

A map of Mozambique and surrounding regions, including Angola, Zambia, Malawi, Zimbabwe, Botswana, Namibia, and Madagascar. A flag of Mozambique is placed on the map, positioned over the Mozambique coast. The flag features a green triangle at the top, a white horizontal stripe, a yellow triangle at the bottom, and a red triangle on the left side containing a white cross with a green star in the center.

Natural Gas Production in Mozambique and the Political Risk of Islamic Militancy

By Theodor Neethling

Abstract

The Cabo Delgado province in the northernmost portion of the long Mozambican seaboard is now home to Africa's three largest liquefied natural gas (LNG) projects, and these projects have attracted many of the world's major multinational energy companies, accompanied by massive LNG investments. There can be little doubt that the discovery of rich gas reserves is a potential game changer for the Mozambican economy and development agenda. It is potentially an opportunity for the rapid advancement of a country that currently ranks close to the bottom of the United Nation's Human Development

Index. However, despite the billions in investments from major multinational energy companies, the people of Cabo Delgado are yet to see the material benefit from these projects. One of the biggest risks to investors in the LNG industry is the many unknowns pertaining to the threat posed by the militant Islamic movement, Ansar al-Sunna, which has especially been active since 2017 in the Cabo Delgado province. In view of this, this article assesses Mozambique's LNG industry and the political risks associated with the insurgent movement's intention to establish an Islamic caliphate in the Cabo Delgado area.

Introduction

In Mozambique, two very different but interacting domains are currently of major importance to the prosperity and future economic development of the country, namely the country's LNG projects and the militant movement, Ansar al-Sunna. The LNG projects in the northern Cabo Delgado area, with major gas reserves attracting an estimated total investment of more than \$50 billion, represent a silver lining of hope for this impoverished country in terms of major international investment and revenue generation. Observers often assert that this could pave the way for the country to become Africa's Qatar or even Dubai from 2024 onwards (Dos Santos, 2020: 1–2).

However, this silver lining may vanish and turn into a mirage as a result of the expanding armed activities of Islamist insurgents in Cabo Delgado, which the Mozambican government and its security forces have not been able to contain since 2017. Combatting the armed activities of the Islamist insurgents, commonly referred to as Ansar al-Sunna or Ahlu Sunnah Wa-Jama, and locally known as Mozambique's Al Shabaab, has exacted a high toll on both the government and the investors' energy and budgets (Dos Santos, 2020: 1–2). An agreement between the major players in the LNG business and the former Minister of the Interior made the Mozambican government responsible for supplying military and security services for the protection of the LNG workforces. This, however, has proved to be no guarantee to 'discard a scenario which has, at its core, a growing alliance of local armed Islamists with ISIS [the Islamic State of Iraq and Syria] and ADF [Allied Democratic Forces in the Democratic Republic of Congo]' which is moving towards 'a jihadist war in Cabo Delgado' (Dos Santos, 2020: 9).

The underlying thesis of this article is that the LNG industry in Mozambique could revolutionise the economy of the country. However, if the dynamics relating to the activities of Ansar al-Sunna in Cabo Delgado are escalating and if they are not carefully managed by the Mozambican government and its security forces, liquefied gas production will become a lost opportunity for development and could even turn into a source of conflict. In view of this, the pressing question is: Does the Mozambican government have the political will and institutional capacity to provide a

stable and predictable investment climate where the political risks associated with the Islamist insurgency in Cabo Delgado would not jeopardise or threaten the promising LNG projects?

As far as political risk is concerned, it is defined by Chen (2020) as: '[t]he risk that an investment's returns could suffer as a result of political changes or instability in a country.' Such changes or instability affecting returns on investment could stem from a change in government, legislative institutions, foreign policymakers, or a military takeover. This article assesses Mozambique's evolving LNG industry, specifically against the background of Ansar al-Sunna's insurgency in Cabo Delgado and the movement's intention to establish an Islamic caliphate in the Cabo Delgado area. Several political variables will have a crucial bearing on the viability and profitability of the LNG projects, such as key political trends influencing the exploration process, the evolving oil and gas policy regime, and operational and governance challenges confronting project developers (Frühau, 2014: 2). Most important, however, are the political challenges associated with the activities of Ansar al-Sunna.

