Cabo Delgado Reconstruction Plan prioritises districts under the influence of the gas industry

Por: Borges Nhamirre

The Cabo Delgado Reconstruction Plan (PRCD), approved by the Government in October 2021, to be implemented in six (6) districts heavily affected by the attacks of the insurgents, prioritises the restoration of infrastructures in Palma and Mocímboa da Praia districts. This approach may show that the Government is more concerned about establishing stability and the conditions for a return to normal life in the districts covered by the natural gas exploitation projects, relegating to a secondary position the remaining districts which were also severely affected by the attacks.

TotalEnergies, which abandoned its natural gas project in the Rovuma Basin, Palma district, valued at 23 billion US dollars, has been demanding what it calls “sustainable security” so that it can resume the project. According to the Chairman and CEO of TotalEnergies, Patrick Pouyanné, this sustainable security means “seeing the population return to their villages to normalize their social life”.

The implementation of the PRCD shows that it is guided to meet the demand of TotalEnergies, but only in two districts: Palma and Mocímboa da Praia. The Government is prioritising the restoration of infrastructures destroyed by the insurgents’ attacks in these two districts and forcing public functionaries to return to Mocímboa da Praia town, to re-establish public services. In Palma district, the public services are already re-established, and it is the only district where the District Administrator has already returned after the attack on the district capital. The administrators have not returned to Mocímboa da Praia, Muidumbe, Macomia and Quissanga districts after the attacks on their respective capitals.

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Key events in the development of the projects to exploit natural gas, the start and the evolution of the insurgents’ attacks, and the responses of the government in Cabo Delgado

**FEBRUARY 2010**
Anadarko announces the discovery of natural gas in the Windjammer field. This was the first of many discoveries in Areas 1 and 4 of the Rovuma Basin, regarded as the largest discoveries of natural gas in Mozambique, with total reserves of 170 trillion cubic feet (TCF). The government then approved three large Liquefied Natural Gas production projects, namely Coral Sul FLNG, Golfitinho/Atum and Rovuma LNG, with a total investment estimated at USD 60 billion.

**SEPTEMBER 2019**
Total announces the conclusion of its acquisition of Anadarko’s 26.5% holding in the Mozambique LNG project, for a purchase price of 3.9 billion USD, and becomes the new operator of the project.

**JANUARY 2021**
Insurgents attack the Quitunda resettlement town, within the concession area of the Mozambique LNG project, forcing Total to suspend construction activities and evacuate part of its Atungi camp. The town of Quitunda was built for people resettle from their land to make way for the construction of the natural gas liquefaction project.

**JUNE 2017**
Eni SpA announces the Final Investment Decision of USD 7 billion in the Coral Sul FLNG (Floating Liquefied Natural Gas) project.

**OCTOBER 2017**
First attack by insurgents against Mocimboa da Praia town and Awassee.

**JUNE 2018**
The first attack against Maganja village, about 3 km from the fence around the Atungi natural gas liquefaction project.

**NOVEMBER 2019**
Soldiers of the Russian Wagner Group leave Cabo Delgado with reports of more than a dozen fatalities and disagreements with some commanders of the Mozambican Armed Forces.

**MARCH 2020**
Government creates Northern Integrated Development Agency (ADIN), based in Cabo Delgado Province, aimed at promoting socio-economic development in Cabo Delgado, Niassa and Nampula provinces.

**MARCH 2021**
The Government announces the creation of the Atungi Special Operational Theatre to protect the gas projects.

**MARCH 2021**
Insurgents attack the Palma district capital, taking hostage workers of companies sub-contracted by Total and killing some of them, including expatriates, forcing the withdrawal of Total.

**APRIL 2021**
Total declares force majeure and confirms its withdrawal from Atungi due to the security situation.

**JUNE 2021**
SADC approves the deployment of about 3,000 men to Cabo Delgado to conduct operations against terrorism and violent extremism.

**JANUARY 2022**
The Chairman and CEO of TotalEnergies, Patrick Pouyanné, visits Mozambique and meets with President Filipe Nyusi. At the end of the meeting, Pouyanné announces that Total will only resume the LNG project construction in Cabo Delgado if there is “sustainable security. ‘Mocimboa da Praia is secure, Palma is secure, but there is still some progress to be done, to have sustainable security,” he said.
Key events in the development of the projects to exploit natural gas, the start and the evolution of the insurgents' attacks, and the responses of the government in Cabo Delgado

**FEBRUARY 2019**
The Government (Ministry of Defence and Ministry of the Interior) signs a confidential agreement with Anadarko and Eni, which holds the concessions on Area 1 and Area 4 of the Rovuma Basin, respectively. The agreement envisages that the government should deploy special forces to protect the Afungi gas projects and that the gas companies will pay for the security services provided by the Government.

**JUNE 2019**
Anadarko announces the Final Investment Decision for 23 billion USD for the Mozambique LNG Gofinio Atum project.

