**Invitation from BHRRC to respond to allegations relating to Mozambique**

**March 31st, 2025**

**Response**

We have taken note of your invitation to respond to the allegations regarding the Mozambique LNG Area 1 project (the "Project" or "Mozambique LNG") and are pleased to provide the below responses.

**With regard to the "alleged human rights violations linked to TotalEnergies' operations at its - Afungi premises", please note the following:**

Following recent allegations of human rights abuses by the Mozambican armed forces in 2021 during the period when Mozambique LNG no longer had staff on the Afungi site, Mozambique LNG conducted a review of the elements in its possession at the time of the facts which did not allow to identify any corroborating information, although Mozambique LNG had several functioning information and grievance reporting channels at its disposal.

In October 2024, Mozambique LNG invited the Mozambican authorities to conduct an investigation on these allegations. The opening of an investigation has been confirmed by the Attorney General's Office of Mozambique early March 2025.

In addition, TotalEnergies has requested the intervention of the Mozambican Commission on Human rights (CNDH). The CNDH confirmed on 25 March 2025 that it will carry out its own assessment of all relevant information to ensure that the facts are duly ascertained and that the rights of the parties involved are fully respected. It has stated that it will follow the investigation launched by the Mozambican judicial authorities to ensure that it is conducted in a transparent, fair and impartial manner. TotalEnergies will publish the CNDH report.

In addition to the above information, please also find here below the links to the documents already made publicly available by Mozambique LNG and TotalEnergies:

Mozambique 2024-11-26

Investigations-performed-by-Mozambique-LNG-on-the-allegations-published-by-Politico.pdf

Mozambique 2024-09-26

Mozambique LNG: TotalEnergies welcomes the launch of official investigations in Mozambique | TotalEnergies.com

**With regard to the allegations of "*communities of Afungi affected by unresolved resettlement violations resorted to protest at the gates of the TotalEnergies Afungi site in November; as of 17 January, community members have expressed dissatisfaction with the compensation offered by TotalEnergies",* please note the following:**

**(A) Resettlement context**

In addition to rights to develop the resources, the LNG project concessionaires (Area 1 and Area 4), have been granted rights on land use by the Government of Mozambique over an area of circa 6,000 hectares in the Afungi peninsula covered by the DUAT (DUAT = land rights granted by the authorities for the onshore operations of the projects).
A Resettlement Plan complying with national legislation and international standards was approved by the Palma district Government in 2017 to manage the economic displacement of 1,680 households and the physical relocation of 643 households from the Quitupo village and neighboring production zones to a newly built Quitunda village. In addition, 1,879 fishermen and intertidal collectors (mostly women who harvest coastal resources) were identified along with fisheries.
The suspension of all activities (due to Force Majeure in April 2021) in Afungi came at a time when the Project was part way through the Resettlement Plan implementation. From the second half of 2022, the improvement of the security context in Palma allowed for the resumption of resettlement-related activities, socio-economic programs, and face-to-face engagements with the communities, despite Force Majeure still being in effect.

**(B) Compensation**

All 643 entitled households physically relocated have received their due compensation and their new homes in the Quitunda village, with the last group of families relocated in May 2024.

The status of compensation payment as of 1 January 2025 is as follows:

- ✓ All of the 1,680 land-based economically impacted households have been paid their entitled monetary compensation.
- ✓ Fisheries compensation has been paid to 1,386 fishermen and intertidal collectors (mostly women who harvest coastal resources) and remaining ongoing.

The Project continues to actively work on the Resettlement process in order to reach 100% of impacted stakeholders and notes that, from its perspective, the Resettlement process is well underway and ahead of schedule considering the two-year delay on the implementation of the RAP (Resettlement Action Plan) caused by the Force Majeure situation affecting the Project.

**Project's Community Grievance Mechanism**

The Project maintains a non-judicial Community Grievance Mechanism which follows the international standards (IFC grievance management process, and the United Nations Guiding Principles for Business and Human Rights) and is readily available to households and communities

through several channels, and is conducted on fair, informed, and respectful terms (respect for confidentiality to prevent the possible risk of reprisals).

Since the creation of the Project's Community Grievance Mechanism, the Project has investigated over 600 compensation-related grievances received and 386 were found to be legitimate. Of these, 351 have already signed compensation agreements for which payments are being processed.

**November 2024 Demonstrations**

We would like to clarify that the November 2024 demonstrations only involved a small number of so-called «Newcomers" who participated in the demonstrations. The members of the Resettled community (i.e. those who have moved to a new house in the Quitunda village) and of the Economically affected community (i.e. those who did not have to move to a new house but who were compensated for the loss of an economic (farming) interest within the DUAT), did not participate in the demonstrations.

Economically affected community members were entitled to cash compensation, which they received, and access to new land outside of the DUAT area, as part of the livelihood restoration plan, in an area reserved by the Government for this intent. The land designated for this purpose was no longer available as a result of the influx of vulnerable people (the "newcomers' community") moving into those lands. The Government, the Project and the economic community are looking for alternative means to fulfil the livelihood restoration plan – this work is ongoing and remains constructive.

As far as the Newcomers community members are concerned, given that they will not be asked to leave the land on which they have recently settled, the Project has informed this community that compensation would not be provided. Upon hearing this, about 50 out of a total of 2,000 of the "newcomers' community" demonstrated outside of the gate to the DUAT area. An assistance package to this group was agreed at the end of 2024 and its implementation is ongoing. This assistance package include a one-off payment including labour cost for land preparation, the opportunity to participate with their land in the agricultural development program implemented by the Project, which includes: (i) support for food production through the provision of improved seeds and technical assistance and (ii) an income generating coconut plantation, (iii) Government committing to provide security of tenure; and (iv) the implementation, in mid-term, of community socio-economic benefits through the formalization of community development agreements with the host communities and the Government.

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