



REPUBLIC OF GUINEA THIAM & ASSOCIÉS

FIRM INFORMATION

Website address : <https://www.thiam-associes.com/>
Languages spoken : English, French
Telephone : +224 621 63 31 87
Address : Carrefour Kipe - Centre Emetteur, Commune de Ratoma BP 781 Conakry,
République de Guinée
Contact: : Abdourahim Bodeen Diallo
Email : abodeen.diallo@thiam-associes.com

REPUBLIC OF GUINEA | THIAM & ASSOCIÉS

RELEVANT AUTHORITIES AND LEGISLATION

What laws regulate mining?

In the Republic of Guinea, the mining sector is mainly governed by the Mining Code, adopted in September 2011 (Law 2011/006/CNT of 9 September 2011 on the "Mining Code of the Republic of Guinea" as amended by Law N° 2013/053/ CNT of 8 April 2013).

The Mining Code constitutes the legal framework for State intervention in the mining sector. It fixes the conditions for obtaining a mining title or an authorization. It defines the various types of mining and quarrying titles and their characteristics. It describes the rights and obligations attached to the exercise of mining or quarrying activities by the holders of mining titles, their relationship with the State and with the Local Communities. It also constitutes the fiscal framework for the exercise of mining activities in Guinea.

In addition, the 'Mining Code' is supplemented by several laws, decrees and orders, including (but not limited to):

- Law N°L/2011/005/CNT of 11 August 2011 on the constitution and management of mining assets;
- Decree D/2014/012/PRG/SGG of 17 January 2014 on the Management of Mining Permits and Titles;
- Decree D/2014/013/PRG/SGG of 17 January 2014 on the application of the financial provisions of the Mining Code;
- Decree D/2014/014/PRG/SGG of 17 January 2014 adopting a guideline for carrying out an environmental and social impact assessment of mining operations;
- Decree D/2014/015/PRG/SGG of 17 January 2014 adopting a model standard mining agreement;
- Order A/2016/5002/MMG/SGG of 1 September 2016 establishing a new cadastral procedure; and
- Joint Order A/2016/6074/MEF/MGG/SGG of 26 September 2016 setting the rates and tariffs of fixed fees, taxes and royalties relating to the granting, renewal, extension, transfer and/or amodiation of mining permits and authorizations.

Finally, other laws also have or are likely to have an impact on projects and operations relating to mining resources.

These include:

- Law L/94/005/CTRN of 15 February 1994 on the Water Code;
- Ordinance n°1987-45/PRG of 28 May 1987 on the Environmental Protection and Development Code;
- Ordinance no. 1992-19 of 30 March 1992 on the Land and Property Code;
- Law no. 1999-13 of 22 June 1999 on the Forestry Code;
- Law no. 1995-51 of 29 August 1995 on the Pastoral Code;
- the General Tax Code; and
- Law L/95/046/CTRN of 29 August 1995 on the Livestock and Animal Products Code.

Which government organizations manage the mining law?

The Ministry of Mines and Geology is the entity responsible for the promotion and control of prospecting and mining activities in the Republic of Guinea. The same Ministry is also responsible for the elaboration of legislative and regulatory dispositions applicable to the mining sector. Article 9 of the Mining Code sets out the main governance structures of the sector.

The governance of the mining sector is provided by a central and other deconcentrated departments and services forming the Mining Administration.

These include:

- the National Directorate of Geology;
- the National Directorate of Mines;
- the National Bureau of Expertise for Diamonds, Gold and other Precious Materials (BNE);
- the Centre for Mining Promotion and Development (CPDM);
- the Study and Strategy Office (BES);
- the Precious Goods Anti-Fraud Brigade;
- the Directorate General of Mining Projects;
- the General Inspectorate of Mines and Geology;
- the Directorate General of Geo Services;
- the Mining project coordinators and deputy coordinators;
- the Centre for Mining Promotion and Development (CPDM);
- the Guinean Mining Heritage Company (Soguijami); and
- the Bureau d'Etude et de Stratégie (BES).

