

AFRICA RISK CONSULTING

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Mozambique Summary 9 July 2025

President Daniel Chapo (2025-present) carries out an official visit to Portugal focused on strengthening bilateral relations in the areas of security, trade, development, and green energy cooperation. French energy giant TotalEnergies' CEO Patrick Pouyanné once again indicates that development of its \$20 billion project in Cabo Delgado Province will resume soon. However, a United Kingdom human rights-focused law firm and Mozambique's human rights commission are investigating an alleged atrocity carried out by Mozambican security forces outside the TotalEnergies project site in 2021. The Cabo Delgado insurgency also remains a serious security concern with reports that insurgents are increasingly targeting and kidnapping children to use as forced labour and child soldiers.

President Chapo conducts an official visit to Portugal

President **Daniel Chapo** (2025-present) conducted an official visit to **Portugal** on 3 July, during which he met with senior officials, including Portugal's President **Marcelo Rebelo de Sousa** (2016-present) and prime minister **Luís Montenegro (2024-present)**.¹ This visit comes amid a concerted effort by Chapo's government to strengthen bilateral relations with Portugal.

Chapo's meeting with Montenegro was arguably the most important of his appointments during his visit, as the prime minister is the head of Portugal's government and holds executive power in the country. It should be noted that Portugal also appeared to place a high value on Chapo's visit; this was indicated by the fact that de Sousa had travelled to Mozambique two weeks prior to attend Mozambique's independence commemorations.²

In his meetings with de Sousa and Montenegro, Chapo advocated for stronger bilateral relations between Mozambique and Portugal in the realms of security, trade, diplomacy, and the green energy transition.³ Portugal is already an important international partner of Mozambique, and the Portuguese military is a major contributor to the **European Union (EU) Training Mission in Mozambique (EUTM-Moz)**. Portugal is also home to one of the largest Mozambican diasporas and, by extension, a vital source of repatriated income to Mozambique. This, combined with the two countries' shared language and history, has ensured that the two countries have sustained strong diplomatic ties.

Arguably, the most important aspect of Chapo's meetings was discussions around the possibility of converting Mozambique's debt owed to Portugal into green economy projects.⁴ Chapo indicated that that Portugal was open to this during the **4th International Conference on Financing for Development**, that took place in **Spain** from 30 June to 3 July. Although the specifics of such a proposed conversion programme have not been publicly outlined, it would likely involve converting Mozambican debt into green project funding and carbon credits. Such a move would reduce Mozambique's debt burden and enable the government to invest funds earmarked for debt servicing into green energy projects approved by the Portuguese government.

If Portugal were to agree to this, it would lay the foundation for Mozambique to approach more of its debtors with a similar proposal. This agreement is expected to be developed further ahead of the

¹ Club of Mozambique, 4 Jul 2025

² Club of Mozambique 19 Jun 2025

³ Club of Mozambique, 4 Jul 2025

⁴ Club of Mozambique, 3 Jul 2025

upcoming **Mozambique-Portugal Summit**, which is set to take place in **Lisbon** (Portugal) on 8 and 9 December.

TotalEnergies moves toward resuming development of LNG project...

Mozambique's ability to rapidly pay down its large external debt burden is linked to the development of the country's nascent liquified natural gas (LNG) industry. The growth of this sector appears set to accelerate as the **French** energy giant **TotalEnergies** has indicated that it will soon lift the force majeure it imposed on its \$20 billion LNG project in **Cabo Delgado Province** in 2021.

This project is located on the **Afungi** peninsula in the province's **Palma** district and was suspended following the March/April 2021 insurgent attack on Palma town. The project is owned by a consortium called **Mozambique LNG**, of which TotalEnergies is the largest stakeholder and operating partner. As such, TotalEnergies is the deciding stakeholder on whether the consortium resumes operations.

In the company's strongest statement to date, TotalEnergies CEO **Patrick Pouyanne** said on 18 June that he expects development of the project to resume "*this summer*".⁵ Pouyanne made these comments on the sidelines of the **Japan Energy Summit** and was believed to be referring to the northern hemisphere summer meaning development of the project could resume before the start of September.

Resumption of the Afungi project would be a major boost to Mozambique's LNG sector and Cabo Delgado's economy. The size of the TotalEnergies-led project has meant that the development is critical to the sector as a whole, as it will provide a foundation for subsidiary sectors and suppliers to justify their own operations in Cabo Delgado. Consequently, the resumption of this project will likely accelerate the development of other major LNG projects in the area. Most notably, the **United States (US)** energy giant **ExxonMobil**-led **Rovuma LNG** consortium is expected to accelerate the final investment decision (FID) on its major onshore LNG project in Cabo Delgado once TotalEnergies resumes development of the Afungi project.

