

Minutes

of Public Consultation under the provisions of paragraph 3 of article. 23 of Decree No 31/2012 of 8 August approving the Regulations on the Resettlement Process Resulting from Economic Activities

FIRST PUBLIC CONSULTATION

“RESETTLEMENT PROCESS, PROJECT IMPACT AREA AND RESETTLEMENT SITE”

A community consultation meeting was held on July 12 2014 in Palma Town, Palma Headquarters Locality, Palma Administrative Post, Palma District, within the scope of the **First Public Consultation on the Preparation and Implementation Process of the Resettlement Plan concerning the Liquefied Natural Gas Project in the Rovuma Basin**, with a single agenda of gathering inputs from the communities about the “**Resettlement Process, Project Impact Area and Resettlement Site**”._____

The meeting was chaired by the Hon. Pedro Romão Jemusse, as Palma District Administrator and it was attended by the following:_____

Palma District Government represented by: Mr. Amade Omar Mpoto - Head of Mute Locality; Mr. Américo Naba - Head of Pundanhar Administrative Post; Mr. Muiliho Akili - Head of Quionga Administrative Post; Mr. Roberto Awikile - Head of Olumbi Administrative Post; Mr. Carlos Fabião Namo - Health, Women and Social Action District Service Director (SDSMAS); Mr. Carlos Paulo - Economic Activities District Service Representative (SDAE); Mr. Cornélio Siebo - Head of the Administrator’s Office; Mr. Albino Bernardo Bacar - District Secretariat Technician._____

Government of the Cabo Delgado Province represented by: Mr. Policarpo Maria do Rosário Napica, Coordination of Environmental Action Provincial Director (DPCA); Mr. Ramiro June Nguiraze, Mineral Resources and Energy Provincial Director (DPRME); Mr. Mariano Caetano Jone, Agriculture Provincial Director (DPA); Mr. Rábio Nordine, Advisor to the Governor for Economic and Social Affairs; Mr. Tiago Cherene, Head of Geography and Cadastre Provincial Services (DPA); Mr. Hélio Brondalo, Land Sector Technician -DPA; Mr. Manuel Daniel, Institute of Development of Small Scale Fisheries (IDPPE). _____

Central Government represented by: Ms. Lília Abibo, Advisor to the Ministry of Fisheries; Mr. Dércio Monteiro, National Petroleum Institute (INP). _____

Anadarko Moçambique Área 1, Limitada (AMA1) represented by: Mr. Alcido Maússe, Government Relations and Social Affairs Director and Mr. Alexandre Jossias, Environment and Safety at Work Director, as well as by the consultants contracted by the company: Mr. Inocência Maganha, Mr. Pedro Wate and Nilza Mazivila. _____

Empresa Nacional de Hidrocarbonetos (ENH) represented by: Mr. Julião Nhaquila, Head of Social Projects and Ms. Suraia Mussa, Environmental Technician. _____

Eni East Africa SpA Mozambique represented by: Mr. Herculano Vilanculos, Social Projects Representative; Mr. Sérgio Cigarro, Community Investment Advisor; Mr. Fabrizio Valsecchi, Technical Construction Director; Mr. Lorenzo Ceccolini, Project Sustainability Manager. _____

And Palma Village which was represented by 135 participants, out of which nearly 25% (33) were women. _____

The opening remarks of the meeting were made by the Administrator who addressed warm greetings to all the participants and guests when it was approximately 09:20 hours. The Administrator asked all the delegations and dignitaries from Palma to introduce themselves, starting with Quionga, Olumbi, Pundanhar and Palma Headquarters. After that he said that the meeting in Palma marked the end of the public consultations round held in Senga, Maganja and Quitupo aiming at consulting with communities about the resettlement process planning. He also added that further meetings would take place to complete the other phases of the community consultation. Furthermore, he thanked the presence of several prominent figures from both the central and provincial government and others from the civil society organizations. In the end, he pointed out that the meeting would be chaired by the Head of Provincial Resettlement Group, the Director, Mr. Policarpo Napica (DPCA). _____

After that, presentations were made: Mr. Alcido Maússe introduced Mr. Baptista, Mr. Alexandre Jossias and Ms. Alice Madeira. He also pointed out that AMA1 works with other partners who were also invited to introduce themselves._____

