
China may invest USD 9 Billion in Guinea - Mr Mahmoud

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Bloomberg cited Mr Mahmoud Thiam mines minister of Guinea as saying that China may invest as much as USD 9 billion in Guinean infrastructure over the next 5 years.

Mr Thiam said that China would spend between USD 7 billion and USD 9 billion on mining infrastructure, roads, housing, electricity, road networks and drinking water.

He said that “We do not doubt our Chinese partners. We are convinced that they will eventually realize their projects because they have done the same thing in Angola. Guinea needs these kinds of projects to begin its economic takeoff.”

According to the US Department, Guinea holds as much as half of the world’s reserves of bauxite, a raw material use in aluminum production. It also holds more than 4 billion tonnes of high grade iron ore, significant diamond and gold deposits and undetermined quantities of uranium.

A military junta led by Moussa Dadis Camara seized power on December 23rd 2009, a day after the death of President Mr Lansana Conte, who had been in power for 2 decades. The junta is reviewing mining rights granted by the previous government; in December, it told Rio Tinto Group to hand over part of an iron ore concession while United Company Rusal was ordered to return a bauxite and aluminum complex at Friguia after a court ruled that its purchase was invalid.

Thiam said that Chinese partners have deposited USD 150 million in the Guinean central bank to start building two power plants, one of 50 MW and other one of the 30 MW. Guinea and China have also created a JV to explore for oil off the country’s coast.

(Sourced from Bloomberg)

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