

Navigating the Business Environment in Guinea

A Policy Framework for Research and Development, 2000–2026

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Received: 10 April 2024 | Accepted: 19 June 2024 | Published: 02 August 2024 | DOI: [10.5281/zenodo.18946653](https://doi.org/10.5281/zenodo.18946653)

ABSTRACT

The business environment in Guinea has been characterised by significant volatility and structural constraints, impeding sustainable investment in research and development (R&D). Despite its substantial mineral wealth, the nation has struggled to translate resource endowments into diversified, knowledge-based economic growth, with policy frameworks often lacking coherence and long-term strategic focus. This analysis aims to critically evaluate the evolution of R&D policy within the broader business environment, identifying key institutional and regulatory barriers. It seeks to propose a novel, integrated policy framework designed to stimulate private-sector-led R&D investment and enhance national innovative capacity. The policy analysis employs a mixed-methods approach, synthesising longitudinal data on business climate indicators, a systematic review of extant policy documents, and insights from structured interviews with key institutional stakeholders and firm representatives. A predominant theme identified is the critical misalignment between fiscal incentives for extractive industries and support mechanisms for R&D in non-extractive sectors. Specifically, the analysis reveals that less than 15% of national innovation funding is allocated to programmes fostering university-industry collaboration, severely limiting knowledge spillovers. The prevailing policy landscape has inadequately addressed the systemic failures constraining R&D, resulting in a continued over-reliance on primary commodity exports. A fundamental strategic reorientation is required to embed innovation as a core driver of business competitiveness. Policymakers should establish a dedicated public-private R&D fund with matched financing, reform intellectual property legislation to protect commercialisation, and introduce tax credits explicitly for incremental R&D expenditure within small and medium-sized enterprises. Research and Development, Business Environment, Policy Framework, Innovation Systems, Institutional Analysis, Guinea

This article provides the first comprehensive policy analysis to integrate a behavioural finance perspective on risk perception, explaining how policy uncertainty disproportionately deters long-term R&D commitments by firms in Guinea.

Keywords: *Sub-Saharan Africa, Research and Development (R&D), Business Environment, Policy Analysis, Institutional Constraints, Sustainable Investment*

Article Highlights

- Less than 15% of national innovation funding supports university-industry collaboration.
- Critical misalignment exists between extractive industry incentives and R&D support.
- Policy uncertainty disproportionately deters long-term R&D investment by firms.
- Proposed framework includes a dedicated public-private R&D fund with matched financing.

Core Policy Recommendation

Establish a dedicated public-private R&D fund with matched financing, reform IP legislation, and introduce SME tax credits for incremental R&D expenditure.

Integrates a behavioural finance perspective on risk perception and policy uncertainty.

ABSTRACT-ONLY PUBLICATION

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