**JUNE 2019**
The “Islamic State” publishes its first statement, through its official propaganda channels, claiming attacks in Cabo Delgado and showing images of the spoils from the attacks.

**SEPTEMBER 2019**
About 200 soldiers of the Russian private military company, the Wagner Group, are deployed to Cabo Delgado to help fight against the insurgency.

**APRIL 2020**
Dozens of soldiers of the private military company, the Dyek Advisory Group (DAG), arrive in Mozambique to help the special police units fight the insurgency in Cabo Delgado. DAG provided some air supremacy to the government forces.

**JUNE 2020**
Insurgents again attack and temporarily occupy Mocimboa da Praia town, destroying various infrastructures including military units, capturing large stockpiles of weapons and vehicles.

**AUGUST 2020**
Total announces the signature of a Memorandum of Understanding with the Government for the formation of the Joint Task Force to protect the gas project, covering not only Afungi, but an area with a perimeter of 25 km.

**AUGUST 2020**
Infighting between NYT and MICAMI, the two largest insurgent groups, for control of the gas projects.

**SEPTEMBER 2020**
The ADC (Army Division Cabo Delgado) is deployed to Fane town, to support the government forces and to establish a new presence in the area.

**APRIL 2021**
DAG leaves Mozambique after about a year helping the police combat the insurgency.

**APRIL 2021**
President Filipe Nyusi travels to Kigali, Rwanda, to request Rwandan military intervention in Cabo Delgado.

**MAY 2021**
The first units of Rwandan military intelligence are deployed to Cabo Delgado for military reconnaissance in preparation for the deployment of combat troops.

**AUGUST 2021**
With the help of the Rwandan military forces, the Mozambican Armed Forces (FADM) retake Mocimboa da Praia town, which had been occupied by the insurgents in August 2020.

**AUGUST 2021**
SADC forces are deployed to Nangade, Mueda and Macomia districts to fight against terrorism and violent extremism.

**OCTOBER 2021**
The Council of Ministers approves the Cabo Delgado Reconstruction Plan, budgeted at USD 300 million, to be implemented in six districts severely affected by the insurgents’ attacks (Palma, Nangade, Mocimboa da Praia, Molombe, Macomia and Quissanga). The plan prioritises the reconstruction of the State apparatus in the districts of Palma and Mocimboa da Praia.
Priority for the security of the gas projects

The privileged treatment of Palma and Mocimboa da Praia districts in the government’s counter-insurgency strategy is not only in reconstruction. It is also notable in the security for the gas projects. Before foreign troops were stationed in Cabo Delgado, the Government always channelled its best men and resources to Afungi, to protect the gas projects.

In the context of armed conflicts, special protection for projects of major economic importance is common and is justified by the importance these represent for the economy. However, the protection of economic undertakings should not mean sacrificing, or relegating to a secondary position, the security of the civilian population and their property.

In Cabo Delgado, the government has always given priority to the security of gas projects, instead of security of the local population. As the attacks intensified in 2019, the government signed an agreement with multinational gas companies to deploy a special force to protect the gas project. In return, the Government received payments from Anadarko and Eni to pay the militaries deployed to Afungi.

When Total bought the stake from Anadarko and became the Mozambique LNG project operator, the agreement between the Government and the multinationals was updated, to establish a Joint Task Force, that consisted in a special unit that brought together the best operatives of the Police and of the Mozambican Defense Armed Forces (FADM).

The Joint Task Force transformed the Afungi Peninsula, which was the headquarters of the gas projects, into an “island of stability”, armoured against insurgent raids, while the nearby villages were attacked.

Since the attacks were continuing and were happening about 10 kilometres from the gas projects, Total demanded a wider security perimeter, at least 25 km from its project. The government responded by creating the Afungi Special Operational Theatre, a special unit of the Defence and Security Forces, intended to protect the place where the natural gas liquefaction factories were being built and the other support infrastructures.

The government’s strategy of protecting the gas projects and leaving the surrounding areas to the mercy of the attacks did not bring the desired results. The special units created to protect the gas projects were able to prevent the gas exploitation and liquefaction project from being attacked, but they did not avoid the paralysis of the gas project.

With the best military units stationed at Afungi, the town of Palma, located within the 25 kilometre parameter established in the memorandum between the Government and Total, was ravaged by the insurgents. During the attack, many workers from companies subcontracted to work on building the gas liquefaction project were held hostage by the insurgents in the hotels in Palma town where they were being accommodated and others

were killed. After the attack on Palma town, Total abandoned the project alleging that the lack of security did not allow it to continue its activities.

With the attack against Palma town and the paralysis of the natural gas liquefaction work, the Government, which up until then had been reluctant to accept foreign military intervention in Cabo Delgado, other than private military companies, changed its approach and asked for military support from Rwanda and from SADC. The foreign military intervention was first directed to Palma and Mocímboa da Praia, with the arrival of the Rwandan Defence Force (RDF), in July 2021.