TotalEnergies' return will also fuel a sharp increase in confidence in Mozambique's LNG sector, which the 2021 attack severely damaged. The French company has repeatedly stated that it would only resume operations once the security environment had been secured. Pouyanne's recent comments are the latest indication that TotalEnergies believes that the area around its project is sufficiently secure to justify resuming construction.

Development of the Mozambique LNG project will bring increased investment and commercial activity to Cabo Delgado. However, it should be noted that it will take at least four years to complete construction of the project and LNG exports will not begin until 2030 at the earliest.

... but faces investigation in alleged atrocities near project

TotalEnergies is likely waiting for final confirmation regarding its project funding before officially resuming development of its Cabo Delgado project. In particular, the company is still waiting on the **United Kingdom (UK) Export Finance (UKEF)** agency.⁶ However, it appears as if the UKEF is holding off on deciding until it receives a report from the UK-based human rights-focused legal firm, **Beyond Human Rights Compliance**, which the export agency reportedly commissioned to investigate alleged atrocities near the TotalEnergies' LNG project.

These allegations stem from reports released in September 2024, which detailed how Mozambican security forces stationed outside of the TotalEnergies LNG project tortured and killed over 150 people in 2021.⁷ Mozambican soldiers allegedly detained between 180 and 250 men from a nearby village whom they accused of being insurgents. Security forces then held these men inside shipping

⁵ Club of Mozambique, 18 Jun 2025

⁶ Financial Times, 16 Jun 2025

⁷ Politico, 26 Sep 2024

containers for nearly three months, during which they routinely tortured and starved them. Only an estimated 26 of these victims survived.

TotalEnergies and the Mozambican government have both denied having any knowledge of this massacre. However, questions have been raised about whether this is possible given the scale of violence, the proximity to the LNG site, and the ongoing communication and coordination between TotalEnergies' security providers and Mozambican security officials.

UKEP is unlikely to re-approve the \$1 billion in credit to the Mozambique LNG project if Beyond Human Rights Compliance finds that the company was aware of the alleged crimes and took no action. Environmental pressure groups have already pressured the UK government to divest from hydrocarbon projects, and the additional exposure risk related to a human rights scandal will likely lead the agency to opt against future involvement.

Authorities have been unable to effectively dismiss these allegations, which clearly have concerned LNG sector investors. These concerns were likely a key driver in the decision by Mozambique's human rights commission, the **Comissão Nacional para os Direitos Humanos (CNDH)**, on 27 June to open its own investigation into the alleged crime. CNDH deployed a team of investigators to Cabo Delgado to interview witnesses and victims. Notably, the CNDH has also requested meetings with officials from TotalEnergies.

This alleged atrocity is receiving attention due to its proximity to the LNG site but the allegations included in the original reporting were not isolated events. Mozambique's military has been accused of numerous war crimes during the eight-year conflict with the **Ahlu Sunnah wa Jama'ah (ASWJ)** militant group including torture, extrajudicial killings, and sexual crimes. This is indicative of the lack of discipline and training within the armed forces which have alienated local communities and assisted ASWJ with its own recruitment efforts.

Insurgents reportedly targeting children in Cabo Delgado

In a concerning development related to the insurgency, recent reports indicate that ASWJ has increased the rate at which it is targeting and kidnapping children during its attacks in communities in Cabo Delgado.⁸ US-headquartered **Human Rights Watch** released a statement on 24 June warning that ASWJ was increasingly targeting children and had kidnapped at least 120 children in June.⁹

ASWJ kidnaps children for a variety of reasons, but primarily to use them as forced labour or to extort ransoms and compliance from local communities. In addition to using these hostages as manual labour, ASWJ has been known to compel children to become fighters and force girls to marry insurgent fighters.

The increased targeting of children indicates that ASWJ is feeling more confident in its insurgency. Kidnappings perpetrated by the group dropped significantly after regional security forces entered Cabo Delgado in 2021. The group evidently believes it once again has the resources and capacity to hold hostages over the long term.

In addition, this trend will have long-term damaging consequences for Cabo Delgado. Countries and regions that have experienced a proliferation of child soldiers and brides have long-term development challenges. The seizure of these children causes deep-seated communal trauma and breaks the family unit. Furthermore, these children will not have access to education, resulting in a decline in the quality of human capital in the economy. The increased rate of kidnappings will place increased pressure on the government to better protect communities in Cabo Delgado. However, Mozambique's security forces are struggling to contain the insurgency and defeat the insurgency.

