
Guinea Weighs action against Rusal over Alumina Plant

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Bloomberg cited Mr Moussa Camara president of Guinean as saying that he asked the country's Justice Ministry to consider legal action over a 2006 transaction that gave control of the Friguia bauxite and alumina complex to United Company Rusal.

Mr Camara said that the Guinean government was paid a fraction of the amount the company was valued at by consulting firms. He said that "Guinea has to exercise its rights by getting back this factory which belongs to it. It is not a question of leaving this refinery, which has to serve future generations."

Mr Camara took power on December 23 after a coup that followed the death a day earlier of Mr Lansana Conte, who had ruled the West African country for 24 years. Mr Conte's government concluded the agreement with Rusal and Mr Camara's government has said mining deals made with the previous regime will be probed.

Mr Camara said that Rusal paid USD 19 million for the assets, while consultants had valued it at USD 257 million. The president, who didn't name the consultants, also said that action will be taken against the Guineans who negotiated the transfer of the company to Rusal.

Ms Elena Shuliveystrova spokeswoman of Rusal said that "The decision has been made to establish a commission on the privatization of Friguia, which will thoroughly study the situation and give its final conclusion. We, Rusal, welcome this decision because Rusal privatized Friguia legitimately and in full compliance with the legislation."

(Sourced from Bloomberg)

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