The attributions, composition, organization and functioning of the said services are determined by a decree of the President of the Republic. A National Mining Commission is created, made up of representatives of the State and the other entities of the Nation, responsible for participating, on the basis of the dispositions of the Mining Code, in the examination of applications for the granting, renewal, transfer, extension and withdrawal of mining titles. Its powers, organization, composition and functioning are set by decree of the President of the Republic.

Similarly, a Technical Committee on Titles is created, an internal committee of the Mining Administration responsible for examining applications for the granting, renewal, extension and withdrawal of mining titles prepared by the CPDM. Its attributions, organization, composition and functioning are fixed by order of the Minister in charge of Mines.

TYPES OF AND MANNER OF ACQUISITION OF RIGHTS

What rights are granted to conduct reconnaissance, exploration and mining operations?

Article 15 of the Mining Code provides that:

“Any physical or moral person with the technical and financial capacity to carry out these activities may carry out the recognition of showings, the search for mining substances or quarries, under the conditions of the present law. The following may exploit mining or quarrying substances under the conditions of this law:

- any physical or moral person, public or private, under Guinean law, justifying the technical and financial capacities to undertake the requested exploitation.
- any physical or moral person of Guinean nationality duly authorized to engage in semi-industrial or artisanal exploitation.
- A decree of the President of the Republic specifies what is meant by “technical and financial capacity.
- Persons or companies subject to international sanctions or criminal investigations related to fraud, corruption or money laundering may not obtain Mining Titles or Authorizations”.

Furthermore, any mining activity in the Republic of Guinea is subject to the prior issuance of a mining title. Thus, in accordance with Article 17 of the Mining Code, the right to engage in mining or quarrying activities can only be acquired by virtue of the following mining titles and authorizations.

Mining titles:

- research permit;
- industrial and semi-industrial mining permits; and
- mining concession.

Authorizations:

- authorization for the exploration of mining or quarrying substances;
- authorization to search for careers;
- authorization for artisanal exploitation of mining or quarrying substances; and
- authorization for the exploitation of quarry substances (permanent or temporary authorization).

Research permits

The Exploration Permit is granted by order of the Minister, on the recommendation of the Centre de Promotion et de Développement Minier (CPDM), after a favourable opinion of the Technical Committee on Titles, to the applicant who has submitted an application that complies with the requirements of this Code and its implementing texts and who has sufficient technical and financial capacity, as well as work and expenditure commitments that are deemed acceptable.

The CPDM is responsible for examining the application and carrying out the cadastral evaluation. The technical and environmental assessment and the related opinions are the responsibility of the National Directorate of Mines and the Ministry of the Environment in relation to the Technical Committee for Titles. The decision to approve or refuse the Mining Title, its notification and publication are the responsibility of the Minister in charge of Mines.

The terms and conditions of the award are as follows:

- for areas without geological information or with geological information that does not allow a deposit to be identified: “the first applicant is granted title”; and
- for the perimeters already prospected, containing a known deposit or arousing the interest of several companies, the award procedure will be that of competition by competitive and transparent invitation to tender according to rules to be defined in the regulatory texts, and approved by the National Mining Commission. The tender must be concluded within a maximum period of one year from the entry into force of the Ministerial Order reserving the deposit to be tendered.

On the proposal of the Minister in charge of Mines, a decree of the President of the Republic opens the invitation to tender:

- The Exploration Permit for semi-industrial exploitation will be granted exclusively to natural persons of Guinean nationality, to companies with capital held entirely by Guineans and to nationals of countries granting reciprocity to Guineans;
- The acts that enshrine the attribution, extension, renewal, transfer, farm-out, withdrawal or renunciation of mining titles must be published in the official gazette and on the official website of the Ministry in charge of Mines, or any other site designated by the Minister. The opening up of geographical areas for exploration must be widely publicized; and
- The placing on the market, by invitation to tender, of the Perimeters already prospected, with a view to the granting of an Exploration Permit, must be published in at least two widely circulated newspapers, at least 45 days before the deadline for the submission of bids.

Operating permits

The Industrial or Semi-Industrial Mining Permit is granted by right, to a company under Guinean law, by Decree issued by the Council of Ministers on the proposal of the Minister in charge of mines, after a favourable opinion from the National Mining Commission, to the holder of the Exploration Permit who has complied with the obligations incumbent on him by virtue of the Mining Code and who has submitted an application in accordance with the regulations, at least three months prior to the expiry of the period of validity of the Exploration Permit by virtue of which the application has been made.