Mr. Sergio, Mr. Gabriel and Mr. Fabrizio all belonging to the same company, eni, introduced themselves. Then, Mr. Julião Nhaquila and Ms. Suraia Mussa from ENH also introduced themselves. Mr. Nhaquila explained to those present that ENH is a state owned company that has a stake in all hydrocarbons projects. Thus, ENH has two partner enterprises namely Anadarko and eni, working in the gas area in Palma._____

Mr. Alcido Maússe highlighted the fact that the government, companies and communities work together. Thus, he asked the civil society participants to introduce themselves. And accordingly the following people introduced themselves: Mr. António Carlos Dias - FOCADE; Mr. Hachimo - AMA; Mr. Issufo Tankar - CTV; Ms. Natalia - CTV; Mr. Roberto Abdala - CTV Paralegal in Palma; Mr. Jaime Abdala - AMA; Mr. António Buremane, Justice and Peace - Palma; Mr. Chande Buarzure, ADEL-CD, _____

The Director, Mr Napica, when he took over, also welcomed the participants in general and said that their presence and that of the entourage aimed to witness the unfolding of the resettlement process. The provincial government has created a special group to monitor the unfolding of the resettlement process in Palma. After that he introduced himself as the DPCA Director. In addition to that, he introduced the DPRME Director, the Agriculture Provincial Director, the IDPPE Director and the Advisor to the Provincial Governor, Head of SPGC, and other technicians. He also said that the Central Government has sent some representatives to monitor the meetings, namely Mr. Dércio Monteiro from INP, and Ms. Lídia Abiba, Advisor to the Minister of Fisheries. Furthermore, he also underlined the fact that the presence of these leaders and government representatives demonstrates that there is genuine concern in monitoring the on-going project activities in Palma district._____

Before the presentations on the resettlement process started, Ms. Nilza Mazivila on behalf of AMA1 and moderator of the meeting told the participants that Mr.

Inocência Maganha will present on the resettlement process, and his colleague Mr. Pedro Wate will talk about the impacts and the pre-assessment of the resettlement site alternatives. She also said that at the end of the presentations the participants will be able to pose questions, doubts and comments on the agenda. _____

After that, Mr. Inocência Maganha addressed the participants explaining to them that the purpose of the consultation was the presentation of the resettlement process, project impacts and alternatives for the resettlement sites. He also went further saying that this is the first of the 4 public consultations that will be held to present the resettlement process. He also explained that with the discovery of large quantities of gas reserves, an industrial complex for gas processing by AMA1 and eni in Afungi peninsula will be built. However, he also said this project will occupy a space that will give rise to the resettlement process. In a process of this kind, all the stakeholders have to be involved and, in addition to that, it should comply with the national legislation and international standards. The resettlement process will respect people and their cultural aspects. He also said that the process is divided into two phases, planning and implementation. At the moment, the project is in its planning stage characterized by research and strengthening of the communities' participation through community resettlement committees (CRCs) and through resettlement planning. The planning process will only end with analysis and decision making concerning the resettlement plan by the Government. Moreover, he said that at the moment there are several on-going studies, ranging from census to survey of assets of the affected communities. So far the latter has been implemented by 35% because it is a very delicate activity and its completion is slow. The survey of assets is underway in Quitupo and in the communities in its jurisdiction. Studies on fisheries were also undertaken to determine the number of people involved in this activity, the types of fishing activities and the place where the boats carry out their activities. The Project needs to better understand the details of this activity in order to analyse carefully how the lives of these fishers will be affected. He also highlighted the fact that the studies are only carried out because the communities allow them and that they collaborate and, on behalf of the Project, he commended the communities for that. He also said that the results of the fishing studies in the communities were disclosed in the presence of the Government representatives for improvements and comments. Mr. Inocência, in his presentation, said that agricultural studies have also been carried out in order to

