Equatorial Guinea’s energy outlook
Gabriel MBAGA OBIANG LIMA
Minister of Mines, Industry and Energy

Progress in a volatile market
Mercedes EWORO MILAM
Director-General of Hydrocarbons

Gas potential
Juan Antonio NDONG ONDO
Director-General
SONAGAS
An array of investment opportunities
Overseeing Equatorial Guinea’s oil and gas industry, the Ministry of Mines Industry and Energy is responsible for almost 90 percent of the country’s revenues. While still focusing on the promising offshore potential of the country, with new offshore blocks up for direct negotiation, the MMIE has spearheaded the PEGI 2020 industrialisation plan and the country’s Horizon 2020 initiative, developing major projects like the Bioko Oil Terminal, The Petrochemicals Revolution of Equatorial Guinea, the Mbini Industrial City and the Petroleum Industrial City of Luba.
Equatorial Guinea's economy is expected to shrink for a third consecutive year in 2015, as the resource-dependent country faces declining production, compounded by the fall in oil prices. The government's efforts to strengthen its foreign trade ties, especially with China, and improve its image abroad, must be met with an equal push to increase the flow of goods and services with its regional neighbours.

The great gas rush.

While recent offshore developments, including the scheduled introduction of Africa's first floating LNG platform at block R, promise to offset Equatorial Guinea's seven years of production decline, fundamental doubts linger. Low oil prices were blamed for the slim interest attracted by the country's latest licensing round and the pullback on exploration plans by upstream companies, however concerns about the business, social and political environment may also have played a role.

Exploration & Production

IN PRODUCTION: Hydrocarbons production
COMPANY PROFILE: Noble Energy
ILLUSTRATION: Alen Development
COMPANY PROFILE: Marathon Oil
OPERATIONS REPORT: Start with what you know, Oliver Moss, Vaalco Energy
MAP: Block P
COMPANY PROFILE: Mobil Equatorial Guinea
IN THE FIELD: Zafiro field production, 2011-2020
OPERATIONS REPORT: Ahead of schedule. Frank Ene, RoyalGate Energy
MAP: Exploration wells in block EG-08
MAP: Exploration wells in block Z
PROJECT HIGHLIGHT: Fortuna Gasfield Development
MAP: Prospects and development areas in block R
COMPANY PROFILE: GEPetrol
COMPANY PROFILE: Hess Equatorial Guinea
MAP: Okume complex
INTERVIEW: André Luiz Crusius Filho, G3 Oil and Gas
IN PRODUCTION: Top five oil producers in Central and West Africa, 2004-2014
INVESTOR SPOTLIGHTS: PanAtlanic Exploration, Glencore Exploration
INTERVIEW: Arthur Eze, Atlas Petroleum International
MAP: Atlas Petroleum blocks in Equatorial Guinea
GEOLOGY REPORT: Intricacies of the Rio Muni basin

GAS & DOWNSTREAM

ARTICLE: Down to business. Equatorial Guinea is embarking on a diversification programme
INTERVIEW: Juan Antonio Ndong Ondo, Sonagas
IN THE REGION: Natural gas production and reserves in selected African countries
COMPANY PROFILE: Total Equatorial Guinea
COMMENT: The great gas rush. Low oil prices are pushing natural gas into the spotlight
RESOURCE: Alba field gas processing
INTERVIEW: César A. Finestrosa Gomez, Gas Exporting Countries Forum
MAP: GECF members and observers
MAP: Equatorial Guinea's offshore gas reserves
IN DEVELOPMENT: Natural gas reserves and discoveries
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Gas & Downstream

The Petrochemicals Revolution of Equatorial Guinea, or REPEGE, will see the first domestic production of fertilisers, which will both add value to the country’s reserves and help develop the industrial sector. The addition of a second train at Punta Europa LNG plant, the construction of Bioko Oil Terminal and power projects are extending Equatorial Guinea’s importance down the oil and gas value chain.

