Page -21- Investment Article 31.— The withdrawal of the concession shall be carried out in accordance with the following procedure: 1. Where it is established that the commitments set out in the Concession Decree have not been fulfilled, the Ministry of Economy, Trade and Business Business Promotion shall set a deadline for the company to take the necessary measures to remedy the situation of non- compliance. The company may sub- mit its justifications and may be granted, where appropriate, an addi- tional period to fulfil its obli- gations. 2. In serious cases, the Ministry of Economy, Trade and Business Promotion shall draw up and submit to the Prime Minister's Office the corresponding proposal to revoke the concession. 3. Pending the Government's decision, the Ministry of Economy, Trade and Business Promotion shall take such precautionary measures as may be necessary. Article 32. – The company may lodge an appeal with the administrative courts within a maximum period of 60 days from the date of notification of the decision to withdraw the concession. CHAPTER VI OFFENCES AND SANCTIONS Article 33. – Any failure to comply with one or more of the commitments or obligations set out in the Concession Decree shall be considered an offence, in particular regarding: 1. The location of the activity 2. The investment programme 3. The priority use of local raw materials 4. The participation of nationals in the share capital 5. Obstructing the monitoring of the activity. Article 34. – Any of the breaches set out in the preceding article shall entail the payment by the company concerned of a fine amounting to one per cent of its turnover for each breach, the sum of which shall be paid into the Public Treasury. ADDITIONAL PROVISION: The Government is authorised to issue such regulations as may be necessary for the implementation and extension of this Act. REPEAL PROVISION: All provisions of equal or lower rank that conflict with this Act are hereby repealed. FINAL PROVISION: This Act shall come into force upon its publication in the national media. I hereby enact this Act, given at Malabo, on the thirteenth day of June in the year one thousand nine hundred and ninety-five. * * * Decree No. 82/2000, dated 16 July, regulating the National System for Public Investment Planning.— PREAMBLE: The establishment of a National System for Public Investment Planning (SINPIP) follows the Government's decision to increase efficiency in the allocation of public investment expenditure. This policy is based on the development strategy, one of the fundamental pillars of which is the pursuit of faster economic growth as the principal means of overcoming poverty and under- development. To achieve this, the Government establishes mechanisms to guide decisions on the allocation of resources for public investment, in accordance with and in line with its development strategy. This investment policy is

Page -22- Investment is based on the basic criteria and indicators for investment planning, both at the level of the Ministry of Planning and Economic Development and the Sectoral Planning Units. The application of these criteria will help to improve the processes of identifying, selecting and prioritising pro- jects and, above all, will strengthen the capacity of the Ministry of Planning and Economic Development, as the body responsible for drawing up and monitoring the Public Investment Programme at the aggregate level. This systematic approach to the Investment Process incorporates a Technical and Economic Recommendation process to ensure that the quality and focus of projects submitted to the Public Investment Programme with Public Investment Policy and the decisions on the allocation of resources for investment. Accordingly, and on the proposal of the Ministry of Planning and Economic Development, following deliberation by the Council of Ministers held on 14 July 2000, I HEREBY DECREE: CHAPTER I GENERAL PROVISIONS Article 1.— The National System for the Programming of Public Investment (SINPIP) is the system that unifies and organises the various functions related to public investment processes, from the pre-investment stage through to the actual investment, to be carried out by all the institutions involved in that process. Article 2.— The National System for the Programming of Public Investment (SINPIP) comprises the following technical and regulatory components: a) Public investment policy guidelines; these shall be published periodically prior to the budgetary process and shall provide guidance on decisions regarding the allocation of resources for public investment and shall indicate the priority sectors to be addressed using the State's State. b) The Technical-Economic Recommendation, also known as the Recommendation or Opinion; which will issue a ruling on a Project/Programme at any stage of its life cycle, with the aim of ensuring that the quality and focus of the projects submitted to the State (PIE) with public investment policy and the decisions regarding the allocation of resources for such investment. c) Investment projects and programmes, classified according to their life cycle: ideas, profiles, studies awaiting funding for implementation, completed and operational projects, constitute the basic units of the system. d) Standardised methodologies for the economic and social evaluation of projects and programmes, in accordance with their sectoral classifications and the relevant stage. e) Standardised methodologies for formulating Sectoral Investment Programmes (PIS) and the Three-Year Public Investment Programme (PTIP). f) Methodologies for planning and monitoring projects and programmes at the pre-investment and investment stages. g) The Investment Planning and Monitoring Information System (SIPROSE) is the operational tool of the SINPIP; it provides access to all the necessary information on individual projects and programmes, the PIS and PTIPs. h) A legal and regulatory framework, designed to ensure the normal operation of the system, which comprises, fundamentally, this Decree, the State Contracts Act, the General State Budget Act and other complementary provisions of general application. Article 3.— The Public Investment Programme (PIP) is the instrument of the National Public Investment Programming System, the purpose of which is to implement the Government's economic and social development strategy. Article 4.— The Public Investment Programme (PIP) comprises all projects to be carried out during a financial year—