The company holding the Exploration Permit shall, for this purpose, create a subsidiary under Guinean law.

Composition and modalities of examination of the file constituting the application for the granting of the Exploitation Permit

The application for an Industrial or Semi-Industrial Mining Permit must be accompanied by a dossier, the details of which are set out in the mining regulations, and which must include, inter alia, each of the following elements:

- a copy of the valid Research Permit and proof of payment of taxes and royalties due; the report on the results of the

investigations as regards the nature, quality, volume and the geographical location of the identified mineral resource;

- a plan of the first or second handover, as the case may be, accompanied by the results of the research work and corresponding to half of the previous area;
- a feasibility analysis including a plan for the development and exploitation of the deposit including, among others:
- a detailed Environmental and Social Impact Assessment, complete with an Environmental and Social Management Plan, including a Hazard Plan, a Risk Management Plan, a Health and Safety Plan, a Rehabilitation Plan, a Relocation Plan for Populations Affected by the project and measures to mitigate negative impacts and optimize positive impacts;
- the economic and financial analysis of the project and the plan for obtaining the necessary permits and authorizations;
- plans and estimates for industrial infrastructure;
- a plan to support Guinean enterprises for the creation and/or strengthening of the capacities of PME/PMI or enterprises owned or controlled by Guineans for the supply of goods and services widely used in their activities and a plan to promote the employment of Guineans, the minimum of which should be in line with the quotas set out in this Code;
- the detailed timetable of the work to be carried out;
- a plan for community development annexed to the Local Development Agreement which covers, among other things, training, medical, social, school, road, water supply and electricity infrastructures. The signing of this Local Development Agreement will take place upon obtaining the Title; and
- an architectural plan of the company's headquarters together with a request for the allocation of a plot of land addressed to the competent Administration; the headquarters must necessarily be built within a maximum period of three years from the granting of the Mining Permit for iron ore, bauxite, gold and diamond.

For Semi-Industrial Permit holders, the environmental obligations and those relating to the Community Development Plan will be specified in the decree establishing the permit. The CPDM is responsible for the application and the cadastral evaluation.

The technical and environmental assessment and related opinions are the responsibility of the Direction Nationale des Mines and the Ministry of the Environment in conjunction with the Comité Technique des Titres and the Commission Nationale des Mines.

The decision to approve or refuse the Mining Title, its notification and publication remain subject to the provisions of this Code and are the responsibility of the Minister.

Status of the Exploration Permit after award of the Mining Concession

The granting of a Mining Concession results in the cancellation of the Exploration Permit within the perimeter of the Mining Concession.

However, research related to exploitation may continue. Within the framework of this research, in the event of the

discovery of a Mining Substance of a category other than that for which the Concession has been granted, the holder will have a right of pre-emption for its exploitation. This right must be exercised within a maximum period of eighteen months from the date of notification of the said discovery to the State.

The examination of the application and the cadastral evaluation are carried out by the CPDM. The technical and environmental assessment and related opinions are the responsibility of the Direction Nationale des Mines and the Ministry of the Environment in conjunction with the Comité Technique des Titres and the Commission Nationale des Mines. The decision to approve or refuse the Mining Title, its notification and publication are the responsibility of the Minister in charge of Mines.

A Mining Convention setting out the terms of exploitation of the Concession shall be negotiated and signed in accordance with the provisions of Article 18 of this Code. In the absence of a valid Exploration Permit and for an identified Deposit, the Mining Concession is granted following a competitive and transparent tender procedure according to rules to be defined in the regulatory texts. The call for tenders is implemented by the Technical Committee on Titles in relation to the National Mining Commission.

Publication of acts relating to the Concession

Acts granting, extending, renewing, transferring, amending, withdrawing or renouncing a Mining Concession must be published in the official gazette and on the official website of the Ministry in charge of Mines, or any other site designated by the Minister. The placing on the market, by invitation to tender, of the Perimeters already prospected with a view to the granting of a Mining Concession, must be published in at least two widely circulated newspapers, at least forty-five days before the deadline for the submission of tenders.