Banking, Finance & Legal

With deep cuts to revenue precipitated by falling production and low oil prices, the government of Equatorial Guinea can no longer be relied upon to play its historical role as the main financier and driver of its country’s domestic industry. The government is turning attention to local private banks and foreign investors for alternative lines of credit, while newly tightened local content laws aim to spur growth among local and regional companies.

The Year’s Focus: Downstream Diversification

The construction of a storage terminal on Bioko Island is the latest push by the government to diversify Equatorial Guinea’s crude export-based economy with the potential to turn the nation into a regional logistics centre. As oil prices continue to wallow, plans to develop the agriculture, fishing and energy industries under Horizon 2020 cannot come soon enough.
Oilfield Services

Despite the fall in oil prices, the subsequent discounts offered by oilfield services companies are incentivising some upstream operators to jumpstart drilling programmes. The government of Equatorial Guinea is encouraging this approach, particularly among smaller players that have never drilled before. At the same time, a looming deadline for drilling 2012 licenses, as well as a new 2014 bidding round, paint an optimistic future for oilfield services.

Equatorial Guinea is adjusting to the end of an infrastructure boom, which started in 2009 and came to end in 2014 as the country’s economy faltered. However, several large ongoing projects, including a petrochemicals complex at Rio, an industrial city at Libeni and the Bata regasification project, will continue to provide work for contractors and could fill the gap until oil prices rise again.

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Gabriel MBAGA OBIANG LIMA
Minister of Mines, Industry and Energy

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Equatorial Guinea’s energy outlook

Equatorial Guinea’s offshore hydrocarbons industry has been developing continually, with five new blocks expected to be awarded by the end of 2015. Minister of Mines, Industry and Energy Gabriel Mbaga Obiang Lima speaks to TOGY about what has been done and what will be done to ensure the reinvention of the country in the offshore and downstream sectors.

What does Equatorial Guinea hope to achieve through the construction of projects such as the Integrated Petrochemical Complex in Riaba and the Bioko Oil Terminal (BOT)?

The Ministry of Mines, Industry and Energy (MMIE) has a long-term vision of transforming Equatorial Guinea into an energy centre. Both the BOT and the Integrated Petrochemical Complex in Riaba serve this vision.

Equatorial Guinea has a keen interest in developing its oil and gas industry, establishing itself firmly as a power in West and Central Africa and gaining access to global oil trading flows by investing in assets.

“Bilateral agreements between West African countries and Equatorial Guinea can address inefficiencies in key supply routes.”

The infrastructure in West Africa is not developed enough to address the growing demand for oil and petrochemicals. Through these two new investments, we will be well positioned to accommodate the required logistics efficiently.

How will these investments serve the supply and trade sectors in not only Equatorial Guinea, but also West Africa as a whole?

These assets will serve global trade flows and regional demand centres. They will be only a few hours in sailing time away from key demand centres. Customers can use shipment services from Equatorial Guinea to serve those markets.

Bilateral agreements between West African countries and Equatorial Guinea can address inefficiencies in key supply routes while promoting the security of supply.

These investments in infrastructure will have a direct positive impact on national economy and employment, including the creation of jobs and demand for our own construction services. During construction and operation, we will attract technology and expertise from abroad that will be passed on to our own people, as well as recruit and train a large number of our nationals.

How can the MMIE ensure sufficient funding for downstream projects?

The MMIE has to present upcoming downstream projects to international capital communities, to the energy partners that hold a vision of Equatorial Guinea as a regional energy centre and to the banking sector, to attract funds.

In the existing economic environment, where crude oil prices have decreased by almost 50 percent since summer 2014, funds will go to projects with clear location, supply and logistics advantages. We believe that the BOT and the Integrated Petrochemical Complex in Riaba have these characteristics.

What role will natural gas play in the Equatoguinean development plan?

The MMIE plans to monetise and increase the added value of domestic natural gas projects.

IN FIGURES

Number of blocks to be awarded by the end of 2015
5

Integrated Petrochemical Complex expected urea production
1.3 million tonnes per year
New technology and systems are bringing improvements to Equatorial Guinea’s oil and gas industry.

