

INTERVIEW TRANSLATION

JUAN LUPERCIO NSIBI OMOGO

GENERAL MANAGER, SEGESA

Malabo, May 31st – An article from Universal News to be published in Foreign Policy

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UNIVERSAL NEWS: Since 1979 and under Obiang's presidency, when it comes to taking steps to implement and promote the transparency and good governance, the country has progressed. It does play a decisive role in the Monetary and Economic Community of Central Africa (CEMAC) and will play host to big events such as the summit conference of the African Union (AU) and the African Nations Cup (ANC). The international community will keep an eye on Equatorial Guinea. What image does Guinea show internationally and how does this image contrast with the reality lived in the country?

MR. JUAN LUPERCIO NSIBI OMOGO: Let me tell you first, that as a General Manager I am not in the best position to express my opinion about the image the American audience should have about my country, I believe instead that they are in a better place to answer to this question. In any case, and if they have the chance, I invite them to visit our country freely so they can live in first person our reality and see the works that the government, through the policy set by His Excellency President of the Republic, Head of State and Founder of the Equatorial Guinea's Democratic Party Mr. Teodoro Obiang Nguema Mbasogo is undertaking. Having said that, I'm pleased to inform you that from August 3rd 1979 on, and under the impulse of his excellency Mr. Obiang Nguema Mbasogo, Equatorial Guinea has set out the path of democracy and economic and social development. Anyone can see this development and we, the people from Equatorial Guinea, are very proud of it.

UNIVERSAL NEWS: The unprecedented growth in crude oil's production in the country has put Equatorial Guinea as one of the main producers within Sub Saharan Africa. As for the natural gas, how do you think is going to develop in the next years the 3G consortium the energetic sector is undertaking?

MR. JUAN LUPERCIO NSIBI OMOGO: First of all I would like to point out that the success of our economy does not come only from the oil discovery but also from the political stability which has encouraged the growth of the economy. Our country has always lived peacefully thanks to the efforts of the President of the Republic H.E Obiang Nguema Mbasogo. This political stability has made the investors to be confident at a legal level since the law of market is observed. This has created a favourable environment for the investments of financial capital and the establishment of several foreign companies in our country. All this makes up a favourable atmosphere for foreign investments and for business in general.

UNIVERSAL NEWS: Apart from these features that make Equatorial Guinea an unusual country in the region, what other factors does Equatorial Guinea have to attract the foreign investment to develop the energetic resources?

MR. JUAN LUPERCIO NSIBI OMOGO: Considering the pace and the dynamism of our economy and the proliferation of foreign companies in all the sectors, I tend to believe that they obtain great profits. There is a huge potential in our country to develop the energetic sector. Within this sector, as far as electricity is concerned, some big projects are being implemented at a national level, with the main objective of making the electricity available in any spot of the country, and not only this, but also to make it available with quality and at a low-cost. This is one of the goals of the program Horizon 2020.

UNIVERSAL NEWS: SEGESA contributes in an emphatic way to the training of its employees. You impart courses in collaboration with the National Electric Union of Cuba among others. Could you comment on the capacity of the local labour force and on the training processes you have for your employees?

MR. JUAN LUPERCIO NSIBI OMOGO: First I would like to point out that any human activity entails a previous learning process. To an electrical enterprise like SEGESA, human capital is key, the backbone of the company. Right from the start we are making efforts in everything related to the training of our labour force, not only through the Cuban cooperation, but also through other bilateral cooperation. Nowadays the Ministry of Mining, Industry and Energy has a program to train the people in different countries, its aim is to maintain the infrastructures undertaken within the electrical sector of the country. We have a lot of students training in China because the building project for the hydroelectric power station over the river Wuele Djibloho is carried out by a Chinese enterprise. Besides that, we are undertaking training programs in other countries. At present we are going to send some SEGESA's employees to a training course in France within the framework of the project to implement the new batteries that will help as a support in Turbogas power station. As you can see the government is already investing in the maintenance of these infrastructures.

UNIVERSAL NEWS: It is estimated that around 50% out of the people living in rural areas have difficulties to have access to the electricity, and therefore they use coal and wood to obtain energy. On the other hand, Turbogas power station of Punta Europa has planned to supply a city with over 120.000 inhabitants, but this does not prevent blackouts from happening, in several occasions without previous notice. What measures is SEGESA taking to supply the energy properly to the population?