Cursory notes on risk analysis

McKellar (2010: 6) states that political risk is relevant for businesses because it is important for businesses to understand the dynamics of the markets in which they function and the policies and legal frameworks that have an impact on them. Barnard and Croucamp (2015: 1) likewise explain that political, social, and economic stability and growth are among the key determinants affecting or determining the political risk profile of a country.

Political risk thus concerns the functioning of two very different but interacting domains, namely business and politics. The *raison d'être* of business is to create profits for itself and its stakeholders, and business leaders or managers share a mind-set around the ideas of market share, growth margins, and return on investment. Business is affected by the laws of the country, and business furthermore takes place in a framework ultimately set by political authority and social relations. In developed states, business can afford to take this framework for granted, but

in developing states, business needs to adapt to changing and often volatile political landscapes (McKellar, 2010: 6–7).

In view of the above, political risk can be defined as a potential harm to a business operation arising from political behaviour. Political actors and their behaviour are concerned with social organisation and the underlying ideals of society. The basis of political actors and their behaviour relates to issues pertaining to authority, ideology, political culture, social identity, social good, and the levers of power to influence these (McKellar, 2010: 6).

Defining and understanding political risk in a scholarly context is largely a case of disciplinary perspective or approach. For students of international business, for example, political risk relates to a concern with the management of those factors that could influence market conditions. For political scientists, definitions of political risk tend to rest with the exercise of power and the harm that could stem from this to individuals, nation states, and even the international system. Generally, scholars in various fields or disciplines – such as politics, political economy, economics, trade, investment, and international business – all grapple with the problem or challenge of political risk in one way or another (Jarvis, 2008: 3–5).

The point of departure in this article is that political risk concerns the interface between business and politics in a particular country as two different but interacting domains in countries across the world (McKellar, 2010: 6). In the case of Mozambique, the government, civil society, and international donors recognise the natural gas discoveries as a potential ‘game changer’ for Mozambique (Frühauf, 2014: 1). However, a high level of political risk in Mozambique means that investors will fear some form of harm or damage to their (potential) investments and thus be reserved or conservative in their investment decisions and operations – even keeping investments on hold.

At government level, the Mozambican head of state, President Filipe Nyusi, plays a key role in the country’s LNG sector. In fact, he was elected 2020 Person of the Year by Africa Oil & Power, the African continent’s leading investment platform for the energy sector. This prestigious award is presented

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to individuals who are considered exceptional and who display true leadership and innovative thinking in the steering of their countries or organisations to the forefront of the global energy sector. Thus, a lack of political commitment to the LNG sector does not seem to be an issue or risk in the development of the LNG sector in Mozambique. Leaders in government realise that LNG projects, once fully actualised, will represent more than three times the country’s current gross domestic product (GDP) (Hirst, 2020). Moreover, the 20-year Mozambican National Development Strategy, developed by the Ministry of Planning and Development in 2013, regards the exploration of natural gas as ‘a starting point to effect a shift away from poverty reduction towards industrialization’ (Frühauf, 2014: 16).

Yet, as already suggested, one of the biggest risks to investors in the LNG industry is the many unknowns pertaining to the threat posed by Ansar al-Sunna since 2017 in the Cabo Delgado province. Mozambique is a developing country, and given the country’s political dynamics and related turbulence over many years, political risk in Mozambique has always been of relevance to potential investors. Moreover, the Mozambican government has been facing dwindling domestic and international support, as the President and his ruling Frelimo party face major difficulties to deliver on promises to combat widespread corruption, to boost food production, and to consolidate peace, among others. These challenges are exacerbated by the impact of Covid-19 and related measures on the

country (Dos Santos, 2020: 2).

In addition to the above, risk in the Mozambican context is of even greater importance in view of the fact that gigantic multinational LNG projects are now under construction offshore and onshore in the northern parts of the country. In view of the above, The World Bank (2021) rightly pointed out:

'[T]he government is grappling with another so-called Islamic insurgency in parts of the gas-rich province of Cabo-Delgado. Initially circumscribed to one locality, the indiscriminate killing of civilians perpetrated by the insurgents has now spread to other districts and towns in the province. Recently [March 2020] the rebels attacked and occupied successively the transport hub rural town of Mocímboa da Praia and the town of Quissinga. Recent estimates show the conflict has killed more than 1,000 people and forced 100,000 from their homes. The risk that violence can spread to other areas of the country should not be underestimated.'

