

### BASIC SOCIO-ECONOMIC INDICATORS

Income group - **LOW INCOME** Local currency - **Guinean Franc (GNF)**

#### POPULATION AND GEOGRAPHY

AREA: **245 857** km<sup>2</sup>

POPULATION: **12.3** million inhabitants (2014), an increase of 2.8% per year (2010-14)

DENSITY: **50** inhabitants/km<sup>2</sup>

URBAN POPULATION: **37.2%** of national population

CAPITAL CITY: **Conakry** (15% of national population)

Sources: World Bank database, UNDP-HDI, ILO

#### ECONOMIC DATA

GDP: **15** billion (current PPP international dollars) i.e. 1 219 dollars per inhabitant (2014)

REAL GDP GROWTH: **0.4%** (2014 vs 2013)

UNEMPLOYMENT RATE: **1.7%** (2014)

FOREIGN DIRECT INVESTMENT, NET INFLOWS (FDI): **566** (BoP, current USD millions, 2014)

GROSS FIXED CAPITAL FORMATION (GFCF): **14%** of GDP (2014)

HUMAN DEVELOPMENT INDEX: **0.411**(low), rank **182**

### TERRITORIAL ORGANISATION AND SUBNATIONAL GOVERNMENT RESPONSIBILITIES

MUNICIPAL LEVEL	INTERMEDIATE LEVEL	REGIONAL OR STATE LEVEL	TOTAL NUMBER OF SNGs
<b>341</b>	-	-	<b>341</b>
MUNICIPALITIES (COMMUNES)			
AVERAGE MUNICIPAL SIZE: <b>36 070</b> INHABITANTS			

**MAIN FEATURES OF TERRITORIAL ORGANISATION.** Guinea is a unitary country with a one tier decentralization structure. The decentralization process started in 1986, in a country that inherited a highly centralized administration from the colonial period. After the publication of the Fundamental Law of 1991, later modified by the 2001 Constitution, the Guinea territorial divisions are the regions, prefectures, sub-prefectures, neighborhoods and districts. Local governments consist in urban municipalities and rural development communities. Guinea accounts 341 municipalities divided into 38 urban municipalities, of which five are located within the capital city of Conakry. These urban municipalities are themselves subdivided into neighborhoods, whereas the rural areas the villages are made of several districts. A local governments code has been adopted in 2006, however the decrees for their implementation weren't published. Municipalities are headed by elected councils among which executives are also elected. The city of Conakry enjoys a special status, as it is subdivided into urban municipalities, each of them having its mayor, but the executive of the city is a governor appointed by the President of the Republic.

**MAIN SUBNATIONAL GOVERNMENTS RESPONSIBILITIES.** Competences of municipalities do not vary whether they are urban or rural. They are stated for in the Local Governments Code. The competences assigned to the municipalities are covering administrative services management (registry services, local police and safety) ;infrastructure and transport (roads maintenance, sewerage management, ect.); urban management ; environment, hygiene and sanitation (potable water provision and distribution management, environmental protection, ect.) ; social services (literacy campains, development of cultural services, health centers building and maintenance, primary schools building and management); economic services (building and maintenance of municipal markets and tourists sites) ; local development and urban planning.

### SUBNATIONAL GOVERNMENT FINANCE

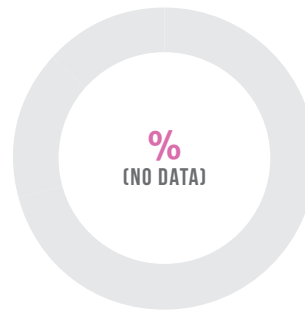
EXPENDITURE	% GDP	% GENERAL GOVERNMENT (same expenditure category)	% SUBNATIONAL GOVERNMENT
<b>TOTAL EXPENDITURE (2013)</b>	<b>0.2%</b>	<b>0.8%</b>	<b>100%</b>
<b>CURRENT EXPENDITURE</b>	0.05%	-	23.6%
<b>STAFF EXPENDITURE</b>	-	-	-
<b>INVESTMENT</b>	0.2%	1.8%	76.4%

It should first be noted that all the data here displayed are from only 150 of the overall municipalities. Despite the responsibilities devolved upon them by the law, Guinean municipalities are not fully effective due to the lack of legal acts to enforce them, and to a lack of resources, both human and financial. They account for only 0.8% of total public expenditures, corresponding to only 0.2% of the national GDP.

## EXPENDITURE BY FUNCTION

## % SUBNATIONAL GOVERNMENT EXPENDITURE

- GENERAL PUBLIC SERVICES
- DEFENCE
- SECURITY AND PUBLIC ORDER
- ECONOMIC AFFAIRS
- ENVIRONMENTAL PROTECTION
- HOUSING AND COMMUNITY AMENITIES
- HEALTH
- RECREATION, CULTURE AND RELIGION
- EDUCATION
- SOCIAL PROTECTION



From this sample, we can observe that local governments expenditures represent a very low share of GDP, thus reflecting the difficulties the municipalities are facing to fulfill their duties. These difficulties come partly from a mismatch between the government stated priorities (primary education, public health, road maintenance) and concrete expenditure allocation.

REVENUE BY TYPE	% GDP	% GENERAL GOVERNMENT (same revenue category)	% SUBNATIONAL GOVERNMENT
TOTAL REVENUE (2012)	0.3%	1.4%	100%
TAX REVENUE	-	-	-
GRANTS AND SUBSIDIES	-	-	-
OTHER REVENUES	-	-	-

Municipalities global revenue level appears to be insufficient to allow them to fully fulfill their devolved responsibilities. Fiscal devolution is still unfinished in Guinea, despite the provision of the local governments code, and the share of LGs revenue to GDP still very low at 0.3%, below the average level of West African decentralized countries.

**TAX REVENUE.** There is no official statistics on subnational governments revenues in Guinea. Municipal tax revenues comprise business tax, property taxes, tax on registry, on market places and parking. There is an important fiscal imbalance between municipalities, as their number of taxes and their share of local revenue differ. The major part of own local revenues is concentrated in the Conakry urban agglomeration.

**GRANTS AND SUBSIDIES.** Municipalities receive two types of intergovernmental transfers : an operating grant, and a specific purpose capital grant. The latter has to be used to fund investments comprised in the municipalities development plan or annual investment programme.

**OTHER REVENUES.** Other revenues include fees and fines, but they represent only a very small share of subnational revenues.

OUTSTANDING DEBT	% GDP	% GENERAL GOVERNMENT
OUTSTANDING DEBT (2013)	-	-

The municipalities are legally authorized to borrow. Yet, in practice, contracting a loan is a complex process and requires the approval of the central government, and is strictly limited to the funding of capital expenditures.

A joint- study of:



Sources: Ministère de l'Administration du Territoire • *Decentralisation in Guinea : strengthening accountability for better service delivery, Public sector reform and capacity building unit, World Bank (2008)* • Portail foncier et développement (2008), *Cadre législatif et institutionnel de Guinée Conakry, "Décentralisation, foncier et acteurs locaux"*, on <http://www.foncier-developpement.fr/> • UCLG (2010), *Survey on decentralisation* • O. Fjeldstad, G. Chambas, J. Brun, *Local government taxation in sub-saharan Africa, CMI Working Paper (2014)*

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