

Locals angry over TotalEnergies' enclave model in Mozambique

Hotel manager Fernando Cuna waited four years for TotalEnergies to resume construction of its \$20bn liquefied natural gas project on Mozambique's coast, hoping it would bring clients to the nearby town of Palma. In a province where the average household income is less than \$1 per day, locals like Cuna invested in hotels, catering and transport to benefit from the French oil major's 13 million tonne-per-year LNG project, only to see it suspended in 2021 due to Islamist militant attacks that killed dozens in Palma.

By [Nellie Peyton](#) 14 Nov 2025



Women walk past a Mozambique soldier inside a camp for the internally displaced in the town of Quitunda, Mozambique, 22 September 2021. Image credit: Reuters/Baz Ratner/File Photo

In October, TotalEnergies lifted *force majeure* on the project, one of several set to catapult the world's eighth-poorest nation into the top 10 gas exporters by 2040.

But to secure its facilities, located on the Afungi peninsula about 20 kilometres from Palma, it has moved to what it calls "containment mode" — operating from a giant compound accessible only by sea or air.

Dreams dashed

As activity at the gas site ramped up in recent months, locals said Palma's fragile economy collapsed as people realised they would not reap the hoped-for benefits.

Workers are flown to the plant, while supplies arrive mostly by ship.

This approach has cut off local communities and could fan resentment toward the Western developers and the government, local businessmen, civil society leaders, and security analysts said, worsening an insurgency that began in 2017.

"Palma has become a desert," said Cuna, 59, by phone. Until recently, some workers and suppliers were based in the former fishing town with palm-fringed beaches, he said, but now they've moved inside the compound. His hotel is empty, and moto-taxi drivers wait around with no rides.

"Frustration is growing."

Asked about the impact on locals, Total referred to comments by Mozambique managing director Maxime Rabilloud during a September meeting with Palma businesspeople.

He said it was standard procedure for large-scale projects to confine workers for security reasons, and the the company had no intention of reducing local purchases.

"On the contrary, with the lifting of *force majeure*, we will increase local economic participation," Rabilloud was quoted as saying by news website 360 Mozambique, adding that much of the food for about 2,000 workers at Afungi was sourced locally.

Civilian attacks

Rwandan forces deployed in the far-north Cabo Delgado province since 2021 helped Mozambique's ill-equipped army retake key towns and cut insurgent numbers to about 500 from some 3,000, analysts said.

But attacks have surged in recent months, according to data from conflict monitor ACLED. The United Nations said violence against civilians was on track for a record high in 2025.

"The Afungi Peninsula is extremely secure, almost like a fortress, while outside we see insurgent attacks increasing," said Nicolas Delaunay of International Crisis Group.

"Restarting operations in the current security context really sends the message to Cabo Delgado's population that the government prioritises the exploitation of resources over their wellbeing," he said. "That reinforces grievances at the root of the insurrection."

The government said security had improved and denied neglecting civilians.

"For the government, what matters most is that the project begins - so that people, including local communities, may work and have their livelihoods much more diversified," it said in a written response.

President Daniel Chapo has yet to approve Total's new budget and schedule, which would see production start in 2029. The company says costs rose by \$4.5bn during the freeze and wants the development and production period extended by 10 years as partial compensation.

Since gas revenue will first go toward repaying project costs, Mozambique will not receive significant income for at least a decade, and is pushing back on any budget increase that could delay that.



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Business losses

Five businessmen in Palma told *Reuters* they lost clients or investments due to Total's enclave model.

One said a subcontractor cancelled his catering contract after moving inside the secured zone. Another sa

his produce was spoiling because of a lack of buyers.

Abdul Tavares, provincial coordinator for Mozambique's Centre for Democracy and Human Rights, described a noticeable frustration and discouragement among local youth.

"Many invested their time and resources expecting to join the labour market or have their small businesses integrated into the project. This enclave model is crushing those expectations."

In Cabo Delgado, malnutrition, illiteracy, and school completion rates are worse than the national average, according to Unicef, the UN agency for children.

Coastal communities there are mostly from a different ethnic group than the political elites and have long f marginalised.

The project's restart "feeds right into the insurgents' message that this government is untrustworthy, (that it seeks to profit off the backs of the poor, particularly the Muslim poor," said Emilia Columbo, a former CIA analyst.

Struggling to contain attacks

TotalEnergies cited the continued presence of Rwandan forces as a reason for confidence in a letter to Chapo.

But four security analysts said the troops had grown passive, conducting fewer offensives and responding slowly or not at all to attacks.

Rwanda's army spokesperson Ronald Rwivanga said the militants had "to some degree" become harder to combat.

Driven from former strongholds, the fighters are now based in the Catupa forest about 140km south of Palma, from which they stage raids across widening areas. Rwivanga said troops were expanding operations "to handle the situation".

Community support may also be a challenge, said Peter Bofin, senior analyst at ACLED. He said the insurgents had grown bolder recently, reflecting confidence that locals would not report them to nearby troops.

Back in Palma, Manchuma, the 44-year-old businessman who said he lost his catering contract and who asked to use his first name only for fear of backlash, said he had to lay off workers and is left with unused trucks, refrigerators and a kitchen.

"If I had known things would turn out this way, I would never have invested so much money building in a place with no future."

ABOUT THE AUTHOR

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