These dynamics and challenges will be further discussed in the sections below with the discussion focusing on the dynamics relating to the discovery of offshore gas reserves and then turning to the current insurgency dynamics and related political risk.

Discovery of offshore gas reserves, investments, and societal impact

Since 2011, with the discovery of major offshore gas fields, many observers have been driven to suggest that Mozambique, one of the poorest nations in the world, has 'hit the jackpot'. However, Akwagyiram (2013) almost prophetically opined that 'turning those resources into riches is not straightforward' and suggested that the LNG industry in Mozambique might follow one of two diverse experiences or possible pathways: the Norwegian experience or the Nigerian experience. The Norwegian experience was essentially one where the country would manage to export six times more energy than it consumed and thus become one of the richest countries in the world in per capita terms. Nigeria, however, despite its oil wealth, imported energy and it was estimated in 2013 that at least \$400 billion of oil revenue had been stolen or misspent since independence in 1960 (Akwagyiram, 2013). Comparing Norway and Nigeria might not be fair in many respects, as the

two countries are vastly different in population size and political challenges. Still, the contrasting fortunes of these two countries – like so many other cases of resource abundance internationally – clearly illustrate the fact that a wealth of natural resources does not necessarily translate into economic progression and prosperity.

World Bank data from 2017 ranked Mozambique as the seventh poorest country internationally. The country has recorded an average annual gross national income of \$1 200 per person and although positive trends were recorded since 2000 in poverty reduction, the northern regions – especially Zambezia, Nampula, Niassa, and Cabo Delgado – have largely been excluded from the levels of poverty reduction recorded in the central and southern regions. This is clear from data revealing that from 1996 to 2015, poverty rates in the capital Maputo and Maputo province decreased by approximately 70%, as opposed to approximately 20% poverty reduction in most of the northern areas, including Cabo Delgado (Intelyse LLC, 2019).

As the northernmost province, Cabo Delgado has been neglected over many years and thus finds itself in a situation of political marginalisation and underdevelopment. The province has the highest illiteracy rate in Mozambique – at more or less 60% – with approximately 35% of children not attending school. The figure for postsecondary school education stands at 0.3% and in this context, thousands of youths are unemployed. In fact, youth unemployment is estimated to be close to 90%. On the positive side, Cabo Delgado is the province with the country's most important deposits of natural resources. The largest deposits of rubies in the world are located there, as well as large stocks of timber. Most significantly, large gas reserves are located in the Rovuma Basin area, south of the town of Palma (Intelyse LLC, 2019).

After independence in 1975, exploration efforts in Mozambique during the 1970s and 1980s did not deliver substantial results. The first LNG production only came online in Inhambane province at the Temane field within the Mozambique Basin in February 2004 (Frühauf, 2014: 1). At that point, the discovery of gas reserves largely served South African interests. South African petrochemical giant Sasol made a swift entrance into upstream activity in the Mozambique

Basin and dominated production for some time. The discoveries and related projects have been considered lucrative for Sasol and its partners, such as iGas. A price differential between sales prices in Mozambique and South Africa, as well as favourable fiscal terms in Mozambique, left South African stakeholders in a position to benefit considerably from the projects. South African involvement in LNG production was to be but a preamble to massive gas discoveries in the northern Rovuma Basin, which attracted entities ranging from supermajors to emerging-market national oil companies. In this regard, the US energy company, Anadarko, and the Italian multinational oil and gas company, Eni, have spearheaded exploration activities in the northern Rovuma Basin and, since 2009, exploration has yielded major discoveries and sparked much excitement in the international LNG industry. Not only Western supermajors, such as Total, Exxon Mobil, Chevron, and BP entered the Mozambique LNG industry, but also Japan's Mitsui, Malaysia's Petronas, and China's CNPC (Frühaufl, 2014: 3–4).