A month after the arrival of the Rwandan troops in Palma and Mocímboa da Praia, troops from the SADC Mission in Mozambique (SAMIM) were sent to Nangade, Mueda and Macomia districts. The delay in deploying the SADC forces was partly caused by the Mozambican government’s delay in sending the “Status of Force” to SADC headquarters in Gaborone, a document without which SADC could not send troops to Mozambique.

Having arrived first on the ground, the Rwandan troops dislodged the insurgents from Mocímboa da Praia town, which they had captured about a year earlier. They also attacked some bases of the insurgents, as in Awasse and Mbau, but most of the insurgents, including their leaders, managed to escape and scattered in small groups into the areas which had been allocated to SAMIM, including the districts of Nangade to the north, and Macomia, to the south. Currently, it is in these districts that the largest number of attacks are still being recorded.

**Reconstruction prioritises Palma and Mocímboa da Praia**

The foreign military intervention made it possible to contain the attacks, particularly in Palma and Mocímboa da Praia districts, and in October 2021, the government approved a Cabo Delgado reconstruction plan, budgeted at 300 million dollars.

According to data from the Integrated Development Agency of the North (ADIN), the Cabo Delgado Reconstruction Plan will be implemented in six districts, namely Palma, Nangade, Mocímboa da Praia, Muidumbe, Macomia and Quissanga. These are the districts strongly affected by the insurgent attacks,
and, with the exception of Nangade, their district capitals were attacked, and various public and private infrastructures were destroyed.

To implement the Cabo Delgado Reconstruction Plan, a budget of 14.6 billion meticais was approved. Palma (with 5.5 billion meticais), and Mocímboa da Praia (with 4 billion meticais) consume more than 65% of the total budget, leaving about 4.5 billion meticais for the remaining four districts, as shown in graph 1. Quissanga is allocated 2.1 billion meticais, Macomia 1.8 billion meticais, Muidumbe 715 million meticais and finally Nangade with 416 million meticais.

Graph 1. Distribution of the Budget for the Reconstruction of six Cabo Delgado districts

![Graph showing distribution of the budget](image)


**Priority for the restoration of infrastructures in Palma and Mocímboa da Praia**

The PRCD focuses on three areas, namely Humanitarian Assistance, Restoration of Infrastructures and Support for Economic Activity. Implementation of these activities is sub-divided into short term actions, with a budget of 12.3 billion meticais and medium term actions with a total cost of 6.3 billion meticais, making a total of about 18.6 billion.

As graph 2 shows, in both the short and the medium term actions, the recovery of infrastructures consumes the greater part of the budget intended for the reconstruction of Cabo Delgado, with 13 billion meticais (70% of the total budget) allocated to this heading, while humanitarian assistance receives 5 billion meticais (27%) and economic activity 546 million meticais (2%).
Graph 2. Distribution of the PRCD budget by heading (in %)

Of the total of 18.6 billion MT allocated to the reconstruction of Cabo Delgado, 70% is going to the rebuilding of infrastructures


The distribution of the PRCD budget, both among the districts and by area, shows that a high proportion is destined for the recovery of infrastructures in the districts under the influence of the gas industry - Palma and Mocímboa da Praia. The prioritization of Palma in the allocation of a greater share of the reconstruction budget may be explained by the fact that this district harbours the gas exploitation projects, and there is thus a need to develop the government facilities that will serve the gas industry.

In order to resume the gas liquefaction project, TotalEnergies has been demanding the normalisation of the situation in Cabo Delgado, which should include the return of the communities to their zones of origin. The priority treatment given to Palma and Mocímboa da Praia may be symptomatic that the government intends to normalise (in the first place) the situation in the districts under the influence of the gas industry, relegating the other districts to a secondary position.
Conclusions

The priority given to Palma and Mocímboa da Praia districts, both in defence against the attacks of the insurgents and in reconstruction, may create imbalances in development and stability in Cabo Delgado province, with the zone around the gas being more stable and developed, while the surrounding districts still suffer attacks and the lack of basic conditions of habitability.

Such a situation would not guarantee the long term security of the gas projects. As seen earlier, the Joint Task Force and the Afungi Special Operational Theatre, which were set up thinking exclusively of the security of the gas liquefaction projects, did not bring the expected results. Sustainable and lasting security should mean the security of the civilian population throughout Cabo Delgado province, and so the distribution of the Defence and Security Forces on the ground, as well as of the financial resources for reconstruction, should be as balanced as possible.

Balance is needed in distributing the budget for the reconstruction of Cabo Delgado among the sectors. While one recognises the need to rebuild the infrastructures, it is also important to allocate more of the budget for humanitarian assistance for the hundreds of thousands of victims of the attacks, who are currently dependent almost exclusively on humanitarian aid provided by international humanitarian organisations.
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