Authorization for recognition

The authorization for recognition is issued by the National Director of Mines on the proposal of the CPDM, after advice from the National Directorate of Geology to applicants for Exploration Permits in the areas referred to in Article 42, with the exception of the areas referred to in Articles 111 and 112 of this Code.

With regard to artisanal mining, an individual prospector's charter is issued to any individual of Guinean nationality wishing to prospect for minerals in an artisanal manner within a given prefecture. This card is equivalent to an Artisanal Reconnaissance Authorization. The procedures for issuing and renewing the individual prospector's card are set out in regulations.

Authorization for quarrying

The Authorization to search for quarries is issued in the same form and under the same conditions as the Authorization to recognize mining substances. The Authorization for quarry research is issued by the National Director in charge of Mines through his deconcentrated services after a favourable

opinion from the Technical Committee for Titles. The surface area for which an Authorization to Search for Quarries is issued may not exceed the limits of the prefecture concerned.

OIL AND GAS

What rights are granted to conduct oil and gas exploration and production activities?

As a preliminary point, it should be noted that oil and gas exploration and production activities are governed by Law L/2014/034/AN of 23 December 2014 on the Petroleum Code of the Republic of Guinea.

According to Article 32 of the Petroleum Code: “The Petroleum Contract confers on the Contractor the exclusive right to carry out, within the perimeter defined by the said contract, indefinitely in depth, research activities, as well as exploitation activities in the event of a declared commercial discovery and after approval by the Minister in charge of Hydrocarbons of the development plan relating to the said discovery.”

Thus, Article 35 of the same code in its paragraph 1 provides that: “in the event of the discovery of Natural Gas, the State and the Contractor must together evaluate the possible outlets, both on the local market and for export, as well as the means necessary for its commercialization, and consider the possibility of joint commercialization of the shares of the Contractor and the State”.

INDIGENISATION REQUIREMENTS

Are there any requirements in relation to the holding of equity in exploration and mining projects by indigenous peoples?

Based on the Mining Code and our experience in the field, the local population does not have equity rights in mining projects. However, it should be noted that in accordance with Article 130 of the Mining Code, any holder of a mining title must enter into a local development agreement with the local community residing on or in the immediate vicinity of its mining title. The purpose of this local development agreement is to create the conditions for effective and transparent management of the local development contribution paid by the mining title holder, and to build the capacity of the local community in planning and implementing the community development program.

Are there any special rules or restrictions applicable to foreign applicants?

In accordance with Article 15 of the Mining Code, only legal persons under Guinean law may be granted a mining title. Similarly, non-industrial mining activities can only be carried out by natural persons of Guinean nationality.

Identify what rights the state may have. Does the state have any equity rights in mining projects?

Under the terms of Article 150-I paragraph 1 of the Guinean Mining Code: “From the date of entry into vigour of the present Code, the attribution by the State of a Mining Title immediately gives the right to a free participation of the State, up to a maximum of fifteen percent (15%), in the capital of the company holding the Mining Title”.

It appears from the above that the Guinean State is entitled to a free participation in the share capital of all companies holding mining titles in Guinea and that this participation of the State in the provision of mining resources is fixed at 15% and covers all substances. Also, notwithstanding the above-mentioned right of free participation of the State in mining projects, it would be important to note that the Guinean Mining Code in its articles 137, 138 and 150 also grants the State in mining projects, the right of commercialization, the right of transport and an additional participation right.

TREATMENT AND ENRICHMENT

Are there any requirements for the recovery of extracted minerals?

In accordance with Article 139 of the Mining Code of the Republic of Guinea, the holder of an exploitation title, except for artisanal exploitation, or any other Guinean or foreign investor is exhorted to establish in the Republic of Guinea installations for the conditioning, treatment, refining and processing of mining or quarrying substances, including the elaboration of metals and alloys, concentrates or primary derivatives of these mining substances, in accordance with the regulations in force.