understand how the communities depend on this activity for their livelihood throughout the year, and what kind of improvements can be made on production techniques and crops. He said that there are also studies of tests and demonstration of agricultural techniques and improved production practices in order to find out which improvements can be applied in agricultural production. He also asked the communities to be involved in such activities. And for them to better participate in such activities, community resettlement committees (CRCs) were formed. The committees have been conveying information from the project to the communities and also channelling opinions, complaints and concerns from the communities to the project. He also added that the project must value community assets, sacred sites, and other property in order to better understand the kind of impacts that might arise during project implementation. He added that for this reason, discussions have been initiated with the various communities in order to capture their main concerns regarding the resettlement process. At the end of the planning process, the resettlement process implementation phase can start. He also pointed out that the most important thing is to understand that resettlement follows steps, and there are stages to go through and a space for people to channel their concerns to the project through established and available complaint mechanisms at the meeting venues previously identified in the communities, the so-called Nkutanos and also through contact persons._____

Mr. Pedro Wate, on behalf of AMA1, continued with the presentation stating that people will be affected by the Project. They will be affected in two ways, either physically or economically. They will be affected economically because their farms, their livelihoods will be affected. Those who will be affected physically will have to be resettled elsewhere. Everything will be done taking into account environmental, safety and health aspects. There is an area intended for the implementation of the gas processing plant which covers the fishing villages in Ngodje and Milamba areas 1 and 2. There is also another area intended for the project workers to live in and there will be a runway for large aircraft. It also includes port facilities (jetty and dock). It was noted that the construction of this infrastructure would be phased. The jetty will be prioritized in order to receive the construction material for the docks and factory. He also stressed the fact that the construction of this infrastructure will also affect the lives of fishers and the operation will need to create exclusion zones when ships enter and leave. Ways for

warning the fishers about the arrival of vessels will be put in place. Moreover, he also added that meetings will be held with the communities in order to discuss and better understand project impacts. In the next public consultation rounds, there will be a dialogue on compensation issues. After that, Mr. Pedro Wate described how the potential sites were identified for resettlement. He said that restriction criteria were used – such as the construction area where factory operation impacts may be felt (noise, emission of nitrogen dioxide gas) and although only remotely possible, there could be explosions. Environmental issues were also considered for conservation. Thus, total restriction areas are identified as being the factory construction area and the areas where mangroves are. He stressed the fact that in this area people cannot live nor develop other types of activities. Nonetheless, in the other zone, communities can continue to practice agricultural activities but cannot continue to live nor build houses. The Quitupo village is located in this zone. This area was identified by the imperative of ensuring the well-being of people and it is in this area where there is a noise level that is unbearable for people to live. Mr. Pedro Wate also added that during the manufacturing process, there can also be emissions of gases and the zone has been created to avoid the possibility of these gases having harmful effects on people's health. He also pointed out that the zone where people can live at ease and in safety has been identified, and it is away from the harmful effects of the factory. It was also noted that the mangrove area where fish breed is very sensitive, thus people cannot build there. He added that other studies have been carried out to provide information on the safety of the area, fishing activities and soil quality for agricultural suitability. Two areas have been identified, one in Quitunda and another in Namba. The people to be resettled will need to continue fishing and have access to the sea. Given that people will not have access to the collection of shellfish and other marine products to the intertidal area in front of the factory, there will be a need to identify alternative locations. Mr. Pedro Wate stressed that all the information being collected is for the formulation of the resettlement plan to be submitted to the Government for decision making. In order to have a sustainable resettlement plan, it is important to consider the conditions of the land and livelihoods. He affirmed that all this will have to be prepared for the plan to be completed by the end of the year. In the next meeting in August, there will be a discussion on the organization of the new village, types of houses and host community. And in September, the issues of compensation packages, results of surveys and impact

studies will be presented. In December, the last meeting will be held in order to present the draft resettlement plan._____

After the presentations session, Ms. Nilza Mazivila asked the participants to present questions and answers in an orderly fashion._____

Before the start of the questions and answers session, Mr. Alcido Maússe pointed out the fact that it would be desirable to have monthly meetings but, the precise dates will have to be agreed with the Government 15 days before the meeting is held in order to accommodate their availability._____

The participants raised their questions on the consultation issues as follows:_____

