

AFRICA RISK CONSULTING

Mozambique Monthly Briefing November 2025

Mozambique Summary 10 November 2025

France-headquartered energy and petroleum company TotalEnergies formally lifts the force majeure on its multi-billion-dollar liquefied natural gas (LNG) project in Mozambique's Cabo Delgado province. This decision boosts economic optimism in Mozambique, as the country's euro bond rallies on the news. In other gas-sector developments, Italy's Eni announces that it has taken the final investment decision (FID) on the planned Coral Norte floating LNG platform project. France-based intergovernmental organisation, the Financial Action Task Force (FATF), removes Mozambique from its list of jurisdictions under increased monitoring, known as the grey list, after the country improved its anti-money laundering and counter-terrorist financing (AML/CFT) regulations. The insurgency in northern Mozambique continues as militants cross the provincial border from Cabo Delgado and carry out attacks in Nampula province.

TotalEnergies ends force majeure...

France-headquartered energy and petroleum company **TotalEnergies** on 24 October formally [lifted](#) the force majeure on its multi-billion dollar liquefied natural gas (LNG) project in **Mozambique's Cabo Delgado** province. TotalEnergies had imposed the force majeure and suspended development of the project in April 2021, following a major attack on the town of **Palma** by the **Ahlu Sunnah wa Jama'ah (ASWJ)** insurgent group (see *ARC Briefing Mozambique May 2021*). The project is located on the **Afungi** peninsula in the Palma district, only a short distance from Palma town itself. TotalEnergies claimed that it would restart development of the project once the security situation had improved and the safety of its operations could be guaranteed.

TotalEnergies is the leading partner in the [Mozambique LNG consortium](#) that owns the site. The consortium comprises TotalEnergies, **Japan's Mitsui Co.**, Mozambique's state-owned hydrocarbons company **Empresa Nacional de Hidrocarbonetos (ENH)**, **Thailand's PTTEP**, and **India's Bharat, ONGC Videsh and Oil India**. However, given that TotalEnergies holds the largest stake (40%) and is the project operator, it was decisive in imposing and lifting the force majeure.

The decision to impose the force majeure dealt a major blow to Mozambique's developing LNG sector. The TotalEnergies-led project was among the largest and most advanced LNG projects planned in Cabo Delgado province and was an anchor project underpinning much of the industry, including creating a viable market for suppliers and secondary industry actors. TotalEnergies' declaration of force majeure delayed the development of the LNG sector in Cabo Delgado, with only the offshore **Eni-led Coral Sul** floating LNG (FLNG) platform in **Area 4** of the **Rovuma Basin** continuing development. The Coral Sul deepwater project was able to continue as ASWJ was unable to reach its operations offshore. The Coral Sul platform is currently the only LNG project in the province producing gas for the market.

TotalEnergies' decision to lift the force majeure is a welcome development for Mozambique's economy. The country's only euro bond [rallied](#) following the announcement. Mozambique's government has bet heavily on the success of its nascent LNG sector, and future gas revenue is viewed as critical for the government's ability to honour its future debt obligations.

The resumption of development of the Afungi peninsula LNG project will lead to an increase in economic activity in Cabo Delgado province. TotalEnergies estimated that the project was worth \$20 billion before the force majeure was imposed. TotalEnergies CEO **Patrick Pouyanne** [claimed](#) on 30 October that TotalEnergies has a budget of \$20.5 billion for the project. However, recent [reports](#)

indicate that internally, TotalEnergies now believes that the project will actually cost between \$24.5 billion and \$25 billion. This is due to inflation and the cost of delays caused by the over four-year force majeure. The resumption of the project is also expected to bring LNG sector suppliers and related secondary industry operators back to the Palma district, leading to a wider economic boom in the area.

TotalEnergies has also requested that the Mozambican government extend the project's production agreement by a decade to account for the delays caused by the force majeure. Mozambican authorities [have not yet reached](#) a decision on this, but are widely expected to agree to the extension, given the importance of the project to the national economy.

Overall, the withdrawal of the force majeure is a positive development that should boost the local economy in the Palma district, increase foreign capital investment in Mozambique, and bolster the whole LNG sector. The TotalEnergies-led Mozambique LNG project is expected to begin production in 2029, at which point Mozambique's LNG exports and related revenue will increase exponentially. In the meantime, Eni's offshore facilities will continue to lead LNG exports in northern Mozambique.

... as Italy's Eni takes final investment decision on second gas platform

Eni is expected to significantly increase its Mozambique gas exports in the coming years. The company [announced](#) on 2 October that it had taken the final investment decision (FID) on the planned **Coral Norte** FLNG platform that it intends to deploy alongside the Coral Sul platform off the coast of Cabo Delgado province. The Coral Norte FLNG platform will be implemented by a joint venture led by Eni that includes the **China National Petroleum Corporation (CNPC)**, South Korea's **Kogas**, ENH, and **XRG**, a subsidiary of the **Emirati** state-owned energy firm, the **Abu Dhabi National Oil Company (ADNOC)**.