The government is creating and integrating petrochemicals complexes to diversify the national economy and eradicate its dependence on oil. Equatorial Guinea will co-operate with all the oil-producing countries in the Gulf of Guinea to develop gasfields. The creation of a regional gas entity will boost co-operation.

“We are aiming to create mixed companies between the government and economic and technological private partners.”

The open-bid blocks of the 2014 licensing round have not been tendered. How can the MMIE increase their attractiveness, particularly for the deepwater blocks?

The terms used in the negotiation of shallow-water blocks should not be the same as for deepwater blocks. The bonus paid by exploration and production companies should be reduced from $1 million-2 million to $500,000, which would help accelerate their work programmes.

The cost of mandated corporate social responsibility, as well as the contributions to the National Technological Institute of Hydrocarbons of Equatorial Guinea, should be cut by 50 percent, while the payment schedules for royalties and the division of hydrocarbons should be flexible for deepwater blocks.

These measures are necessary to attract new actors and investors that will bring economic benefits for the development of the country.

Why has Equatorial Guinea’s government promoted the migration of oil companies from the KS Oil Centre to the Luba Freeport?

Hydrocarbons companies that left KS by government mandate to move to the Luba Freeport will benefit from the free port status in place at Luba. In the same regard, they will support the government in the development of the local population of South Bioko by providing oil and gas industrial infrastructure in the city of Luba.

How can local content in the domestic oil and gas industry be strengthened?

In September 2014, a new local content regulation that applies to Chapter 20 of the Hydrocarbons Law of Equatorial Guinea was adopted. The first step in ensuring the successful application of this law is to inform domestic and international companies about the articles and clauses that are in place, so that later, the ministry can demand abidance.

The new regulation does not differentiate between companies that are 100-percent Equatoguinean from those that have a share of 35 percent, the minimum required.

The ultimate objective is for domestic companies to win contracts in the hydrocarbons industry, generate jobs for locals, with the corresponding payment of taxes to the Treasury. We live in a globalised world in which any input from international businesses in terms of know-how is useful for updating productive or management processes.

What is the logic behind the establishment of industrial complexes in Equatorial Guinea, such as the Mbini Industrial City?

The plans for the industrialisation of the country are part of its social and economic development. Equatorial Guinea’s private sector is one of the engines of the economy.

Supported by the private sector, we are aiming to create mixed companies between the government and economic and technological private partners, to encourage the establishment of small and medium-sized enterprises, to promote the exports of locally manufactured goods and to reinforce important areas of the domestic industrial sector.

With these objectives in mind, the MMIE arrived at a decision to establish the Industrial City and Special Economic Zone of Mbini.

### COMPARISON

<table>
<thead>
<tr>
<th>Total proved oil reserves and reserves-to-production ratios in selected Central and West African countries</th>
<th>Oil reserves (billion barrels)</th>
<th>Reserves to production ratio (years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Angola</td>
<td>12.7</td>
<td>20.3</td>
</tr>
<tr>
<td>Chad</td>
<td>1.5</td>
<td>52.4</td>
</tr>
<tr>
<td>Republic of Congo</td>
<td>1.6</td>
<td>15.6</td>
</tr>
<tr>
<td>Equatorial Guinea</td>
<td>1.1</td>
<td>10.7</td>
</tr>
<tr>
<td>Gabon</td>
<td>2</td>
<td>23.2</td>
</tr>
<tr>
<td>Nigeria</td>
<td>37.1</td>
<td>43</td>
</tr>
</tbody>
</table>

Source: BP Statistical Review 2015
In March 2015, Equatorial Guinea’s first three volunteers successfully received anti-malaria vaccine PfSPZ at the La Paz Medical Centre in Sipopo. The ongoing domestic effort to combat the disease has been framed under the Bioko Island Malaria Control Project, which had its 10th anniversary in 2014 under collaboration between the government of Equatorial Guinea, national energy companies Sonagas and GEPetrol, US operators Marathon Oil, Noble Energy and the Atlantic Methanol Production Company and local LNG company Equatorial Guinea LNG.

