

# THE MINERAL INDUSTRY OF

# SÃO TOMÉ E PRÍNCIPE

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The archipelago of São Tomé e Príncipe is located approximately 275 kilometers west of Gabon and southwest of Equatorial Guinea and Cameroon in West Africa. In 1999, the growth rate of the gross domestic product of São Tomé e Príncipe was estimated to be 2.5% (World Bank Group, September 12, 2000, São Tomé e Príncipe at a glance, accessed November 2, 2000, at URL [http://www.worldbank.org/data/countrydata/aag/stp\\_aag.pdf](http://www.worldbank.org/data/countrydata/aag/stp_aag.pdf)). The São Tomean economy was dominated by agriculture; there was no significant mineral industry. Although such sectors as construction and tourism were prolific in 1999, the production of cocoa, which was one of the country's main export products, declined. Refined petroleum products, as well as most manufactured goods and food, were imported from neighboring countries.

The oil and gas industry in São Tomé e Príncipe is regulated by the Ministry of Industry, Construction and Housing. As of

1999, São Tomé had not delimited its offshore boundaries in the Gulf of Guinea and no petroleum resources had been identified in the country.

In 1998, the Government privatized 49% of the National Petroleum Distribution Co. In a joint venture with Environmental Remediation Holding Corp. of the United States, it formed the São Tomé e Príncipe National Petroleum Co., which subsequently signed a 22-block, 18-month technical assistance agreement with Mobil Corp. Under the agreement, Mobil, which became Exxon Mobil Corp. in 1999, held the right to convert the 22 blocks to production-sharing contracts (Environmental Remediation Holding Corp., [undated], Mobil joint venture with ERCH Partner STPETRO, accessed August 20, 1999, at URL <http://www.erhc.com/mobil>).