In 2012, Anadarko discovered additional gas reserves off the coast of Cabo Delgado in the Rovuma Basin. Many role players inside and outside Mozambique hoped that this would bring much-needed development and prosperity to the region. Shortly after this discovery, Eni also discovered a massive gas field in the area. Currently, Cabo Delgado is the province where several multinational energy giants are at work in Mozambique's promising offshore LNG projects. Eight LNG projects are in the process of development in Mozambique, containing a total liquefaction capacity of 44 million tons. It was accordingly anticipated that by the mid-2020s Mozambique could become one of the top ten LNG producers globally (Goodrich, 2020).

In 2020, offshore exploration in the Cabo Delgado area was among Africa's three largest LNG projects (Craig, 2020), namely –

- the Mozambique LNG Project (involving Total and previously Anadarko) worth \$20 billion;
- the Coral FLNG Project (involving Eni and Exxon Mobil) worth \$4.7 billion; and
- the Rovuma LNG Project (involving Exxon Mobil, Eni, and CNPC) worth \$30 billion (Rawoot, 2020).

In 2014, a report from the Oxford Institute for Energy Studies stated that, with the costs of the LNG projects

estimated at US\$40 billion, investment in LNG-related projects alone would constitute about 2,7 times the size of Mozambique's 2012 GDP. Whereas it was anticipated that revenue, especially from LNG production, would only start to have an impact on the economy from 2020 onwards, it was also expected that there would additionally be substantial economic benefits from foreign direct investment (FDI) linked to exploration and construction (Frühaufl, 2014: 10), including professional training, employment, and contracts for the supply of goods and services. In a more recent report of the African Development Bank Group, it was claimed that the LNG industry could transform the Mozambican economy and that the country could become a global leading LNG-exporting country (African Development Bank Group, 2019).

As suggested above, these projects could indeed be of major importance to poverty alleviation in indebted Mozambique. As a country in 'debt distress', Mozambique would have received \$14,9 billion in debt financing from Total. Together, the gas projects are estimated to be worth \$60 billion, and this could revolutionise the Mozambican economy of \$15 billion (Mackinnon, 2020). It should also be noted that the geographic location of the current LNG projects is well positioned to meet Atlantic and Asia-Pacific market needs. It is further well positioned to tap into the growing energy demands of the Middle East and the Indian sub-continent (Total, 2020). In March 2021, Total suspended all works while Exxon Mobil pushed its final investment decision further into the long grass. Total also declared a force majeure which followed the occupation of the port of Mocímboa da Praia and disruptions to its construction of infrastructure (Louw-Vaudran, 2020; Vrejš, 2021).

However, the escalation of violence since early 2020 has raised some pressing questions over the future of these investments and even put them at high risk (Craig, 2020). In September 2020, the Chief Executive Officer of Total, Patrick Pouyanné, as the largest investor in Mozambique LNG projects, met with Mozambican President, Filipe Nyusi, to discuss the risks posed by the intensifying radical Islamic insurgency. Although exploration and operations are taking place offshore, facilities in support of the gas industry are onshore and most vulnerable to attacks. Obviously, the foreign companies, with their

considerable investments, feel threatened, especially at the current stage where final investment decisions have to be taken (World Oil, 2020).

It should also be noted that many locals feel deeply aggrieved. Soon after the discovery of gas in the Cabo Delgado area, many locals were evicted and had to relocate to facilitate LNG infrastructure development, especially for onshore facilities to be used by Anadarko-Total and Eni. A report by Anadarko indicated that more than 550 families had to be relocated and close to 1 000 people were estimated to have lost access to their cultivated land. Furthermore, more than 3 000 individuals stood to lose their access to fishing grounds as a result of LNG operations. This resulted in many locals feeling marginalised and aggrieved. Many of them also complained about agreements regarding compensation, as well as the fact that they had been resettled inshore and away from the coastal fishing areas (Rawoot, 2020).

