered species we want to protect them all. This is what I came to say, thank you.

COULIBALY: So, as the mic is getting set up, just a couple of housekeeping. So, for this part of the moderation is going to be followed by the question and answer and you must have had like a -- received a card when you signed in. So, write down your name, institution as well as your questions on the cards and some of the staff members will come by, collect them and hand them over to me. I ask that you keep a really your questions and comments brief and also keep them on topic. I know we all have a lot of questions we want to ask his Excellency but the timeframe is a bit short and we want to get in as many questions as possible.

So, thank you, Your Excellency for joining us with this important conversation on the management of natural resources which is clearly an important topic for Africa's economic development. So, here are Brookings the Africa program with support from the institution's leadership really strives through our research to be a trusted partner to the African government and policymakers and a neutral broker for policy discussions. Also, share economic development issues, of the continent. So, in this regard we've been very attentive to the issue of natural resources and the work from some of our experts to uncover new approaches to natural resource management and for the better contribution of this sector to structural transformation on the continent is proceeding and will likely be sharing some of those results with Guinea through his

Excellency and the Ambassador with whom we've been in close contact.

So, given Guinea's endowment in natural resource, particularly mining, we couldn't have thought of a better person to have for today's conversation and if I may start, you outlined quite a number of challenges but I think you've been a bit humble in terms of some of the achievements that Guinea has made over the past years and notably a report from the Natural Resource Government Institute that has highlighted in the interim report some of the progress you've made which has contributed then to boosting activity in the mining sector and then also boosting GDP, and you've had about 8 and a half percent growth rates over the past three years by some statistics and projections on that, you may grow around six percent over the next few years. Sub-Saharan Africa is around four percent and then the world's economy is around three percent, so that's quite good, and the mining sector was an important part of that in the reform.

So, if I can step back and just ask a question about reforms more broadly, because reforms, it's more easily said than done. And because you try to balance different competing needs. So, from your experience what were the most challenging aspects of enacting the reform that you were able to do, to begin unlocking in some of the potential of the mining sector?

PRESIDENT CONDÉ: Well, you know, what you have is an asset. When you have an asset, well then you have asset, but what is important to speak about is what you don't have. The assets you do not have, and so, I think I focus a lot on what we don't have. Now, a number of reforms, first of all, the reform of the military – you need a state – and when I arrived in power and I took office there was a large civil service but there were many, many, military servicemen and there were actually this force was being increased and we had to allow a number of officers to retire at a certain point because this was a much -- too much of a growth of the military as it were. Now, estate is also an administration and it is also the security apparatus and justice. Now with respect to human resources, we've also been fitted from the help of many friends (inaudible) and I would like to thank them very warmly because that helped us in elaborating our own mining code. We looked at what other countries were doing and then we made some improvements. We also wanted to be as transparent as possible, fully transparent.

In other words, all the public contracts are published and this is open source and we've also launched in the extractive industries initiative, EITI in order to set up some very specific and stringent rules in mining codes. So, all of the commercial contracts have to be countersigned by the minister of mining. I was previously working in these fields and I can actually sell a branch when you have a bank of course, you have a number of branches and of course they have to be profitable. So, we need to know when we have these contracts who we're contracting with and the appropriate counterparts in order for there to be profits. And, of course, for the situation to be positive for all. Now, the 15 percent that we talked about earlier, it's either revenue or it's also material that we can sell back ourselves. For instance, if there's a company that buys bauxite from us, if we don't make a secret of that but we should be able to sell to this mining company the bauxite in order for it to be transformed at the stage we've also included in the code that any company that gets a production from it that you're free to sell, of course but you will need the agreement of the Guinean government first and foremost. So, for everything to be done legally.

Now, of course, with the interactions with China. I had actually applied a fine on one company of 700 million dollars because they had sold bit without the agreement of the Canadian government which is a problematic situation. So, we also have the stability code. We wanted to apply these codes and they weren't previously, so this is a stabilizing or stability code that was introduced and the mining code especially needs to take into account environmental protection and this is always the case so that the environment therefore is always a factor.