Page -23- Investment projects financed from internal and/or external sources. Article 5. - The Three-Year Public Investment Programme (PTIP) shall be drawn up in the first year of each term and reviewed annually, including an assessment of the previous year, a forecast for the following years and a forecast for a new year. Article 6. – The projects and programmes that make up the Public Investment Programme (PIP) shall be consistent with investment policy and shall be supported by profile-level studies, meeting, as a minimum, the information requirements for formulation and evaluation. Article 7. – The investment programmes or projects to be included in the Public Investment Programme shall be based on the guidelines of the Public Investment Policy, the Project Selection Criteria and the Technical and Economic Recommendation. Article 8. – Any investment project submitted to the System must necessarily pass through the pre-investment, investment and operational stages. Article 9. – The Technical and Economic Recommendation, referred to in Article 2(b) of this Decree, is a technical, independent and timely resolution issued by the Mi- nistry of Planning and Economic Development to support the decision-making process. It It is a mechanism for prior scrutiny of any action involving public resources (both domestic and foreign). Article 10.— Institutions must identify, formulate and evaluate projects and programmes in accordance with the guidelines of the current Public Investment Policy and must request, in a timely manner, the Technical and Economic Recommendation from the Ministry of Planning and Economic Development. Article 11. – In accordance with the previous Article, the institution responsible for each project or programme shall submit, via the relevant relevant Sectoral Planning Committee, the information required of it so that the Ministry of Planning and Economic Development may issue the Technical and Economic Opinion or Recommendation. Article 12.—To ensure consistency in the content of projects and programmes and to objectify the process of their identification, prioritisation, formulation and evaluation, the use of the General Guide for the submission of projects at the profile level, the public investment policy guidelines, the project selection criteria and the Technical-Economic Recommendation. CHAPTER II ON THE INTERMINISTERIAL COMMISSION FOR INVESTMENT PROGRAMMING Article 13.— The Interministerial Commission for Investment Programmes is hereby established as the sole body responsible for centralising and rationalising the public investment planning process. Article 14.— The Interministerial Commission for Investment Planning shall be chaired by the Minister for Planning and Economic Development and shall comprise the Minister for Economy and Finance; the Minister for Foreign Affairs, International Cooperation and the Francophonie; and the following members: - Director-General for Planning and Investment Promotion, who shall act as Secretary. - Director-General for Coordination and Project Monitoring. - Director-General of Budgets and State Assets. - Director-General of International Co-operation. - Two officials from the Ministry of Planning and Economic Development, from the Directorate-General for

Planning and Investment Promotion and the Directorate-General for Coordination and Monitoring of Projects, respectively.