At the time of writing, the insurgency has not directly targeted the project sites, but attacks were coming closer. Total's projects remain in suspension, while Exxon Mobil's final decision on investment is undecided. It is always said that the town of Palma should be kept safe from attacks, as this is supposed to become the manufacturing hub where hundreds of skilled workers will be located. Unfortunately, the

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bloodshed by the Islamic insurgents extended to Palma on 25 March 2021 when dozens of people were killed during an armed attack after hundreds of militants stormed the town (BBC News, 2021). In view of this, the biggest investor, Total, has apparently lost its faith in the Mozambican authorities (Africa Intelligence, 2021) and (temporarily) withdrew much of its workforce. In brief, a continuation of the insurgency could hamper further investments, with a detrimental effect on the development of the northern parts of Mozambique (Louw-Vaudran, 2020). In other words, what is clear is that after much initial excitement about the massive potential of the LNG industry in Mozambique, the realities of the conflict dynamics relating to Muslim extremism in northern Mozambique have brought a halt to the exploration work undertaken by Total and Exxon Mobil as the major investors.

Towards an Islamist state in Cabo Delgado?

In recent years, Ansar al-Sunna's insurgency campaign has expanded geographically closer to the areas where the LNG projects are located and where ruby deposits are concentrated, as well as towards the provincial capital of Pemba. As major foreign petroleum companies have increased their investment and operations in Cabo Delgado, it is obviously of importance to have a good understanding of the Cabo Delgado insurgency as a significant and growing threat and risk (Intelyse LLC, 2019).

The history and communal life of Cabo Delgado have been crafted by Indian Ocean trade networks developed by Arab traders over many centuries. This led to the spread of Islam along the East African coast, dating as far back as historical knowledge goes (Pavliková-Vilhanová, 2010: 135–136). Today, Cabo Delgado has a population of more or less 2,5 million and is a Muslim-majority province. Overall, Muslims comprise about 18% of the Mozambican population of more than 27 million (The New Humanitarian, 2007; U.S. Embassy in Mozambique, 2018). For centuries, the dominant form of Islam among Muslims in Cabo Delgado has been a form of moderate Sufi Islam, intertwined with local traditions and practices (Intelyse LLC, 2019).

Research based on fieldwork in Mozambique (see Morier-Genoud, 2020: 400) suggests that the roots of

Ansar al-Sunna can be traced to dynamics in 2007, in the district of Balama of Cabo Delgado, although it might have been earlier. In 2007, a young man of Makua ethnicity, Sualehe Rafayel, returned from Tanzania to the village of his birth, Nhacole, after several years on foreign soil. He joined a newly built mosque, which was built by the Africa Muslim Agency, and followed a distinctly different approach to the Islamic faith than other believers in the district. He rejected several existing practices and ideas, which he considered *haram* (forbidden) and tried to convince Muslims of this mosque and others to follow his thinking and ways, while also building his own praying site. This led to tensions between Sheik Sualehe (Sualehe Rafayel) and other Muslims in Nhacole, as well as the Islamic Council of Mozambique after the latter got involved in the intra-Muslim tensions in the district (Morier-Genoud, 2020: 401).

In brief, from this point, the new 'sect' expanded across Cabo Delgado through the 2010s, and in 2016 the National Islamic Conference hosted in Nampula concluded that the new movement was prevalent in four districts of Cabo Delgado, namely Palma, Nangade, Mocímboa da Praia, and Montepuez, while signs were also prevalent in Macomia and Quissanga (Morier-Genoud, 2020: 401).

Until 2015, Ansar al-Sunna maintained and projected itself as a non-violent Islamist organisation, but eventually, they turned more militant and launched their first attack in October 2017. While the Mozambican government has long been grappling with Renamo as the most serious security threat in the country, Ansar al-Sunna now poses the most significant threat to peace and security. Since the October 2017 attacks, the Mozambican authorities, who opted to ignore warning signals for some time, scrambled to regain control of the situation. A series of battles between government security forces and the insurgent groups followed, but the security forces were too weak and could not stop a chronology of carnage from unfolding over the next years (Bukarti and Munasinghe, 2020).