Thus, it should be noted that any mining title holder who engages in the processing of ore benefits from the incentives provided for in Article 161 of the Code relating to mining tax, in particular the application of reduced rates to finished products and the exemption from the increase in mining tax applied to title holders who have not invested in processing after an initial period.

Are there restrictions for the exports of minerals?

As a preliminary point, it should be noted that in accordance with Article 141 of the Mining Code, the purchase, sale, import and export of mineral or fossil substances as well as the packaging, treatment, refining and processing operations, including the production of metals and alloys, concentrates or primary derivatives of these mineral or fossil substances carried out on the territory of the Republic of Guinea are subject to prior declaration to the Minister.

The export of precious materials (gold, diamonds, etc.) in Guinea is also subject to prior declaration to the BCRG.

Also, in accordance with Article 137 of the Mining Code, the State reserves a maritime transport right of fifty percent (50%) on exports of the production.

Mining substances extracted in Guinea by holders of a mining title exported in their raw state, without having first been processed into semi-finished or finished products in Guinea, are also subject to a specific export tax.

TRANSFER OF RIGHTS AND VOTING RIGHTS

Are there any statutory approvals required to dispose of the exploration and mining rights?

In accordance with Article 90 of the Mining Code, the Exploration Permit, being non-divisible, may not be assigned or transferred in whole or in part, even in the event of death. However, mining permits and concessions may be partially or totally assigned or transferred.

Thus, when a Mining Permit or Concession has several holders, the consent of all of them is required for the assignment or transfer of the rights of one of them, and in the event of the death of one or more of them, the consent of the successors is required. Any decision to assign, transfer or lease out all or part of a mining title, and any formal acquisition of a mining title, must receive a favorable opinion or validation from the National Mining Commission before being submitted to the Minister in charge of mining for approval.

In addition, any contract or agreement by which the holder of a mining title promises to entrust, assign or transfer, in whole or in part, or entrusts, assigns or transfers, in whole or in part, the rights and obligations resulting from a mining title must also be submitted for prior approval by the Minister in charge of Mines. This authorization is granted by Decree with respect to transactions involving mining concessions.

Are there any restrictions on the transfer of voting interest in entities holder of exploration or mining rights?

In accordance with Article 90 of the Mining Code, any change in the direct or indirect control of any holder of an interest in a mining title shall be subject to the approval or endorsement of the Minister in charge of Mines. Any direct or indirect, partial or cumulative acquisition equal to or greater than five percent (5%) of the capital of the company holding the mining title must be submitted to the Minister in charge of Mines for validation.

USE OF SURFACE OF LAND INVOLVED IN PROSPECTING AND MINING ACTIVITIES

What are the rights of the holder of an exploration right or mining right to use the surface necessary or incidental to an exploration or mining operation?

In accordance with Article 123 et seq. of the Guinean Mining Code, mining rights do not extinguish property rights. No right of exploration or exploitation is valid without the consent

of the landowner, his assignees, with respect to activities involving the surface or affecting it. The rights of the owners, usufruct and occupants of the land as well as those of their assignees are not affected by the issuance of mining titles and authorizations except as provided for in this section.

The holder of a mining title or authorization may occupy the land necessary for his activities within the perimeter of the title or authorization if he is authorized to do so by his title or authorization or by order of the Minister. It may also be authorized by the decree concerning the project of national interest (PIN) or public utility (DUP). So, the holder of the mining title or authorization must pay compensation to any lawful occupants of the land required for his activities, to compensate for the disruption of enjoyment incurred.

ENVIRONMENTAL

What legislation governs environmental protection of exploration and mining sites?

In addition to the provisions of the Mining Code on environmental protection, any mining activity undertaken must comply with the legislation and regulations on environmental protection and management and on health. Any application for a mining permit or title must include an environmental and social impact assessment in accordance with the Environmental Code and its implementing regulations as well as international standards in this area.

The requirements of the administration are adjusted according to the scale of the planned work, ranging from a simple Environmental Impact Statement for an Exploration Permit to a detailed Environmental and Social Impact Assessment, accompanied by an Environmental and Social Management Plan, including a Hazard Plan, a Risk Management Plan, a Health and Safety Plan, a Rehabilitation Plan, a Resettlement Plan for Populations Affected by the project and measures to mitigate negative impacts and optimize positive impacts for an Exploitation Permit or a Mining Concession (article 142 of the Mining Code).