According to Eni, the new platform will have a production liquefaction capacity of 3.6 million tonnes per year (MTPA). Combined with the Coral Sul facility, this will bring the Eni-led consortium's production in the offshore Area 4 bloc to over 7MTPA when Coral Norte becomes operational in 2028. This would make Mozambique the third-largest LNG producer in **Africa**. Notably, this will be before the TotalEnergies project begins production.

Mozambique removed from the FATF grey list

In another positive development, the **Paris**-based intergovernmental organisation, the **Financial Action Task Force (FATF)**, on 24 October [removed](#) Mozambique from its list of jurisdictions under increased monitoring, known as the grey list. The FATF [added](#) Mozambique to the grey list in 2022 after finding that the country's anti-money laundering and counter-terrorist financing (AML/CFT) measures were inadequate. This was significant given that Mozambique is combating a terrorist insurgency in Cabo Delgado province. Inadequate AML/CFT measures implied that the state was failing to ensure that ASWJ could not easily access funding.

Mozambique's presence on the grey list had real-world economic and operational consequences. As a grey-listed jurisdiction, many international institutional investors were prohibited from investing in Mozambique or purchasing government bonds due to these organisations' low risk thresholds. Companies that are in Mozambique or were interested in investing in the country faced high additional due diligence and compliance costs when doing business in the country.

In addition, the **European Union (EU)** makes no meaningful distinction between grey-listed and blacklisted countries. As such, Mozambique's presence on the grey list meant that the country was included on the EU's list of high-risk third countries. The EU has since [indicated](#) that it will remove Mozambique from its list of high-risk countries. Mozambique was similarly included on the **United Kingdom's (UK)** high-risk third countries list. As such, Mozambique is subjected to increased scrutiny, and EU and UK operators are compelled to conduct additional, more costly due diligence when operating in Mozambique or working with Mozambican firms. This acts as a barrier to entry, increasing the cost of doing business in Mozambique. The need for this enhanced due diligence can

also negatively affect Mozambican nationals on an individual level, as it creates an additional obstacle to Mozambicans serving on trusts and key decision-making entities in overseas jurisdictions such as the EU and the UK.

Exiting the grey list will lead to positive economic benefits for Mozambique. Foreign risk-averse institutional investors will once again consider opportunities in Mozambique. In addition, the reduced due diligence requirements will reduce administrative barriers to investment in Mozambique. Companies and government officials will now have an easier task in attracting investment to the country. However, this development is not a panacea, and Mozambique continues to have significant operational challenges, including onerous government regulations, high levels of corruption, crime, terrorism, and deteriorating infrastructure.

The FATF decision to remove Mozambique from the list indicates that the country has strengthened its AML/CFT regulations and enforcement. The government will welcome this, as it indicates not only that the state has improved the quality of the operating environment, but also that it has strengthened its measures to combat ASWJ's financing efforts.

Insurgents carry out attacks in Nampula

While Mozambican security forces may have sufficiently improved the security situation in Palma district for TotalEnergies to withdraw its force majeure, the ASWJ insurgency is continuing across Cabo Delgado province. In a concerning development in the past month, a group of insurgents travelled southwards, crossing the provincial boundary into **Nampula** province, where they [carried out attacks](#) on the **Chipene** and **Lúrio** villages in Nampula's **Memba** district. These attacks occurred between 30 September and 3 October. The insurgents killed at least one person and destroyed over 370 houses. Although the attacks did not result in a large number of fatalities, they triggered widespread panic in the surrounding areas and resulted in thousands of people fleeing the area, worsening the displacement crisis in northern Mozambique.

According to the [United Nations \(UN\) International Organisation for Migration \(IOM\)](#), over 37,000 people were displaced in Nampula province between 22 September and 13 October. The IOM measures internally displaced people (IDP) by point of arrival; however, given that over 36,477 of the more than 37,000 IDPs recorded in Nampula were reported in the Memba district and the neighbouring **Erati** district, it is easily extrapolated that the surge in displacements is directly related to the ASWJ attacks on Chipene and Lúrio.

Forcing a large number of displacements is a key strategy of ASWJ's modus operandi. The insurgent group actively seeks to sow terror in communities, driving thousands of people from the villages it attacks. The group intentionally destroys residences in the areas it attacks, as the IDP crisis places increased strain on Mozambique's state resources and potentially forces the state to deploy security forces to more areas. This spreads its military resources over a larger area, enabling the militant group to operate more easily.