It is always appropriate to have several resources and oh, but of course, we have perhaps a long battle now. Our resources are internal and they go -- I mean, we wouldn't want to fight against corruption. This is the main thing that we need to work on because you know, that there may be a people getting bribes here and others cheating there and we decided to do the one-stop shop, the one-stop shop, the tax, the taxation system has been amended and this has meant some increased revenues. And so all of these reforms, hand in hand, it's not a question of human resources or men, we have experts such as Dr. Coulibaly and others but corruption is not linked to one sole individual, it's a structure you need to create in order to fight against corruption

appropriately and to make sure that someone doesn't bribe someone else or receive a bribe from another party. And, failing which, which you don't really have the institution to be the watchdog of corruption then you won't really make that much progress. Now, civil service, bureaucracy, when I arrived as president in 2010, the vice president of the World Bank told me at the time, at the time that here we need to do something in three days and in Guinea it takes three months. Well, now actually, it is better in Guinea. In order to get a permit, you can do it 72 hours, you can get a permit much more quickly in Guinea.

So, this means a number of reforms because indeed you need to have the conducive environment, the appropriate context that will attract investments if you want to create companies and profitable ones at that you have to have the appropriate structures and the appropriate base. Now, if I can -- if I can give you a land lease agreement and suddenly somebody is going to come and say, no, this parcel of land belongs to my forefather or to my foremother, you need to be able to find out and, of course, allay the fears of investors so that they don't fear coming up against these types of problems. And so, if the policy of management of mining resources comes into play in all of this as well, it has been done in an appropriately balanced fashion.

So, this is what we try to do and what we ask of you is that you support us because we're not as powerful as the five greatest powers in this field but we can't always blame the others or point the fingers at others. True, we will colonize but we're not going to continue to blame colonizers if a number of children also die drowning in the Mediterranean is because people are fleeing their countries now. That means that heads of state and government in Africa need to affect the very much needed resources for the populations. And the populations welfare, the most vulnerable to which the use and the women of course and if we do this, there will be improvement. So, we're talking about the stability situation, the security situation of the colonizers but that is also having an effect on us. Terrorism, what are we talking about? Terrorism is the outcome of poverty of object misery and it's not about going to heaven and having thousands of beautiful virgins around you. It's really not about that at all. People are really driven to terrorism because of poverty.

COULIBALY: So, you find -- find a thing basically for success reforms, you would

really highlight political will to achieve a particular outcome and then have the institutions necessary to follow through on those reforms. And then I think in back to the report I flagged, it was indeed mentioned that much of the gain has come through implementation because there tends to be a gap between what we all know we need to do and then what exactly we do and that's where Guinea's made some significant progress in narrowing that gap. Taking your opening remark you touch on an issue that is very critical which is the extent to which the population by and large benefit from the rights coming from the natural resource or sector and some of the common solutions that are sometimes put forward is to be about to have some kind of transfer mechanism to the populations and I think as you mentioned in your remarks that Guinea's been doing some of that. What is the state of play in terms of the transfer of those resources to local communities, not just those who live in the mining areas but also the population more broadly, so they can benefit more from the profits in the sector.

PRESIDENT CONDÉ: Well, local content first benefitted individuals living in rural areas but we wanted to do more which is why we decided to give 15 percent of mining revenues to the sub-prefectures, the smaller rural towns. We have prefectures we also have governors and we wanted to know how to solve the problem. Let's say you are a great doctor but if you don't know what disease your patient has, you can't cure that patient. I see a parallel between that and the rural villages in Guinea. Those are often abandoned and ignored. Villages are left behind in comparison to cities. We've seen that in France, we've seen that with the (inaudible). Those are people who aren't necessarily from cities and who feel like they're being left behind. It's similar in Guinea in a sense that we have a large rural population that was not being looked after. Let's say you have fiber-optic cable that will make sure that people in these more remote areas have access to what they need because that is going to give people internet access. That way people don't feel like they have to leave the countryside and go to cities or even leave the country entirely. What we must do is make sure that even the remotest villages have technological know-how. That is why we are focused so much on fiber-optic cable so that even people living far away from Conakry can have access to certain technologies and have access to internet without having to leave their