Page -24- Investment The Ministry of Planning and Economic Development shall act as the Secretariat of the Commission. Article 15. – The composition of the Interministerial Commission for Investment Planning may be amended at the proposal of the Commission itself, where it is evident that such an amendment is necessary to improve its functioning. Article 16. – For the purposes of information and coordination, the Heads of the Sectoral Planning Units shall attend the meetings of the Interministerial Commission for Public Investment Planning. CHAPTER III ON THE POWERS AND FUNCTIONS OF THE INTERMINISTERIAL COMMISSION FOR INVESTMENT PLANNING Article 17.—With regard to the centralisation of decisions on investment projects, the Interministerial Commission for Investment Planning shall have the following functions: a) To decide on the financial assessment report drawn up by the Ministry of Planning and Economic Development on the basis of technical reports on projects in their formulation or implementation phase. b) To rule on the advisability of re-formulating, re-designing and/or resizing projects or carrying out supplementary studies, in the light of the technical implementation reports drawn up by the implementing company and/or the project supervisor. c) To decide on the projects to be included in the Preliminary Draft Public Investment Programme. d) To cancel and/or suspend, where appropriate, the implementation of projects, informing the Government of the reasons underpinning the decision. The Government, in the light of the Commission's reasoned report, may confirm, suspend or cancel this decision. Article 18.—With regard to the preparation and monitoring of Public Investment Programmes, the Interministerial Commission for Investment Planning shall have the following functions: (a) To examine the short- and medium-term economic and financial projections, in accordance with the provisions of Article 20 of this Decree. b) To analyse the evaluation reports on the Public Investment Programme drawn up by the Ministry of Planning and Economic Development, in coordination with the technical ministries, and to propose to the Council of Ministers any appropriate adjustments. c) To propose to the Government the amount of funding for the Public Investment Programme and its annual allocation by sector. d) To oversee the process of formulating and monitoring the Public Investment Programme. CHAPTER IV ON THE PUBLIC INVESTMENT PROGRAMME Article 19. - The Interministerial Commission for Investment Planning shall examine and submit for the Government's approval a document setting out the main guidelines for the country's economic and development policy, drawn up by the Ministry of Planning and Economic Development . This document shall contain projections of macroeconomic variables, the total estimated resources and financing requirements. Article 20. – The Ministry of Planning and Economic Development, subject to the approval of the Government, shall send to the line ministries the maximum amount of investment expenditure corresponding to each sector and the estimated costs of the projects. Article 21.— The sectoral ministries shall, in the month of April each year, send to the Ministry of Planning and Economic Development detailed lists of their projects, specifying

Page -25- Investment primarily the amount and sources of funding used per year and per project. Article 22. – The sectoral ministries, as set out in the previous Article, shall prepare the programmes for their respective sectors, and the Ministry of Planning and Economic Development Economic Development, on this basis, shall draw up and evaluate the Investment Programme, which shall be submitted to the Interministerial Commission for Investment Planning for preliminary approval no later than 30 June of each year, returning it to the Ministry of Planning and Economic Development for submission to the Council of Ministers for discussion and approval within the third quarter of the year. Article 23. – The Investment Programme for each financial year shall form part of the General Budget for Public Investment for that same financial year. Article 24.- In order to carry out effective monitoring of public investment and to oversee the progress of the items in the State's Investment Programme, the Ministry of Economy and Finance shall promptly inform the Ministry of Planning and Economic Development regarding the stages of authorisation of expenditure on investment projects and the payments actually made, which will enable it to establish an appropriate accounting system, for the purposes of settling the Investment Budget at the end of each financial year. ADDITIONAL PROVISIONS: First.—The following documents form an integral part of this Decree, as supporting documents for the National Public Investment Programming System: - General Guidelines on Public Investment Policy and Criteria for the Selection of Projects. - The Conceptual Logical Design of the Information System for the Programming and Monitoring of Investments. - General Guide for the Preparation and Submission of Projects at the Profile or Preliminary Study Stage. - Operational Guide for the Process of Technical and Economic Recommendation of Public Investment Projects. Second.— Ministerial Departments and Autonomous Bodies implementing projects financed from the Public Treasury, in accordance with the guidelines and with the support of the Ministry of Planning and Economic Development , are obliged, within a period of six months, to organise, strengthen or adapt the operation of their Sectoral Planning Units and, consequently, to train the relevant staff to carry out, as appropriate, all functions relating to the public investment processes set out in this Decree. REPEAL PROVISION: Any provisions of equal or lower rank that conflict with this Decree are hereby repealed, in particular Decree No. 96/1988, dated 24 June, which regulates the system and process for investment planning. FINAL PROVISION: This Decree shall enter into force on the date of its publication in the national media. I hereby so decree by this Decree, issued at Bata on the sixteenth day of July in the year two thousand.