

GUINEA

UNITARY COUNTRY

BASIC SOCIO-ECONOMIC INDICATORS

INCOME GROUP: LOW INCOME

LOCAL CURRENCY: GUINEAN FRANC (GNF)

POPULATION AND GEOGRAPHY

Area: 245 860 km²
Population: 12.717 million inhabitants (2017), an increase of 2.3% per year (2010-2015)
Density: 51.73 inhabitants / km²
Urban population: 38% of national population
Urban population growth: 3.8% (2017 vs 2016)
Capital city: Conakry (14.5% of national population)

ECONOMIC DATA

GDP: 29.0 billion (current PPP international dollars), i.e. 2 284 dollars per inhabitant (2017)
Real GDP growth: 12.7% (2017 vs 2016)
Unemployment rate: 4.5% (2017)
Foreign direct investment, net inflows (FDI): 1 512 (BoP, current USD millions, 2017)
Gross Fixed Capital Formation (GFCF): 75% of GDP (2017)
HDI: 0.459 (low), rank 175 (2017)
Poverty rate: 35.3 (2012)

MAIN FEATURES OF THE MULTI-LEVEL GOVERNANCE FRAMEWORK

The current Guinean Constitution was promulgated on 7 May 2010, following those of 1991, 1982 and 1958. This constitution proclaims a republic with a presidential regime. The President of the Republic, Head of State, appoints a Prime Minister, Head of Government. Executive power is in the hands of the government and legislative power is shared between the government and the National Assembly. Article 136 of the Constitution recognizes that "Local authorities are freely administered by councils elected under the control of a state delegate who is responsible for national interests and respect for the law".

The decentralization process in Guinea began some 30 years ago, with the keynote address by the Head of State on 22 December 1985, which established decentralization as the means chosen by the first government after the First Republic (1958-1984) to involve the population in public management. The reforms undertaken at that time were intended to improve governance to make policy choices and implementation more effective. The stated ambition was to design and implement policies and strategies that would better meet the needs freely expressed by the population. Decentralization should enable people to take responsibility and participate in the development process through elected bodies and effective local administration.

The Local Government Code, adopted in 2006, represents a significant step forward in the structuring of decentralization in Guinea. It recognizes that local authorities have a large degree of financial autonomy and prerogatives, with 33 powers to be transferred to them. Another very important step was taken in March 2012 with the approval by decree of the National Policy Letter on Decentralization and Local Development (LPNDDL) and its action plan. The LPNDDL is a practical instrument of strategic guidance for strengthening decentralization and local development. An Inter-Ministerial Steering Committee (CIP) of the LPNDDL, composed of the majority of the Government, is set up by the Prime Minister in 2013 and is responsible for monitoring the implementation of the action plan. This step forward in terms of decentralization should be contrasted. From 2015, the vast majority of elected officials were replaced by special delegations appointed by the central level, until the last municipal elections held in February 2018. The previous ones were held in 2005.

TERRITORIAL ORGANISATION

2016	MUNICIPAL LEVEL	INTERMEDIATE LEVEL	REGIONAL OR STATE LEVEL	TOTAL NUMBER OF SNGS
	342 <i>Communes</i> 38 urban <i>communes</i> (including the 5 <i>communes</i> of Conakry) 304 rural <i>communes</i>		8 Regions (including the special Region of Conakry)	
	Average municipal size: 37 185 inhabitants			
	342		8	350

OVERALL DESCRIPTION. According to the 2010 Constitution, Guinea's territorial organization consists of territorial divisions (prefectures and sub-prefectures) and local authorities (regions, urban and rural communes). The country has 33 prefectures and 304 sub-prefectures (deconcentrated level). As regards decentralized local authorities, Guinea has 8 regions (including the Conakry Special Region) and 342 communes, including 304 rural communes and 38 urban communes (including 5 communes in the Conakry Special Region).

Rural municipalities and sub-prefectures share the same territory, which results in low visibility of rural municipalities to the benefit of the corresponding sub-prefectures. The urban communes correspond to the chief cities of the 33 prefectures (excluding the five communes of Conakry). Rural municipalities are subdivided into sectors and urban municipalities into districts.

The municipalities have a deliberative body, the municipal council, and an Executive, the Mayor and his/her deputies. The regions operate with a deliberative regional council composed of elected representatives from the municipalities that make up the region. The members of the council elect a president and vice-presidents for a fixed term of office.