INDIGENOUS TITLE & LAND RIGHTS

Is there any native title which has any implication for the exploration and mining industry?

To be lawful and enforceable under Guinean law, property rights (land rights) must be registered in the cadastral plan, and the land registry. However, a significant portion of Guinean land, particularly in rural areas, has neither been registered on the cadastral plan nor on the land register and remains subject to customary laws. It should be noted that the Land Code does not explicitly recognize customary rights in the Republic of Guinea.

However, it should be noted that if there are persons (legal entities or individuals) who currently occupy a portion of the

mining project site and can demonstrate that they occupy that portion in person, peacefully, on an ongoing basis and in good faith, it would be necessary to:

- have such occupants register their rights in accordance with the Land Code (a detailed procedure is provided for in the Land Code);
- establish that such occupants have no property rights in the project site; or
- enter into an agreement with such occupants whereby they agree to relinquish any rights they may have in the relevant part of the project site.

HEALTH AND SAFETY

What legislation governs health and safety in mining?

With regard to the safety and health of employees in mining companies, it is the Labor Code, in particular articles 231.1 and following which applies:

- The first paragraph of article 211.1 provides that: “The drafting of internal regulations is mandatory in all companies and establishments usually employing at least twenty-five employees”. Article 211.2 provides in its first paragraph that “To protect the life and health of employees, the employer is required to take all useful measures that are adapted to the operating conditions of the company. [...]”;
- This submission of mining companies to the labor code is confirmed by Article 108 of the Mining Code, which provides that: “The holder of a Mining Title or Authorization, as well as the companies working on his behalf, must comply with the requirements of the applicable law with respect to labor standards”;
- However, Articles 142 et seq. of the Mining Code set out the rules for health and safety protection in the mining industry;
- In addition, Article 142 of the Mining Code provides that: “In addition to the dispositions of the present law, any Mining Activity undertaken must obey the legislation and regulations concerning the protection and management of the environment and health. [...]”;
- The second paragraph of this disposition provides that: “The requirements of the Administration are modulated according to the importance of the planned works, varying from a simple Environmental Impact Notice for an Exploration Permit to a detailed Environmental and Social Impact Assessment, accompanied by an Environmental and Social Management Plan, including a Hazard Plan, a Risk Management Plan, a Health and Safety Plan, a Rehabilitation Plan, a Resettlement Plan for Populations Affected by the project and measures to mitigate negative impacts and optimize positive impacts for an Exploitation Permit or a Mining Concession”.
- In addition, the first two (2) paragraphs of Article 145 of the same code provides that: “Any holder of a Mining Title or Authorization is required to respect the most advanced health and safety standards as established by the Minister in charge of Mines in collaboration with the Minister in charge of Public Health, the Minister in charge of Labour and the Minister in charge of the Environment. In the event that these standards are lower than those observed elsewhere

by the holder, the latter shall prevail. In this respect, he is obliged to make and apply regulations in accordance with these standards to ensure optimal health and safety conditions for workers”.

Local Content

In the Republic of Guinea, Local Content is governed primarily by Law L/2022/010/CNT on Local Content.

In accordance with its Article 1, local content is a set of requirements linked to aspects of local development, and the improvement of living conditions for local populations, encompassing initiatives to promote the use of national goods and services, the integration of the national private sector, the employment of nationals and the development of local workforce participation, and the transfer of technologies and skills throughout the project value chain.

Furthermore, in accordance with article 3 of the Local Content Act, with the exception of local micro, small and medium-sized enterprises (MSMEs), all companies, whether local or foreign, whatever their sector of activity, are subject to the provisions of this Act. This law applies to all projects, whether sector-specific or not, whether financed by public resources or carried out by operators under public-private partnership contracts or otherwise.

CONSTITUTIONAL AND ADMINISTRATIVE LAW

Is there a constitution which has an impact upon rights to prospect and mine?