homes in the countryside and go to cities. We need to make sure that we have development throughout the country, not just focus on the major cities and leave the rest behind, otherwise, we're going to see (inaudible) in Africa. That's why we cannot forget about people in rural areas. Seventy percent of the population lives in the countryside. We need to make sure that we have the right information about those people and if we're not even aware that 70 percent of the population is in the countryside then we're not going to adopt the right measures to help them. You mentioned political will before, yes, you also need trust in yourself and trust in the people's capabilities. We need to be able to explain what we want to do to everyone in the population, no matter what level these individuals have in terms of education or experience. We know that people in the countryside maybe they don't have certain access to education but they still have a lot of ingenuity and are able to do a great deal with the little that they have. So, we need to make sure that we educate ourselves.

COULIBALY: The fourth industrial revolution and how Africa missed the first, we missed the second, the third but we shouldn't miss the fourth industrial revolution and I was pleased to know that part of the resources from the mining sector then is being used to do investments that would actually facilitate digitization, set up the right infrastructure so that the young people who naturally are fearless and bold and can compete with any other young person everywhere and (inaudible) one of the most efficient way to achieve inclusion. Um, so the -- we wouldn't finish discussion without talking about China. I think you raised it earlier but when it comes to China, natural resources in Africa, China always comes up. So, if you can use this opportunity to further elaborate on what is you think is the most misunderstood aspect of China's involvement in Africa when it comes to natural resources and what has been Guinea's experience dealing with the Chinese?

PRESIDENT CONDÉ: Well, I think it is a mistake to think that we are just giving away our natural resources blindly. If we need to build a dam and this is actually what we did when we worked on the dam, we made sure that this was being done so that the Guinean government wasn't going to go into debt and we made sure that the debt would be able to be reimbursed even

though we were involved with Chinese companies for that particular initiative. Or when we have deep water ports that need to be built. Mining companies actually finance the construction of that deep-water port. We need to make sure that we know what we are doing with the Chinese. Each country defends its own interest and China is no different. I defend my own interest as well. There's also the America first policy, so you could have China first or Guinea first. So, what kind of contract should we be signing with them? I laugh sometimes because people sometimes criticize us but now, we have railroads and we have been accused of going into debt to finance certain infrastructure projects or other types of projects. Someone may come from the planet Mars and I don't care where that person comes from -- where that person comes from as long as that person is willing to do something that's going to be beneficial to Guinea so that we can develop our natural resources actually develop our box site. If a Martian comes to us and says, sure, we'll help you do that, that's fine but it is up to me to defend the interests of my country at the same time it is good to have a win-win situation where both sides are able to benefit from a partnership. And I'm not talking about defending the interests of just the ruling class, I'm talking about defending the interests of the entire population. We have many problems in Guinea, there is teenage marriage, the other societal problems there is female genital mutilation among others. We need to make sure that we're helping all of the population so that we can lift everyone up and especially focus on you. Those are some of the specific questions that need to be asked of African leaders. We need to make sure that we are thinking about developing the entire population and fighting poverty everywhere, especially in the countryside. Leaders tend to be more familiar with cities where things are happening and they don't often know what is going on in the countryside, even though as I said that's where much of the population lives. The reforms that need to be undertaken need to benefit Guinea first and especially the most vulnerable people in the population, women and youth mainly.

COULIBALY: Guinea is open for business. For any of you -- and this would be the second African president to mention this on this stage, if there's any doubt. So, before we turn to the question and answer portion, Mr. President if I can give you the opportunity to convey some messages for any potential investors out there but the mining sector in Guinea and natural

resources more broadly. What would those messages be?

PRESIDENT CONDÉ: The first message that I have is that people should not think that there is more risk when you invest in Africa, that's not true. In Africa, you can maximize your profit when you invest. Sometimes we talk about Africa, we talk about civil war and famine. We don't talk about all of the progress that Africa has made. We just talk about the bad things but really, it's not, more, risky, to invest in Africa as compared to Europe or Asia. That's the first message. The second message is that we are independent countries. We do not depend only on England or on France, we are open and we have a great deal of expertise but there's a lot of expertise in the US, a lot of technology and I have visited several American cities and I've tried to explain this to investors. Sometimes, well, I know, America is a very big country but sometimes people aren't familiar with French speaking countries and Africa. We know that in some US states or cities people don't even have a passport because America is such a large country and people might not even leave the US but people should know that they can go out of the US and invest in Africa but we need to come to them sometimes.