INTER-MUNICIPAL COOPERATION. Two inter-municipal cooperation schemes are worth mentioning:

In the Boffa region, a Public Interest Group, GRENPAH has been organising the maintenance of rural tracks since 1995. It is a unique structure in the Republic of Guinea (the country's first inter-municipal cooperation structure). Reorganized in 2003, it has 10 contributing members (legal entities) and supports 44 Village Rural Track Maintenance Committees (CVEP) and 2 Urban Road Maintenance Committees (CEVU). GRENPAH builds an average of 6 crossing structures per year and represents the interest of the populations of the prefecture of Boffa in the maintenance of rural tracks and urban roads. The GRENPAH is structured around a General Assembly, a Management Board and a technical team

In addition, a Special Economic Zone has recently been created in the Boké region (Decree of 25 April 2017) to make the most of the potential of this region rich in mineral resources.

SUBNATIONAL GOVERNMENT RESPONSIBILITIES

According to articles 29 and 30 of Law L/2017/040/AN of 24 February 2017, on the revised Local Government Code of the Republic of Guinea, the Municipalities have 14 areas of competence and the Regions 8. However, in reality, the municipalities assume very little of their responsibilities due to a lack of human and financial resources. The only real competence they assume is civil status.

MAIN RESPONSIBILITY SECTORS AND SUB-SECTORS

	REGIONS	MUNICIPAL LEVEL
1. General public services	Creation, organisation, modification of administrative and public services at regional level	Creation, organisation, modification of administrative and public services of local authorities; Administrative, financial, budgetary, accounting and public procurement management; Capacity building for elected officials and staff of decentralized services; Civil status
2. Public order and safety		Municipal police; Firefighting; Urban signage; Combating the divagation of animals
3. Economic affairs/transport	Maintenance of regional road infrastructure; Support to regional economic activities	Urban roads; Public parks; Urban transport; Local tourism; School pick-up; Commercial equipment; Economic infrastructure
4. Environmental protection	Nature conservation; Soil and groundwater protection; Climate protection	Parks and green spaces; Waste management and sanitation; Environment and living conditions (hygiene and sanitation)
5. Housing and community amenities		Construction and renovation; Access to drinking water (boreholes); Public lighting; Urban planning; Housing; Social and administrative infrastructure
6. Health	Management of prefectural and regional hospitals	Primary health care (health centres); Preventive health
7. Recreation, culture & religion	Promotion of cultural and sporting activities	Sports; Libraries; Local museums
8. Education	High school management; Vocational training	Pre-school, primary and secondary education; Literacy; Civic education
9. Social protection		Social work

SUBNATIONAL GOVERNMENT FINANCE

Scope of fiscal data: no data available.

Availability of fiscal data:

Quality/reliability of fiscal data :

GENERAL INTRODUCTION. The revised 2017 Local Government Code in Title V - Chapter 1 defines the general provisions concerning local government finances. These are managed in accordance with the provisions of Organic Law L/2012/012/CNT on Finance. Chapter 3 deals with the resources of local authorities and has the status of a tax law. The finances of local authorities and their financially autonomous public services are managed according to the general principles of public finance. Rural and urban municipalities have a budgetary nomenclature composed of revenues (tax revenues, non-tax revenues, state grants and subsidies, miscellaneous and accidental revenues and mining sector revenues) and expenditures.

They must prepare, adopt and have approved annually by the supervisory authority the estimated statement of revenue and expenditure of their local authority. To this end, they have a single budget nomenclature and chart of accounts for the budgetary and accounting management of the local authority.

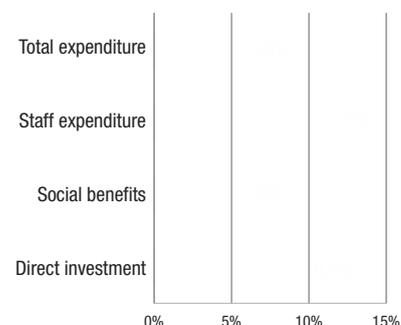
In 2017, the Government decided by decree to create a National Local Development Fund (FNDL), the management of which will be entrusted to a Public Administrative Establishment (EPA), an organisation with decision-making and management autonomy. This EPA is called ANAFIC for National Agency for the Financing of Local Authorities. The FNDL will be financed from mining royalties (Article 165 of the Mining Code) and will be used for the investment and operation of all local authorities in the national territory according to distribution rules and an equalization mechanism.

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SUBNATIONAL GOVERNMENT EXPENDITURE BY ECONOMIC CLASSIFICATION

	DOLLARS PPP / INH.	% GDP	% SNG EXPENDITURE	% GENERAL GOVERNMENT EXPENDITURE (SAME EXPENDITURE CATEGORY)
Total expenditure				
Incl. current expenditure				
Staff expenditure				
Intermediate consumption				
Social expenditure				
Subsidies and current transfers				
Financial charges				
Others				
Incl. capital expenditure				
Capital transfers				
Direct investment (or GFCF)				



EXPENDITURE. No data available.