Whereas the militants initially focused on civilian targets, they eventually turned to military targets – a clear indication that the group has been growing in resilience, operational capacity, and confidence. In addition, at first, a few attacks were launched on

targets in the town of Mocímboa de Praia in late 2017. These extended to more than 20 attacks every month in an insurgency that covered nine major towns and districts along the Cabo Delgado coastal areas. At the end of May 2020, a battle for the town of Macomia demonstrated the organisational strength and capacity of the insurgents, but also elicited a renewed effort in the government's counter-offensive efforts. This eventually led to one of the largest counter-terrorism operations to date from the Mozambican security forces, resulting in the deaths of 78 insurgents, including two of the group's leaders (Bukarti and Munasinghe, 2020).

Whereas Ansar al-Sunna initially advocated for the establishment of an Islamist counter-society in contrast to other Muslims, particularly the movements of Salafism and Wahhabism, who were allegedly not following the Prophet's tradition (Habibe, Forquila and Pereira, 2019: 11–12), the movement eventually made it clear that its goal was to impose Sharia law (Islamic law) in Cabo Delgado. They rejected the state's schooling, health, and legal systems – which resulted in political turbulence in the province (Morier-Genoud, 2020: 400; Global Initiative Against Transnational Organized Crime, 2020). Many members and supporters of the movement are socio-economically marginalised and unemployed young people without a proper education (Matsinhe and Valoi, 2019). They have been joined by young immigrants from nearby countries in a similarly marginalised position, and the members of the movement managed to organise themselves in numerous small cells along the coastal areas of northern Mozambique. In this context, Morier-Genoud (2020: 397) indicates that some analysts link the origins of Ansar al-Sunna to local poverty, inequality, and marginalisation. Others, however, believe the origins of the movement should be primarily linked to the outside players or are the result of a foreign influence. This article maintains that both factors might have played a role.

Lastly, it could be argued that Ansar al-Sunna exploits Islam and local grievances to recruit members. There is no doubt that the message of the movement and its hard-line narrative around the idea of puritanical Islam especially resonate with disgruntled youth in the northern parts of Mozambique. All of this is playing out in a political landscape of exclusion, unemployment, and poverty – which are especially prevalent in the

Muslim-majority areas of the northern areas. This makes the jihadi rhetoric of Ansar al-Sunna appealing, as many northern Mozambicans see Sufi leaders as too passive and further believe that government policies are negatively affecting Muslims (Bukarti and Munasinghe, 2020). Against this background, the next section will reflect on the growing threat posed by Islamic militancy to the exploration of natural gas projects.

Growing risks for Mozambique LNG projects

As stated in the introduction, the pressing question guiding this article is: Does the government in Maputo have the political will and institutional capacity to provide a stable and predictable investment climate where the political risks associated with the Islamist insurgency in Cabo Delgado would not jeopardise or threaten the promising LNG projects?

As much as internal factors are key to a proper analysis of this question, one should be mindful that risks to and challenges of the LNG projects in Mozambique are not only posed by the internal dynamics in the country. Externally, the European Union (EU) is actively working on plans to reduce greenhouse gas emissions, and if its new emission standards are implemented, there will be a strong signal to markets across the globe. A carbon border tariff mechanism is likely to be introduced by the EU, and that may pose a challenge or even a threat to further fossil investments everywhere. Major investments in the LNG industry, such as those in Mozambique, are dependent on international petroleum prices, and eventually alternative renewable energy options could become cheaper by comparison.

Internally, apart from risks relating to ongoing tensions between Frelimo and the largest Mozambican opposition party, Renamo, and the centralisation of decision-making power around LNG projects in the presidential office (Frühauf, 2014: 19–21), forced displacement and the loss of livelihoods in the northern-based communities who have faced increasing violence from Ansar al-Sunna in recent times especially pose significant political risks (Rawoot, 2020). Thus far, neither military action by the Mozambican government nor the assistance from foreign mercenaries has stopped the attacks from Ansar al-Sunna (Institute for Security Studies,

2020). In fact, the situation has gone from bad to worse. In November 2020, 'dozens of people' were reportedly beheaded by Islamist militants in northern Mozambique (Schlein, 2020). Amid developments of an increasingly alarming human rights situation, including the killings of civilians by insurgents, the United Nations High Commissioner for Human Rights (HCHR), Michelle Bachelet, appealed for urgent measures to protect civilians in what she described as a 'desperate' situation and one of 'grave human rights abuses'. She also stated that more than 350 000 people have been displaced since 2018, and pointed out that since 16 October 2020, more than 14 000 people have fled by sea in an effort to get to the provincial capital, Pemba (UN High Commissioner for Human Rights, 2020).