1. Mr. Ali Azevedo Bacar posed the following question:_____

- I understood the presentation but I have a doubt. I understood that the community will be shifted from one place to another. What will happen with their property? I also understood that Quitupo may be resettled in Quitunda village. Are there good conditions for people to be resettled there? I also understood that there are mangrove and reserve areas. Will the reserve areas serve the entire community? _____

Commenting on Mr. Ali Azevedo Bacar's questions, Mr. Pedro Wate on behalf of AMA1, said that:_____

- Studies have been carried in order to identify the habitability of the area. Additional studies on the geomorphology (land slope) and soil have also been carried out. It was found that the area is suitable for construction. Studies were also carried out on the availability of drinking water. Quitunda is therefore habitable and people can be properly resettled._____

2. Mr. António Cardoso gave his opinion as follows:_____

- What procedures have been put in place for the graves?_____

Commenting on Mr. António Cardoso's question, Mr. Inocência Maganha on behalf of AMA1, said that:_____

- There will always be consultations with the communities on these matters. We need to know everything about the sacred places, cemeteries and other areas of interest for the communities. We have started identifying these locations so that together we can decide on how to go about these matters according to the local traditions and customs and legislation. _____

3. Mr. Issufo Tankar (CTV) gave his opinion as follows: _____

- I am concerned about the complaints collection teams. We have heard in the consultations that people were not receiving adequate answers. It is clear that when the resettlement process will start, there will be more questions. I want to make an appeal for the government, in particular, to strengthen the teams in order for them to have regular meetings, and for them to make an effort to give answers. Another concern relates to the families that will be resettled. At this point they have precarious shelters and when the roof is worn out, they go to the bush to cut new grass. The regulation requires conventional houses, but their maintenance may fall short of people's capabilities. It is necessary that the compensation package covers the needs of livelihood that will help meet these costs. The minutes of the public consultations should be published and distributed in communities within 5 days according to the regulation. In addition to posting, could you please send these minutes by email to those people living far away so that they can be able to monitor the process? _____

Commenting on Mr. Issufo Tankar's remarks, Mr. Inocência Maganha on behalf of AMA1, said that: _____

- There will also be compensation for affected assets. All this can only happen by consulting everyone involved. But there are also assets that can be taken to the resettlement sites, and animals will also be transported by experts to ensure their safety. With regards to the advice from the civil society on the facilitation of complaints mechanisms, thank you, we appreciate it. We will improve the way we work by allocating people in the communities at the grassroots' level so that people's concerns can be channelled to the project. We have systematically noted down all the issues raised in order to answer them. And if people are not satisfied they have the right to channel them to the highest levels, but our appeal is that they should continue to present their complaints.

- Community consultations can also help in finding more alternatives for income sources. The project's social responsibility as provided for in the Mozambican legislation is in place and it is believed that community investment projects can also help families generate more income. We have 5 days to post public consultations Minutes. The Decree is clear; we have to post them in conspicuous places and not by email. But, for the parties, once the Minutes have been signed we can share them._____

Commenting on Mr. Issufo Tankar's remarks, Mr. Pedro Wate on behalf of AMA1, said that:_____

- With regards to the people's ability to undertake the maintenance of their houses, the project is aware that it will not be able to employ everyone, but there is an area that deals with social development. This sector will partner with other organizations in order to help people develop their lives. There will also be training sessions that will help people get employment._____

4. Ms. Rosa Albino Mucundavila Nkunakwela gave her opinion as follows:_____

- I have doubts. Anadarko has arrived in the district and is working, but when it recruits people, it claims that applicants should speak in English and not in our language, or at least in Portuguese. In Palma the elderly cry for employment, but only young people are employed. But the elderly know about surveillance locations that the young people do not know of. They could help in certain areas of the company. There are rooms that are not open and there are rooms where cleaning is forbidden. Why does that happen?_____

Commenting on Ms. Rosa Albino Mucundavila Nkunakwela's remarks, Mr. Inocência Maganha on behalf of AMA1, said that:_____

- We appreciate your comments on the need to employ the elderly. And we will promote it as widely as possible in order to convey the message regarding the project's risks. Within the project, there are also other mechanisms for reporting and we would be happy if everyone used these means._____

Commenting on Ms. Rosa Albino Mucundavila Nkunakwela's remarks, Mr. João Baptista, AMA1 North Operations Assistant Manager, said that:_____

