

TotalEnergies prepares for Mozambique LNG restart

By <u>America Hernandez</u> 24 May 2023

French energy company TotalEnergies will make good on an action plan to address the rights of residents near its Mozambique LNG project over the summer, the oil major said on Tuesday, 23 May, taking a step closer towards a restart.



Source: Sarah Meyssonnier/Reuters

"At this time, there is no date for a restart, although the project partners take note of the report and note the security improvements on the ground," a TotalEnergies spokesperson said.

"An action plan has been decided upon based on the (rights) report's conclusions, and this plan will now be implemented."

TotalEnergies holds a leading 26.5% stake in the development, which was halted in 2021 after Islamic State-linked insurgents attacked civilians in Mozambique's northern Cabo Delgado province where the liquefied natural gas project is located.

Jean-Christophe Rufin. The report, published on Tuesday, noted that while armed conflict is expected to continue, the danger zones were now located to the south and west of the Mozambique LNG site itself.

The action plan will be overseen by Rufin and includes remunerating displaced families by July, building new houses by the end of summer, improving access to fishing, renegotiating relations with security forces, and creating a foundation to improve local life with a multiannual budget of \$200m.



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Gradual restart in July

Energy services group Saipem previously said it had been notified by TotalEnergies to prepare for a gradual restart of the project beginning in July, while TotalEnergies CEO Patrick Pouyanné said last month that renegotiating costs with local contractors was the last step before a relaunch.

Mozambique LNG was initially expected to deliver its first LNG cargo in 2024, with plans to produce up to 43 million tonnes of gas annually.

The project's other shareholders are Mozambique's ENH, Japan's Mitsui & Co., Thailand's PTTEP and Indian firms ONGC Videsh, Bharat Petroleum and Oil India Ltd.

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