Lastly, it should also be noted that some of the big multinational petroleum companies are hiring foreign security firms to mitigate the risk and threat posed by the insurgents. The biggest investor, Total, for instance, decided to hire the services of former French foreign legion officer, Frederic Marbot, to oversee the security arrangements for its project on the Afungi Peninsula in Palma. He is supported by another French foreign legion officer, Charles Stroeng. Otherwise, Total has concluded contracts with three British security companies, namely Blue Mountain, Control Risks and G4S, as well as Arkhe Risk Solutions from South Africa and Mauritius, and GardaWorld from Canada (Hanlon, 2020).

In January 2021, Islamist militants staged attacks increasingly closer to Total's \$20 billion LNG projects, which prompted Total to ask some of its staff to vacate their projects. The company explained that this was a case of temporarily reducing 'its workforce on site in response to the prevailing environment' as the situation 'is being reviewed continuously' (Hill and De Beaupuy, 2021). This happened after members of Ansar al-Sunna raided a town less than 5 kilometres from the construction camp of what is Africa's largest private investment. Obviously, this raised concerns about risks, especially with regard to a planned LNG export terminal on the northern coastline of Mozambique. Although the heavily guarded site has not been attacked yet, militants have threatened to carry out attacks (Hill and De Beaupuy, 2021). The worsening security situation has definitely raised the risk level and played a role

in the delayed decision. In the final analysis, Cotterill (2020) strikingly points out that '[a]n escalating Islamist insurgency in Mozambique's far north-east is intensifying the risks facing the country's vast new offshore gas developments at a time when the coronavirus pandemic is decimating demand.'

On the positive side, an agreement was reached in June 2021 by the leaders of the Southern African Development Community (SADC) to deploy forces from the regional organisation in Cabo Delgado to assist the government of Mozambique in its fight against the insurgents. Moreover, following an agreement between President Nyusi and Rwandan President Paul Kagame, a 1 000-strong Rwandan force has been deployed to Mozambique in August 2021 to join the Mozambican security forces in their operations in the far north of the country. At the time of writing, notable military successes by the joint forces of the two countries have been recorded (DW, 2021). However, as much as this is a positive development, the major challenge in Mozambique remains the issue of marginalisation and exclusion, and thus a need for good governance throughout the country. After all, marginalisation and exclusion coincide with decades of neglect in Cabo Delgado by the central government.

A major factor in Mozambique is the inability of the state to protect and care for the citizenry in all provinces. In such a landscape, extremism can emerge and thrive, and in Mozambique, this is what has been witnessed in relation to Ansar al-Sunna's emergence in recent years. In view of the above, Matsinhe and Valoi (2019) rightly argue:

'A lasting solution to the extremist violence in Cabo Delgado cannot be brought about by hard power and military might. There is a need for soft power whereby the government addresses regional asymmetries which could be part of the complex of motivations for extremism.'

All in all, the problems in Mozambique primarily relate to what Matsinhe and Valoi (2019) describe as 'four decades of half-mast sovereignty' in Mozambique, which is evident from the fact that, since the country's independence in 1975, the central government in Maputo has lacked a monopoly over the means of violence in its territory and its long coastline. In this

context, Renamo regularly clashed with the central government in a 16-year civil war that claimed over a million lives. Fast forward into the future, Ansar al-Sunna now poses the main security threat to the Mozambican government.

Conclusion

In Mozambique, the developmental challenges are considerable and the country faces the grim reality that Ansar al-Sunna's activities have until recently followed an upward trajectory of violence across Cabo Delgado. The movement is undoubtedly a threat in the sense that it jeopardises the successful unlocking of the resource wealth of the country. If not properly addressed, Mozambique might not be reaping the fruits of the very promising LNG projects. At the time of writing, the main gas installations and sites have not been targeted, but LNG companies looking to operate in Mozambique certainly face a very high risk.

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