As a preliminary point, it should be noted that since September 5, 2021, the Guinean constitution has been suspended and replaced by a transition charter. It should be noted that this charter is a fundamental legal text, which applies to all and represents the constitution of the Republic of Guinea. It shall remain in effect until the publication in the official gazette of the Republic of the new constitution adapted by referendum. It is important to note that neither the Guinean constitution nor the Transitional Charter directly impacts exploration and exploitation rights in the Republic of Guinea. However, it should be noted that the right to property is subject to constitutional and legal protection in the Republic of Guinea.

Are there administrative recourses in the mining law?

According to our in-depth research and experience in the domain, there are indeed possibilities for administrative appeals in the mining sector, including appeals against a decree, an order or a decision to withdraw a mining title.

ROYALTIES AND TAXES

Are there special rules applicable to taxation of exploration and mining companies?

In the Republic of Guinea, impositions in terms of taxes and royalties on mining title holders vary according to the phases of the mining projects.

In the Research phase

During the research phase, research permit holders benefit from the temporary admission regime for the import of equipment, materials, machinery, raw materials and consumables necessary for the research phase. However, materials, spare parts of commercial vehicles, necessary for the operation of professional materials and equipment included in the mining list, are subject to the following duties and taxes:

- the liquidation processing fee;
- the registration tax;
- the Community levy; and
- the additional cent.

Therefore, notwithstanding the exemptions mentioned above, holders of a Research Permit are subject to the common law reporting obligations set out in Articles 108, 238, 239, 241 of the General Tax Code as well as to the common law reporting obligations set out in the Customs Code.

In the operational phase

In accordance with Article 176 of the General Tax Code (Code Général des Impôts "CGI"): "During the exploitation phase, the holders of a Mining Title are subject, according to the rules of common law, to all taxes other than those for which they benefit from the exemption provided for in Article 175 of this Code, and in particular but not exclusively:

- VAT, excluding VAT on the import of capital goods included in the mining list referred to in the first category provided for in Article 167 of this Code;
- Industrial and Commercial Profit Tax and Corporate Tax at a rate of 30%;
- to income tax on securities at a rate of 10%;
- registration duties on deeds relating to the creation of the company, increase of capital by new contributions, capital contributions, incorporation of profits or reserves, or merger;
- the lump-sum payment on salaries;
- withholding tax on non-wage income;
- withholding tax on salaries;
- the single tax on vehicles, with the exception of construction vehicles and machinery, at the current rate;
- the contribution to vocational training or the apprenticeship tax, as appropriate;
- the Local Development Contribution, referred to in Article 130 of this Code;
- the fixed duties and annual fees referred to in Article 159-II of this Code;
- the surface fees referred to in Article 160;
- the tax on the extraction of mining substances other than precious metals referred to in Article 161 of this Code;

- the tax on the industrial or semi-industrial production of precious metals referred to in Article 161-1 of this Code;
- the export tax on mining substances other than precious metals referred to in Article 163 of this Code; and
- the export tax on precious stones and gems referred to in Article 163-II of this Code.

In addition, holders of a Mining Title are subject to the payment of environmental taxes and fees on classified establishments, in accordance with the provisions of the Environmental Code and its application texts'.

Are there any royalties payable to the State in addition to taxes?

In addition to the royalties provided for in the CGI, the holder of a mining title or authorization is subject, for its activities in Guinea, to the payment of duties and royalties.

Thus, in accordance with the dispositions of Article 160 of the Mining Code, any holder of a Mining Title or an authorization to exploit Quarrying Substances which gives him the right to engage in Mining or Quarrying Activities, is subject to the annual payment of a surface royalty, in accordance with the table below for Mining Substances, and a joint order of the Minister in charge of Mines and the Minister in charge of Finance for Quarrying Substances.

This surface royalty is proportional to the area described in the Mining Title or Authorization. The modalities for the declaration and payment of this surface fee are set by a joint decree of the Minister in charge of Finance. These rates are updated by joint decree of the Minister of Finance and the Minister of Mines.

NATURE OF	FEES/ SURFACE AREA USD/KM2		
	GRANT	1ST RENEWAL	2ND RENEWAL
Research permits	10	15	20
Industrial license	75	100	200
Semi-industrial license	20	50	100
Mining concession	150	200	300
Dredging permit	150	200	300