COULIBALY: I've collected a few cards from some of you, we're going to go through them and if there's more time we can collect some more cards, so, if you haven't had a chance to submit there could be an opportunity. And the first question is coming from Astrid Ansa from Population Services International. So, the person highlighted the fact that Guinea lacks the technological know-how to be able to properly develop the mining sector, explore bauxite, however many people from the diaspora, even locally have trouble entering the market, sharing their ideas but there are already people there who are capable of rising an impact. So, Ansa can you clarify (inaudible)? That last part.

SPEAKER: Yes, so, I was just saying that technically the (inaudible).

COULIBALY: I'll just translate into French for the president. Reiterating the question about technology. There are a lot of people who are interested in entering the market but there are obstacles that prevent these people from doing so.

PRESIDENT CONDÉ: Well, I saw -- I look out into this room. I know that I have a

chief of staff and I have other people who work for me and who had the opportunity to work or study in the US or in other countries and my other associate worked in London and now he is working to promote public investment in Guinea. We have a lot of Guineans who are working in the private sector. They have had the opportunity to work in the US or in France and so they're familiar with the culture. Maybe they don't have a lot of funds but they know how the system works and so we do turn to the diaspora. I'm not saying that you won't need to send "x" number of dollars every month from Washington but if you could have a sense of patriotism that way the diaspora can still contribute to Guinea. We also know that we have ambassadors and I'm always very happy to meet these ambassadors and other people who are working abroad. They can send the right message to attract investors from various places, from the US, from the UK. We need to make sure that we continue doing that. We know that you could have people coming from other countries from Germany and we might not be quite the melting pot that the US is but we welcome people from other countries who can share their knowledge with us because that's what the US did and that is one of the strengths that America has. We need dollars, yes, but we also need that entrepreneurial spirit, that patriotic spirit because if your country makes progress then your salary will go up. We can't leave people to suffer in poverty. There's a choice that Africans must make. Are they going to continue to go to the US and Europe where salaries are higher or will they come to Africa and help Africa? And come back at some point. Maybe a bit of a sacrifice is necessary to help out Africa a little bit. That's a question that we have, it's a question of conscience. There are a lot of young Guineans who have come back home and to have really risen high because they have technological know-how and as I said we can't let the fourth industrial revolution leave us behind. So, I call upon young Africans who are living abroad. Think about what you can bring to Africa. When we saw -- we seen other countries do this. We know that when certain Asian countries were prospering, that created some fear that might also be the case with Africa but Africa can become a great power without necessarily creating this fear for other countries and actually progress for other countries depends on progress that is made in Africa. So, I send the ball back to your court.

COULIBALY: With an issue touch on which is the environment and implications of

exporting and natural resource sector. They say Mr. President that you are correct that most of the greenhouse gas emissions are the fault of countries like the United States, not Guinea. But the world is not close to making advances on climate change all countries would have to go to green energy. How important is finding alternative coal and gas to you? And how can the United States help?

PRESIDENT CONDÉ: Well, we've created the renewables energy initiative for Africa because gradually we wish to have hydraulic energy to replace thermal energy, solar energy of course and wind energy and we emphasize. But as President Conde has said himself it is better sometimes to have slightly dirty energy than none whatsoever than no energy at all. We can't overnight have renewables everywhere in the entire country for a certain period of time we have no choice but to accumulate thermal plants and fossil fuel, of course, fossil fuels, fossil fuel energy and then gradually phase that out and have cleaner energies. But with respect to the mining sector, I don't think there's a mining extraction set where there can be entirely a clean actually. We've been to China and there are always things that disappear but not everything is eroded, which means that if we want to develop further -- if we want to grow with respect to raw materials, we need to focus on a gas now but tomorrow 100 percent of our energy in Africa needs to be entirely renewable but we're not going to wait a hundred years to do this. We need energy now in order to transform, an appropriate energy mix hence is crucial. We continue to have thermal plants, coal plants and we will continue to develop hydro-electric dams as well as solar energy and wind energy but gradually phase the dirtier energies out. And those that move towards the most and have made the most progress towards clean energies, for instance the Germans, but we mustn't be told do not pollute, stop using because they've been doing it develop themselves in their own industrial revolutions. Now, we're going to do the same thing but we're going to avoid the stumbling blocks that they were previously confronted with other countries. Now, we need to know what was used. We need to use the same things but avoid the worst inputs. So, we need to be able to sustain our business but you don't want our rivers to disappear, for instance for our lakes to be completely dried out as is the case in certain countries. So, we need to move towards clean energy but in the meantime, we still

