

Portugal's Galp says security a must in Mozambique to build LNG plants

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Portugal's Galp Energia, a partner in an Exxon Mobil-led gas consortium in Mozambique, said on Thursday, 7 April, it hoped to start building onshore plants in the southern African country in 2024, but only if security has been guaranteed first.



Galp petrol station near Lisbon. Reuters/Rafael Marchante

Mozambique has been grappling with militants linked to the Islamic State in its northern-most province of Cabo Delgado since 2017, near liquefied nature gas (LNG) projects worth over \$50bn.

"A lot of people have lost their lives," Galp Energia CEO Andy Brown told a news conference. "Security has to be guaranteed... There are a lot of good signs, but it will take some time," he said, adding that an onshore project could be built in 2024 at the earliest.

Due to the escalation of the attacks last year, the French group Total suspended its \$20bn LNG project in April 2021 and shortly after the Exxon-Mobil consortium postponed a final decision whether to invest or not.

Galp has 10% of the Exxon-Mobil consortium, whose estimated investment is worth \$30bn over several years. The other major partner is Italy's ENI.



TotalEnergies aims to restart \$20bn Mozambique LNG project in 2022

Emma Rumney 1 Feb 2022



Total aims to restart project this year

Brown said Total has been looking at "opportunities to go back" but was waiting for "normal life to resume". Total said in January it aimed to restart the project this year.

"When we build there we need to help the communities ... building a stable and vibrant community around the facilities is an important thing to do first before you bring people to construct the plants," Brown said.

A March 2021 attack on the town of Palma, on the doorstep of the Total project, led Mozambique to accept foreign troops from Rwanda and a bloc of southern African nations to help quell the insurgency.

While these measures have helped Mozambique regain lost ground, clashes with insurgents and smaller attacks continue.

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