DIRECT INVESTMENT. To date, as the regions are not functional, only the municipalities are in a position to make capital investments.

SUBNATIONAL GOVERNMENT EXPENDITURE BY FUNCTIONAL CLASSIFICATION – COFOG

Local authorities incur operating and investment expenses in accordance with the Annual Investment Plan (PAI), which is derived from each municipality's Local Development Plan (PDL). Operating expenses relate to: Debts, Salaries and Wages, Current Expenses, Economic and Social Interventions, Exceptional, Past and Miscellaneous Expenses, and Financial Expenses.

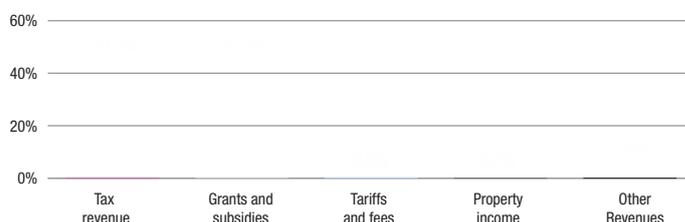
Capital expenditures are based on:

- The economic development programme covering the following sectors: Agriculture, Livestock, Fishing, Crafts, Aquaculture, Tourism, Industry and SMEs, Energy, Trade, Transport infrastructure (bus station, landing stage, port, tracks and roads etc...) - The commune's social development programme including sectors such as Education, Health, Water, Culture and Worship, Youth, Women's Development and Children, Communication, Hygiene and Sanitation, etc;
- The Impact Limitation Program (recommended environmental measures);
- The Institutional Development Programme, including capacity building and conflict and disaster prevention/management.
- These investments are based on the priorities for action and financial capacities of each municipality.



SUBNATIONAL GOVERNMENT REVENUE BY CATEGORY

	DOLLARS PPP / INH.	% GDP	% GENERAL GOVERNMENT REVENUE (SAME REVENUE CATEGORY)	% SNG REVENUE
Total revenue				
Tax revenue				
Grants and subsidies				
Tariffs and fees				
Property income				
Other revenues				



TAX REVENUE. Local authorities are assisted in the mobilization of taxes by the prefectural tax services under the supervision of the national tax authorities. The prefectural tax service is responsible for editing the roles. Compliance with the tax allocation rules is ensured by the Prefectural Tax Directorate.

GRANTS AND SUBSIDIES. The law (Revised Local Government Code - Title V, Chapter I, Section 2, Articles 428, 429 and 430) provides for two types of State grants, an operating grant and an equipment grant. In practice, these state grants and subsidies to local authorities (urban and rural municipalities) vary from one municipality to another in the same year and from one year to another. An urban municipality can receive up to 300 million Guinean francs per year (just under 100 000 PPP dollars) while the average for rural municipalities is 100 million Guinean francs (about 30 000 PPP dollars) per year.

OTHER REVENUES. No data available

■ SUBNATIONAL GOVERNMENT FISCAL RULES AND DEBT

	DOLLARS PPP/INH.	% GDP	% GENERAL GOVERNMENT DEBT	% SNG DEBT
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Total outstanding debt

Financial debt*

* Currency and deposits, loans and bonds

FISCAL RULES. According to the revised Local Government Code (Title V, Chapter I, Section 1, Articles 423 and 424), the finances of local authorities and the public institutions attached to them are managed in accordance with the provisions of Organic Law L/2012/012/CNT of 6 August 2012, in particular in its Titles: I, II, VI and VII. The same applies to the finances of local authority groupings. Chapter V, Section 1, Article 531, stipulates that local authority accounting includes budget accounting and general accounting. Budgetary accounting records, for a given year, the operations of local authorities' budget implementation in terms of revenue and expenditure, in accordance with the budget nomenclature. The accounts are kept in single part. This makes it possible to monitor the collection of budgetary revenue and the commitment, liquidation, authorisation and payment of public expenditure.

DEBT. In terms of borrowing, a system exists at the central bank level for local authorities. However, it is not operational and local authorities are currently unable to borrow.



Lead responsible: UNCDF
Last update: 02/ 2019

www.sng-wofi.org

Socio-economic indicators: World Bank // UNDP // UN Desa // ILO.

Fiscal data: not applicable.

Other sources of information: Cities Alliance et CGLUA (2018) Assessing the institutional environment of local governments in Africa // AIMF (2017) Etude sur la localisation des objectifs de développement durable en vue d'appuyer le processus de plaidoyer des autorités locales dans les pays francophones d'Afrique - Cas de la Guinée // Ministère de Décentralisation et du Développement local (2011) Lettre de politique nationale décentralisation et développement local.