need coal energy, failing which we won't be able to have economic growth or development. So, seven Africans out of ten have no energy. Now, if in the mining and agricultural sectors improve, we would be number one in the world but of course, we would have to employ and increase salaries and then start exporting, but we need to have internal growth first and foremost. So that those companies, those investors are interested in recruiting labor and that we have cheap labor but we don't have the know-how in our labor force, in our active work force and so we need to have our raw materials transformed into finished product and become the first plants in the world in this area. But we need our brains -- our African brains to come back to Africa. It is good that Mr. Coulibaly is a great director here and a great director here but he will come back to Cote d'Ivoire to help his country, I'm certain.

COULIBALY: In your remarks you outlined in a number of issues that you would like me to help with here and I would like to thank while I'm here to provide that kind of assistance, but I do hear you and have plans to return at some point.

PRESIDENT CONDE: (Inaudible).

COULIBALY: The next person is about the environment for innovation, they're saying what initiatives are being put in place to create an environment for innovation that could help create the eco-system for the resources.

PRESIDENT CONDE: First of all, we need to combat the disadvantages or rather the impact of climate change. So, we have to have an appropriate environmental policy systematically, for instance, we're going to re-forest all the forests around the rivers. Now, it is often said that Guinea is the water tower of West Africa because it really provides other countries with quite a lot of water. So, if we see a river dry up suddenly Mali will have no water anymore at all. So, we need to fight against climate change, make sure that we continue to have water resources and clean ones. So, we need to reforest -- reforestation as Cote d'Ivoire has done and it has recovered a large portion of its forest but we need to do the same. Secondly, we need to use -- instead of using small holder farmers or farmers that using a fuel would. We want them to use a cleaner type of energy. So, a farmer in Guinea doesn't necessarily have to go somewhere else

these days. He can order a tractor with his cellphone, come to his field and he can order the input or fertilizers and all these can be imported, thanks to phone call. But he can't use just anything either because when we say that we need to do waste transformation as well, that's all good and well to create fertilizer, that's okay but be careful of the waste because what we need to do, okay, for energy or create bricks fine, that kind of energy is fine but not in some cases. So, in the fight against climate change, the (inaudible) damn is going to make it possible for us, for instance (inaudible) building and building it to take advantage of the water from the Niger River. Now, in the past there were ships that could do this but thanks to the new dam we're going to be able to raise the water level of the Niger River, which will then make it possible to irrigate six thousands of hectares between Mali, Niger, Guinea, so let us start firstly to fight against the impact of climate change and create the appropriate conditions for return -- an appropriate return to nature and natural resources. That is our obligation and let us avoid abusive exploration or exploitation as we've done in the West or as they've done in the West. Such as asbestos which has a number of very bad consequences and therefore the development that they have known in the west, we wish the same but we want to avoid, of course, the most harmful aspects of it such as asbestos.

COULIBALY: It was sometimes difficult to even know how much you have underground and the kind of technology that can allow to monitor it as well as what is extracted and what is exported but for technology more probably what are some of the initiatives there to facilitate local technological innovation that could potentially benefit the sector as well as the economy more broadly.