Planner

⁸ AP, 24 Jun 2025

⁹ AP, 24 Jun 2025

22-25 Sep 2025 **Maputo (Mozambique) Mozambique Gas and Power Summit and Exhibition**

8-9 Dec 2025 **Lisbon (Portugal) Mozambique-Portugal Summit**

2025 **(Mozambique) Renamo** to hold its **National Council** meeting (date to be confirmed)

Chronology

8 Jul 2025 **Maputo (Mozambique) Club of Mozambique. Saudi Arabia's King Salman Humanitarian Aid and Relief Centre (KSrelief)**, in partnership with the **United Nations (UN) World Food Programme (WFP)**, donates 23 metric tonnes of dates to support 100,000 vulnerable people in northern Mozambique;

3 Jul 2025 **Maputo (Mozambique) Club of Mozambique. Mozambique's defence minister, Cristovao Chume**, and his **Malawian** counterpart, **Monica Chang'anamuno**, sign a defence cooperation agreement that enables the two countries' respective security forces to carry out combined patrols and military exercises;

1 Jul 2025 **Maputo (Mozambique) Club of Mozambique. President Daniel Chapo** indicates that he expects his government to negotiate a new funding arrangement with the **International Monetary Fund (IMF)** before the end of 2025;

26 Jun 2025 **Maputo (Mozambique) Club of Mozambique. India** donates around \$1m worth of medicines and prosthetics to Mozambique;

25 Jun 2025 **Maputo (Mozambique) AIM. President Daniel Chapo** oversees Mozambique's independence commemorations in **Matola (Maputo Province)**;

24 Jun 2025 **Maputo (Mozambique) Cabo Delgado. Health minister Ussene Isse** warns that Mozambique's health sector is already experiencing the negative effects of the **United States** government's decision to suspend nearly all development assistance earlier this year;

23 Jun 2025 **Osaka (Japan) AIM. Mozambique's energy minister, Estevao Pale**, travels to Japan to meet with prospective investors;

23 Jun 2025 **Maputo (Mozambique) AIM. President Daniel Chapo** announces plans for a state inspector general in the Presidency to investigate public sector malfeasance;

23 Jun 2025 **Maputo (Mozambique) Club of Mozambique. Twigg Exploration and Mining Ltd**, a subsidiary of **Australia's Syrah Resources**, confirms that it will pay \$1.5m to compensate local residents affected by its graphite project in **Cabo Delgado Province**;

20 Jun 2025 **Maputo (Mozambique) AIM. President Daniel Chapo** invites opposition leader **Venancio Mondlane** to join the **Council of State**, a body which advises the president;

20 Jun 2025 **Maputo (Mozambique) AIM. Officials** reveal that it will cost the government around \$8.39 billion to implement Mozambique's **2024-2030 Food and Nutrition Security Strategy Policy**;

19 Jun 2025 **Maputo (Mozambique) AIM. Jose Pacheco**, the new director-general of the **Serviço de Informação e Segurança do Estado (SISE)** (state information and security service), officially assumes his new duties a day after he was appointed;

19 Jun 2025 **Maputo (Mozambique) AIM. South Korean conglomerate Daewoo's president** meets **Won-Ju Jung** with President **Daniel Chapo** and expresses interest in Mozambique's gas sector;

18 Jun 2025 **Maputo (Mozambique) AIM. United Nations Office for the Coordination of Humanitarian Affairs (OCHA)** reveals that over 134,000 people in **Cabo Delgado Province** have been impacted by terrorist activity since the start of May;

18 Jun 2025 **Maputo (Mozambique)** *AIM*. President **Daniel Chapo** asks the **United Kingdom**-based NGO **World Vision** to expand its operations in Mozambique;

16 Jun 2025 **Maputo (Mozambique)** *AIM*. Prime minister **Benvinda Levi** attends the **Osaka Expo** in **Japan** and encourages Japanese investors to consider opportunities in Mozambique;

16 Jun 2025 **Maputo (Mozambique)** *AIM*. Security officials reveal that at least 18 insurgents were killed in clashes with security forces in **Cabo Delgado Province** in the preceding week;

15 Jun 2025 **Maputo (Mozambique)** *AIM*. The **Instituto Nacional de Petróleo (INP)** (national petroleum institute) cancels the latest tender for geological and geophysical data acquisition in Mozambique;

15 Jun 2025 **Maputo (Mozambique)** *AIM*. President **Daniel Chapo** hosts a senior Italian delegation which expresses **Italy's** support for Mozambique's reform agenda;

13 Jun 2025 **Maputo (Mozambique)** *AIM*. The **Italian** government commits EUR 100m (\$117.43m) to support agriculture products in **Manica Province**;

13 Jun 2025 **Changsha (China)** *AIM*. Mozambican foreign minister **Maria Lucas** meets with her **Chinese** counterpart, **Wang Yi**, on the sidelines of the **Forum on China-Africa Cooperation (FOCAC)**;

11 Jun 2025 **Maputo (Mozambique)** *AIM*. President **Daniel Chapo** meets with Italian energy giant **Eni's** CEO **Claudio Descalzi**, at the presidential offices in Maputo, during which Descalzi commits Eni to a new industrial agriculture project in **Cabo Delgado Province**.

About Africa Risk Consulting:

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