The surge in displacements in recent weeks will place further strain on government and aid resources in Cabo Delgado, worsening the humanitarian crisis in northern Mozambique. However, the greatest concern from this latest development is that ASWJ has confirmed that it has the capacity and desire to carry out attacks in Nampula province. The potential expansion of the insurgency into the province is particularly concerning given that Nampula is a key economic hub for Mozambique, and **Nacala Port**, located between Memba district and **Nacala Velha** district, is one of Mozambique's major maritime trade and logistics hubs. As such, the expansion of the insurgency into Nampula province could pose a serious threat to Mozambique's security and economic environment.

Planner

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

Chronology

17 Nov 2025 **Maputo (Mozambique)** *Club of Mozambique*. Police officials claim that they are still investigating the 18 October 2024 assassination of opposition figures **Elvino Dias** and **Paulo Guambe**, despite making no visible progress in this case;

6 Nov 2025 **Maputo (Mozambique)** *Club of Mozambique*. Police announce that they have seized over 160 illegal firearms as part of a temporary amnesty programme;

5 Nov 2025 **Belem do Para (Brazil)** *Club of Mozambique*. President **Daniel Chapo** arrives in Brazil to attend the **30th United Nations (UN) Climate Change Conference (COP30)**;

5 Nov 2025 **Belem do Para (Brazil)** *Club of Mozambique*. President **Daniel Chapo** reveals that Mozambique needs \$37.2 billion to implement its plan to achieve full climate resilience;

5 Nov 2025 **Maputo (Mozambique)** *AIM*. The **International Monetary Fund (IMF)** warns that Mozambique needs more prudent public debt management;

4 Nov 2025 **Maputo (Mozambique)** *Club of Mozambique*. Insurgents kill three people in the **Metuge** district of **Cabo Delgado** province;

4 Nov 2025 **Maputo (Mozambique)** *AIM*. A police officer is lynched by an angry crowd protesting the death of a resident in police custody in **Zobue (Tete** province);

3 Nov 2025, **Dodoma (Tanzania)** *Club of Mozambique*. President **Daniel Chapo** attends the inauguration of Tanzania's president, **Samia Suluhu Hassan**;

3 Nov 2025 **Maputo (Mozambique)** *AIM*. Workers at the **Chinese**-owned company **Dingsheng Minerals** in **Gaza** province embark on a strike;

1 Nov 2025 **Maputo (Mozambique)** *Club of Mozambique*. Opposition party **Anamola**, founded by former presidential candidate **Venâncio Mondlane** and launched in September, stages a march in Maputo;

30 Oct 2025 **Maputo (Mozambique)** *Club of Mozambique*. The government denies that it is planning on cancelling the traditional end-of-year bonus for public sector workers known as the "13th month";

28 Oct 2025, **Washington D.C. (United States)** *Club of Mozambique*. President **Daniel Chapo** meets with **World Bank** president **Ajay Banga** to discuss the bank's ongoing support for Mozambique;

27 Oct 2025 **Maputo (Mozambique)** *Club of Mozambique*. **Portugal**-headquartered energy company **Galp Energia** reiterates its opposition to the Mozambican tax authority's 151.5m euro (\$175.28m) tax claim on the sale of Galp's assets to **Emirati**-headquartered **Abu Dhabi National Oil Company (ADNOC)**;

21 Oct 2025 **Maputo (Mozambique)** *EWN*. Insurgents kill two police officers in an attack on a convoy in the **Muidumbe** district of **Cabo Delgado** province;

17 Oct 2025 **Nampula (Mozambique)** *Club of Mozambique*. Opposition **Renamo** party holds its **National Council** in Nampula, during which party leader **Ossufo Momade** refuses to resign;

17 Oct 2025 **Maputo (Mozambique)** *Club of Mozambique*. **Australia's MRG Metals Limited** announces that it has discovered a "potential alluvial rare earth deposit" in Mozambique's **Sofala** province, indicating that Mozambique may emerge as a supplier of rare earth minerals;

15 Oct 2025 **Maputo (Mozambique)** *Club of Mozambique*. **Ahlu Sunnah wa Jama'ah (ASWJ)** militants attack a camp owned by Mozambican mining company **Mwriti** in **Cabo Delgado** province's **Montepuez** district;

10 Oct 2025 **Maputo (Mozambique)** *Club of Mozambique*. Insurgents kill four people during an attack on the village of **Napala** in Cabo Delgado province;

10 Oct 2025 **Maputo (Mozambique)** *Club of Mozambique*. International ratings agency **S&P Global** affirms its 'SD/SD' (selective default) long-term and short-term local currency (LC) sovereign credit ratings on Mozambique.

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