**MAN OF THE YEAR**

Agustín MBA OKOMO

Appointed as Secretary General of the Ministry of Mines, Industry and Energy (MMIE) in June 2015, former Director of National Content Agustín Mba Okomo led efforts in the approval of the Regulation of National Content, Ministerial Order 1/2014, passed on September 26, 2014. Strengthening Chapter 20 of the 2006 Hydrocarbons Law, the new regulation moves away from the former “gentlemen’s agreement,” which used to determine local content obligations for international companies. The new order aims to improve and clarify local content responsibilities of international companies, as well as the MMIE in the areas of training, employment, corporate social responsibility and enforcement.

**EXPLORATION AND PRODUCTION COMPANY OF THE YEAR**

A veteran in the Equatoguinean oil and gas industry, Mobil Equatorial Guinea (MEGI) saw its billionth barrel of oil pumped from the Zafiro field in May 2015. Production at the asset began in 1996, peaking in 2004 at rates of more than 300,000 barrels of oil per day. MEGI’s operations at Zafiro have provided Equatoguinean state with more than $57.5 billion in revenues. Solidifying its presence in the country, MEGI was the first company to enter a production-sharing contract in the 2014 Licensing Round, block EG-06, signed in January 2015 and ratified in April 2015.

**UPSTREAM PROJECT OF THE YEAR**

UK upstream operator Ophir Energy achieved two major milestones in ensuring the development of the Fortuna floating LNG project for block R’s development. In November 2014, it signed natural gas fiscal terms with the MMIE and national oil company GEPetrol that were designed to ensure viability of the project and establish a basis for signing the natural gas purchase agreements. In May 2015, Ophir Energy appointed the UK’s Golar LNG as the midstream partner for the Fortuna floating LNG project, accelerating the date of first gas to mid-2019.

**DOWNSTREAM PROJECT OF THE YEAR**

On December 20, 2014, Nigerian oil trading company Taleveras Group signed an agreement with the MMIE for the construction of the Bioko Oil Terminal. Set to become Africa’s largest oil storage terminal, the Bioko Oil Terminal will be built at Punta Europa in the north of Bioko Island under a two-phase development scheme. The first phase will put the terminal’s capacity for refined products such as petrol, naphtha, diesel, Jet A-1 and fuel oil at 680,000 cubic metres. The second phase will raise the terminal’s total capacity to 1.2 mcm and cover the construction of crude storage facilities.

**POWER GENERATION PROJECT OF THE YEAR**

In January 2015, under an MMIE initiative, Spanish engineering company Setolazar began the construction of the Bata Thermal Station gasification project, which aims to substitute imported fuel oil for domestically produced LNG as the station’s primary feedstock. Construction will entail an LNG truck loading facility in Malabo and a gasification plant in Bata. The plant is to be located next to the thermal station, which is being converted by Finnish company Wärtsilä. The project will cost €24 million and is expected to be operational by December 2015.

**CORPORATE SOCIAL RESPONSIBILITY PROJECT OF THE YEAR**

In March 2015, Equatorial Guinea’s first three volunteers successfully received anti-malaria vaccine PfSPZ at the La Paz Medical Centre in Sipopo. The ongoing domestic effort to combat the disease has been framed under the Bioko Island Malaria Control Project, which had its 10th anniversary in 2014 under collaboration between the government of Equatorial Guinea, national energy companies Sonagas and GEPetrol, US operators Marathon Oil, Noble Energy and the Atlantic Methanol Production Company and local LNG company Equatorial Guinea LNG.
20 YEARS OF EQUATORIAL GUINEA’S OIL PRODUCTION

1990
The Alba acreage is declared commercial after being licensed to US independent Walter International and an appraisal well is drilled.

1992
US oil and gas independent United Meridian Corporation (UMC) receives licences for blocks A and B.

1994
UMC drills its first well in the Douala Basin, Dorado.

1995
UMC receives licenses for blocks C and D and ExxonMobil farms into block B with UMC.

1995
US oil and gas company Nomeco buys Walter International, acquiring operating rights to Alba field and expands processing capacity at the Punta Europa complex.