MR. JUAN LUPERCIO NSIBI OMOGO: This question focuses very wisely in the sheer essence of our raison d'être as well as in our situation as a company. Like everybody else, we consider the electrical energy as the essential pillar for any development process, we cannot talk about development without electricity. In this sense we are pleased to show you that SEGESA is not just confined to fulfil its social and statutory objective, but it has fixed as a goal an ambitious program which will serve as an effective tool to materialize the energetic policy set by H.E. Obiang Nguema Mbasogo. To overcome the technical faults in the energy supply to the population, the government is now undertaking the implementation of several projects within the sector. At present we have the expansion of the Turbo in the insular region which will rise the production from 30MGW to 160GMW, on the other hand the Chinese have a project to install the new transportation and distribution network of middle and low voltage in the city of Malabo. Also there is a plan to install a middle voltage network supplying all the townships throughout the island. At a continental region level there is the huge project of Djidloho which is a hydroelectric central station over the Wele river. There is another plan to transport high and middle voltage from the river Wele to Bata city. At the present time we are implementing the project to supply with electricity to all the districts and townships of the continental region's provinces. Besides that, all the middle and low voltage network will be replaced as it is now obsolete.

UNIVERSAL NEWS: Sometimes the state and the maintenance of the machinery is to blame for these problems, but apparently this is changing now that you are bringing in modern machinery with better trained employees.

MR. JUAN LUPERCIO NSIBI OMOGO: Indeed, our goal is to have at our disposal an electrical system with capacity enough to tackle the supply to all the nation safely. Nowadays in Malabo the maintenance of Turbo is carried out by the American company Marathon thanks to a contract signed with the government. In Bata there is the central station of 24MG which is the one who produces Bata's electricity, the Ministry undertakes its maintenance through the Spanish company Isolux, but in the near future this maintenance will be in local hands, this is our next objective, that's why we are training national teams.

UNIVERSAL NEWS: Do you have any plan to bring in alternative energies?

MR. JUAN LUPERCIO NSIBI OMOGO: Our country's energy policy is set by the Ministry of Mining and Energy. We are only a tool to materialize the Ministry's objectives with regard to electrical energy. Nevertheless, I think the Ministry of Mining and Energy do have some projects related to these alternative energies.

UNIVERSAL NEWS: Do you believe they have potential?

MR. JUAN LUPERCIO NSIBI OMOGO: I think they will do as complementary alternatives, maybe they could be used in some specific places tough.

UNIVERSAL NEWS: Much has been said about the privatization of SEGESA through a joint venture with a foreign company. Union Fenosa studied this possibility in the past, but rejected this option because they thought the market was not big enough for the investment required. Could you comment on the possibility of privatizing the company?

MR. JUAN LUPERCIO NSIBI OMOGO: SEGESA, as any other company is subject to the law of supply and demand and to the market forces. Previously, SEGESA was a state-owned company, but when the circumstances made it necessary it was associated with a foreign capital enterprise. Nowadays the State is the majority shareholder but if the conditions allow it again we cannot rule out the idea of privatization. In the specific case of Union Fenosa, when this company arrived to our country to make their research, SEGESA was a small company with an annual turnover around 40 millions KW a year, and Malabo was also a small city, but now it's 50 times bigger. Nowadays with this growth and with all the projects in the pipeline the estimated demand could reach 500 million KW a year. They didn't have this forward-looking approach and now the figures speak for themselves.

UNIVERSAL NEWS: What legacy would you like to bequeath to the future generations?

MR. JUAN LUPERCIO NSIBI OMOGO: I would like to leave them the best electrical system a country can have, producing quality electrical energy with the lowest prices possible reaching the whole population.

UNIVERSAL NEWS: To achieve this goal do you think that the foreign investment is necessary or on the contrary the State is qualified for undertaking the modernization needed?

MR. JUAN LUPERCIO NSIBI OMOGO: The majority of the investments within the electricity sector have been carried out by the State. The State is qualified to undertake it and actually is doing so. These investments are complicated for the private sector and we have been waiting a long time for the private investment. But thank God, the government's support and the policy set by the Head of State we have been able to materialize 90% out of these investments with state capital. What we need now is to train our labour force to maintain these infrastructures, the government has done its job, now it is private sector's turn.

UNIVERSAL NEWS: I would like you to convey a message to the readers of *Foreign Policy* most of them influential politicians and businessmen from the United States. If you had to send them a message about Equatorial Guinea and SEGESA what message would that be?

MR. JUAN LUPERCIO NSIBI OMOGO: I would like to let them know that Equatorial Guinea is a country which lives peacefully and that under the influence of his excellency the President

Obiang, a well-liked president by all the people for the work he has done and he is actually doing, Equatorial Guinea has set out the path of democracy and economic and social development. Equatorial Guinea offers excellent business opportunities and gathers unbeatable conditions for ecological tourism. Here, not only oil sector can be developed, we also have superb conditions to develop the tourist sector. What we really needed were the basic infrastructures, and we already have them, so now hopefully the foreign capital will take part to promote this development and to create new economic sectors.

UNIVERSAL NEWS: Thank you very much.

END OF THE INTERVIEW.