PRESIDENT CONDÉ: Well, we think support from friendly countries we have some spearheads and we have actually ships, high-speed ships, high-speed boats that actually can go visit the bigger ships and actually measure the amount of tonnage, the tonnage in raw material or whatever materials being transported or shipped. So, we have two laboratories that make it possible for us the content of the bauxite that is being exported in these ships. We've made progress there but that is not enough. For instance, in Guinea, we carried out some geo-physical mapping for resources for product but this is something that was done by foreign companies. We

do not have the where-with-all to carry out geo-physical analysis to analyze tonnage as well as content. And so, we have to partnerships with foreign countries and we need to learn therefore, so that we may ourselves be able to control the entire technological field and especially for bauxite and, in order to analyze or measure tonnage. I have a lot of very smart African people working around me and working for me, working with me but they are Ivoirians, they're not just from Guinea, for instance (inaudible) advisor for the agriculture and they want to (inaudible) here but he was an Ivoirian man who made it possible for us to make some headway, (inaudible), I have a number of assistance that work with me from Africa but there not necessarily all from Guinea, they're from (Senegal), they're from (Cote d'Ivoire). I don't want to recruit someone from France necessarily. I want the Africans to be concerned in this kind of a enterprise. I mean, if you think about someone from Bangladesh coming to Mali, it doesn't make any sense. In order to really make progress we have to do it amongst ourselves, amongst Africans. I have a number of projects in Mali because Mali and Guinea are very close together and are good partners but Diaspora, the Diaspora will help us creating the sixth continent or the sixth region, I should say. The sixth region of Africa should be the Diaspora with all the various countries in it. And that they be more involved in the development of Africa but gradually we maybe be able to spearhead to leverage technology and there are currently some technologies where we don't have the wherewithal and we have to call upon partners.

COULIBALY: This last question, how do business here, the United States who have created partners, investors, have the opportunity to invest at home and to work hand-in-hand with the government. I'm sorry, how do Guineans here in the United States who have created a partners and investors, have the opportunity to invest at home to work hand in hand with the government and this question is from (inaudible).

PRESIDENT CONDÉ: I'm Pan-African, I'm a Pan-African person, not just a Guinean person. I think that if there's one African person here that has a certain (inaudible) or know-how in a certain sector, he's welcome in Guinea. What is important to work with an American Company, when an American Company comes to Guinea, it gives others courage also to imitate if

it's successful of course, if the first one is successful, others will be attracted. So, the preconditions, the enabling environment has to be offered first and foremost because if they -- if at first investors have problems others won't follow. So, the first ones have to be ambassadors or spokespersons for others to come because the conditions were favorable for them to invest. And then borders, borders are artificial. There are artificial borders. We speak the same language, you grew up here but you actually are from a Cote d'Ivoire, half-Malian but there are no barriers, they're no borders between us. So, if all Africans that have a good possibilities and have good know-how could come to Guinea then they are welcome to come, you know, the assemble to end hunger was if all the children could participate -- in other words if we could all get together and put our strings together we would solve the problem of hunger in Africa. And as a president of the AU previously I have always said there is no discrimination between countries, there should not be and there isn't.

In South Africa, I was visiting South Africa and you heard the (inaudible) declaration recently and in a (inaudible) where they are listening many representatives in other words it means that each and every African has to appropriate this, there should be no difference when you're in Cote d'Ivoire making differences between a Ivoirian person, a Senegalese person and Malian person is useless. It's completely useless and all Africans should feel at home wherever they are in an African country. In order to develop further, we need to have the participation of each and every African person and we need support from our American partners to invest in our country, that's why I call upon them to support us in this way and they can either for the diaspora come back to Africa or actually go back and forth between the US and Guinea or other countries so they can become ambassadors but in a bi-directional fashion. So, you come back and you get more information going back to the United States and you go back to Guinea and you impart that information and you go further and further. And that makes it possible for you to transmit knowledge to your young brothers and sisters in Africa.

COULIBALY: They have to (inaudible) but I do promise you that the questions that we were not able to read, I'm going to share this with the ambassador for him to share with his Excellency. And if I can just ask for your patience to remain a bit seated while the president makes

his way out, I'd appreciate it. And Mr. President, thank you very much for coming. It's been a very fascinating conversation and we've really made a note of some of the challenges Guinea is facing in the natural resource sector.

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