1995
ExxonMobil and UMC discover the Zafiro field, which contains 1.1 billion barrels of oil.

1997
US firm Triton Energy is awarded blocks F and G in the Rio Muni Basin.

1998
The Ministry of Mines, Industry and Energy (MMIE) updates production-sharing contracts (PSCs) to introduce cost recovery measures, a profit-sharing structure and raises receipt of domestic oil from 13 to 20 percent.

1998
The MMIE launches Equatorial Guinea’s first deepwater licensing round, leading to eight exploratory licenses.

1999
Triton discovers oil at the Ceiba field with the Ceiba-1 well.

2000
Triton begins an exploration appraisal programme and production at the Ceiba oilfield, resulting in 18 successful wells in block G.

2001
Equatorial Guinea’s state oil company GEPetrol is established.

2001
US integrated oil company Amerada Hess buys Triton, acquiring all assets including the Ceiba field.
The Who’s Who of the Global Energy Industry

The Oil & Gas Year | Equatorial Guinea 2015

### Timeline

**2003**
- US oil and gas producer Devon Energy is awarded block P.

**2004**
- Production at the Zafiro field peaks at 376,000 barrels of oil per day.

**2005**
- Devon discovers the Venus field in block P.
- US exploration and production company Noble Energy discovers the Aseng oilfield.

**2006**
- The new hydrocarbons law to raise minimum loyalties and allow the state more participation in oil and gas contracts is passed.
- Noble Energy announces the Diega oil discovery in block I.

**2007**
- PSCs are awarded for blocks T, U, V and K.
- Noble announces the Carmen oil discovery in block O.

**2008**
- Noble Energy buys Devon for $2.2 billion, assuming operatorship in block P.
- GEPetrol buys Devon for $2.2 billion, assuming operatorship in block P.
- ExxonMobil is awarded block EG-06.

**2009**
- Production at the Zafiro field peaks at 376,000 barrels of oil per day.
- Anglo-Swiss Glencore assumes ownership of block V.

**2010**
- Marathon Oil is awarded a PSC for block A-12.

**2011**
- First oil from the Aseng field is achieved.
- Noble announces the Carla prospect discovery.
- MMO signs eight PSCs for blocks W, Y, Z, EG-01, EG-03, EG-04, EG-04 and EG-05.
- ExxonMobil produces its one billionth barrel of oil from Zafiro field.

**2012**
- The MMO signs eight PSCs for blocks W, Y, Z, EG-01, EG-02, EG-04, EG-04 and EG-05.

**2015**
- ExxonMobil is awarded block EG-06.

*Source: Oil Council Africa Assembly*
EQUATORIAL GUINEA AT A GLANCE

POLITICS
- Official name: Republic of Equatorial Guinea
- Political system: Multi-party republic with strong executive branch
- Head of state: President Teodoro Obiang Nguema Mbasogo
- Capital city: Malabo, Bioko Island

DEMOGRAPHY
- Population: 740,743 (July 2015 estimate)
- Annual population growth rate: 2.51 percent (2015 estimate)
- Major languages: Spanish, French, Portuguese

ECONOMY
- Currency: Central African Franc ($1:CAF587)
- GDP: $17.7 billion (2014 estimate)
- Inflation rate: 3 percent (2014 estimate)
- Exports 2014: $13.3 billion
- Imports 2014: $6.44 billion

ENERGY
- Main industries: Oil, natural gas, sawmilling
- Major export partners: China (18 percent), Japan (14.9 percent), UK (13.6 percent), France (11.1 percent), Brazil (7.8 percent), Spain (7.8 percent)
- Major import partners: US (28 percent), Spain (16.5 percent), China (13.2 percent), France (5.7 percent), Italy (5.1 percent), Côte d’Ivoire (4.1 percent)

GEOGRAPHY
- Area: 28,051 square kilometres
- Coastline: 296 kilometres
- Country borders: Cameroon and Gabon (land); Nigeria, São Tomé and Príncipe (maritime)

The Equatorial Guinea 2015 Investors Index

The Equatorial Guinea 2015 Investors Index saw energy executives reflect their concerns on the status of the local market. The country’s index score has dropped considerably, from 89.6 in 2014, to 62.7.

Equatorial Guinea is experiencing its third year of recession in a row. This situation, along with depressed oil prices, are likely core contributors to the decline.

The cancellation of and delays in many exploratory and development drilling programmes have had a negative trickle down effect throughout the supply chain.

DEVELOPMENT CONTINUES: Notwithstanding such an outlook, the Ministry of Mines, Industry and Energy, or MMIE, has emphasised the development of the offshore industry and domestic downstream projects in 2015.

The year has already seen ExxonMobil sign the block EG-06 production-sharing contract and it is expected that the country’s direct negotiation blocks, EG-07, EG-08, EG-09, EG-10 and EG-18, will see further contracts signed by the end of the year.

The development of block R’s Fortuna floating LNG project continues, with operator Ophir Energy securing a gas fiscal agreement with the MMIE and national oil company GEPetrol and selecting London-based Golar LNG as the midstream operator in 2015.

Meanwhile, Nigeria-based conglomerate Taleveras Group will participate in the construction of the Bioko Oil Terminal, India’s Archean Group in the Integrated Petrochemical Complex in Riaba, and Chinese investors in the Industrial City of Mbini and Luba Industrial Petroleum City.

COMMERCIAL CONSERVATION: Despite the decrease in the general index, about 42 percent of respondents feel it is still “easy” or “very easy” to do business in the country.

State oil and gas policies have been perceived as improved, with almost 29 percent of respondents stating they are “pro-business,” nearly 58 percent offering a response of “pro-business, but restrictive” and 14 percent opting for either “anti-business, but restrictive” or “anti-business.” In 2014, a share of 20 percent favoured the latter two responses.

MARKET CONSTANCY In 2014, 92 percent of index participants believed that the country was “stable” or “highly stable.” A drop of 8 percent to around 84 percent in 2015 is slight, given the contribution of oil and gas to state revenue at a time of low oil prices.

ABOUT THE INDEX: The TOGY Investors Index is designed to measure confidence among oil and gas investors as expressed in their level of spending in any given market.

A reading above 50 on the index represents a positive perception among oil and gas investors, while a reading below 50 indicates a pessimistic outlook. The Equatorial Guinea 2015 index is based on the responses of 45 oil and gas executives, investors and officials.

How would you describe the policies of this government vis-à-vis the oil and gas industry?

- Pro-business 28.9 %
- Pro-business, but restrictive 57.8 %
- Anti-business, but accommodating 11.1 %
- Anti-business 2.22 %

How would you rate the ease of doing business in this country?

- Very easy 4.44 %
- Easy 37.8 %
- Difficult 57.8 %
- Extremely difficult 0 %

How would you rate the ease of starting an oil and gas business in this market?

- Very easy 2.22 %
- Easy 33.3 %
- Difficult 57.8 %
- Extremely difficult 6.67 %

How would you rate the level of transparency in this oil and gas market?

- Very transparent 8.89 %
- Transparent 62.2 %
- Not transparent 24.4 %
- Corrupt 4.44 %

How would you rate the level of political and economic stability in this oil and gas market?

- Highly stable 17.8 %
- Stable 66.7 %
- Unstable 15.6 %
- Highly unstable 0 %

Source: The survey conducted by The Oil & Gas Year in Equatorial Guinea between January 2015 and May 2015
16 A new gas discovery is made at Ophir Energy’s block R through the Silenus East-1 well. Total mean recoverable reserves in the block are now 96.3 bcm (3.4 tcf).

07 Ophir Energy selects Excelerate Energy as its midstream partner for its Fortuna floating LNG project in block R.

12 The price of Brent crude drops to less than $89 per barrel.

05 Taleveras Group signs a deal to finance the Bioko Oil Terminal, working with Equatorial Consolidated Group and Besix as contractors.

26 Energy Minister Gabriel Mbaga Obiang Lima signs a new local content regulation to increase national participation in Equatorial Guinea’s oil and gas industry.

04 Ophir Energy signs fiscal gas terms with Equatorial Guinea for block R in an amendment to the original production-sharing contract.

06 The China National Offshore Oil Corporation discovers hydrocarbons with the S-3 well in block S, offshore Rio Muni.

02 The China National Offshore Oil Corporation hires a semi-submersible at a day rate of $330,000 from US company Atwood Hunter to drill one well.

01 Equatorial Guinea changes tax exoneration regulations, contradicting oil companies’ production-sharing contracts.

03 Oil prices climb about 19 percent from prices four days earlier. Brent crude reaches $57.91 per barrel, while West Texas Intermediate comes in at about $53.05.

06 Equatorial Guinea extends the deadline for bids for its 2014 licensing round. Originally set to close September 30, the 10-block round will now close on October 31.

21 Ophir Energy drills a successful appraisal well in block R. The Fortuna-2 well tests at 1.7 mcm (60 mcf) per day with a potential of 5.1 mcm (180 mcf) per day.

26 ExxonMobil signs a production-sharing contract for block EG-06.

16 Brent crude reaches $61.50 per barrel. It is the first time barrel prices have hit above $60 in 2015.

07 Equatorial Guinea extends the deadline for bids for its 2014 licensing round. Originally set to close September 30, the 10-block round will now close on October 31.

13 The price of Brent crude drops to less than $89 per barrel.

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01 Equatorial Guinea changes tax exoneration regulations, contradicting oil companies’ production-sharing contracts.

03 Oil prices climb about 19 percent from prices four days earlier. Brent crude reaches $57.91 per barrel, while West Texas Intermediate comes in at about $53.05.
05 Ophir Energy appoints Golar LNG as its midstream partner for the Fortuna floating LNG project in block R, replacing Excelerate Energy.

02 Equatorial Guinea ratifies ExxonMobil’s production-sharing contract for block EG-06.

08 Marathon Oil makes a hydrocarbons discovery in block A-12 and sub-area B near its flagship Alba field.

08 Equatorial Guinea supports the African Petroleum Producers Association’s call to reduce worldwide oil production in light of low oil prices.

05 The Ministry of Mines, Industry and Energy experiences several changes including the replacement of some figures and the merging of the Department of Industry and the Department of Extractive Industries Transparency Initiative.

03 Equatorial Guinea and China sign four co-operation agreements and a memorandum of understanding regarding diplomacy, telecommunications, construction, macroeconomic strategy and a line of credit from the Export-Import Bank of China.

03 The Ministry of Mines, Industry and Energy experiences several changes including the replacement of some figures and the merging of the Department of Industry and the Department of Extractive Industries Transparency Initiative.

12 WorleyParsons signs a deal to provide engineering and project management services for Ophir Energy’s Fortuna floating LNG project in block R.

12 The International Monetary Fund concludes its Article 4 mission to Equatorial Guinea, stating that low oil prices and falling production are obstacles to the country’s future economic growth.

13 Glencore announces oil production from its assets in Equatorial Guinea has dropped to 2.48 million barrels per year, down 3 percent from levels the previous year.

13 Ophir Energy plans to deploy a second floating LNG unit to block R. Chief operating officer Bill Higgs says the unit may not come for another decade.

18 The oil price hovers around $60 per barrel as crude inventories drop in the US and OPEC members continue to increase production.

15 Marathon Oil discovers light oil with the Rodo-1 well in sub-area B.

19 SBM Offshore agrees to pay $240 million to settle allegations of bribery in Equatorial Guinea, Angola and Brazil.

09 McDermott International, GE Oil & Gas, Aker Solutions and Subsea 7 are all awarded front-end engineering and design contracts by Ophir Energy for the Fortuna floating LNG project.
17  Friends and woes

19  A policy for the future
    Agustín MBA OKOMO
    Secretary-General
    MINISTRY OF MINES, INDUSTRY AND ENERGY

20  The open road
    César A. HINESTROSA GÓMEZ
    Director of Industry
    MINISTRY OF MINES, INDUSTRY AND ENERGY