- In the recent past English was mandatory. Now recruitments has markedly improved and English is no longer required. Now, 75% of workers are Mozambicans and out of these about 50% are from Palma. We have announced job positions requiring people speaking Makwe, Kimwani and other languages. Employment for the elderly rather than for the young: We strive to employ the elderly. We have the elderly working within our field. We are looking at the will and ability to work. In Afungi, the elderly are doing traffic control. We also have the elderly working in camps._____

5. Mr. Luís Salimo gave his opinion as follows:_____

- I commend the government and it is the first time I have taken part in a meeting of this kind. And we also appreciate the opportunity given for the community to participate in this process. It is thanks to the company that there are a lot of accomplishments. I have a request for everyone: To achieve development it is necessary to have a single objective. If you come here from Beira, you may not have the spirit of wanting to develop Palma but you must have the spirit to develop. You must ensure that local development actually happens._____

6. Ms. Fadima Miguel Manombe gave her opinion as follows:_____

- I was recommended by a guard to join the meeting. The person has worked in the Namba area and up to now has not been paid, and the person wants to know if they will be paid?_____

Commenting on Ms. Fadima Miguel Manombe's remarks, Mr. João Baptista, AMA1 North Operations Assistant Manager, said that:_____

- It is a new situation for me and I need to know who the person is. Then it can be possible to follow up the process._____

After the questions and answers session finished, the moderator of the meeting, Ms. Nilza Mazivila asked the Administrator to make his comments._____

Preceding the Administrator, the Director, Mr. Policarpo (DPCA) thanked those present saying that he was satisfied with the meeting. He also added that as this dissemination continues, the understanding of the project will be better. He also said that apparently some questions still remain, but the laws and regulations need to be further disseminated to help people understand the process. But the responsibility for this process must come not only from the Government and the company, but from all in order to ensure that the project will contribute to the development. Everyone has the responsibility to ensure that this project contributes to development. He concluded his speech as follows: After this round in the villages up to this point here, we are very satisfied and we will convey this message to the Provincial Government and with permission, up to the Central level. To conclude, this will not be the last time we will have been here, we will be here more often. It is the responsibility of the Provincial Government to monitor the work and we will all work together._____

In his closing remarks, the Administrator thanked everyone for joining the meeting, all the Central Government representatives, Provincial Government members, the various project teams, the various civil society organizations representatives, and especially the various Palma Advisory Council members. The Administrator took stock of the meeting saying that 3 points were discussed: first, it was to see where the plant will be installed; second, to understand why people cannot live where the factory is; third, to indicate the areas which may be suitable for resettlement. Finally, he appealed to all the people who have followed this process to be present in the upcoming meetings. At the end of the session, he introduced two leading figures, the Honourable Judge of the District Court and the honourable District Prosecutor._____

There being no other issues to be discussed, the consultation ended when it was 12:15 hours and the present Minutes of the First Public Consultation on the ***Resettlement Process, Project Influence Area and Resettlement Site Selection***

was drafted, under the Gas Development Project in the Rovuma Basin, Mozambique, held in Palma which is signed and witnessed by the State representatives, proponents and community representatives. _____

Palma District Government	
<hr/> Mr. Pedro Romão Jemusse District Administrator	<hr/> Mr. Carlos Paulo SDAE Representative
<hr/> Mr. Amade Omar Mpoto Head of Mute Locality	<hr/> Mr. Carlos Fabião Namu SDSMAS Director
Government of Cabo Delgado Province	
<hr/> Mr. Policarpo M. R. Napica Director (DPCA)	
Anadarko Moçambique, Área 1, Limitada (AMA1)	
<hr/> Mr. Alcido Maússe Responsible for Social Affairs and	

Government Relations	
eni East Africa SpA Moçambique	
<hr/> Mr. Herculano Vilanculo Responsible for Social Projects	
ENH	
<hr/> Mr. Julião Nhaquila Responsible for Social Projects	
Palma Village Community	
<hr/> Mr. Luis Salimo (Community Leader in Incolarino)	<hr/> Mr. Nfaume Nacir (Community Leader in Barabarane)
<hr/> Mr. Nacir Selemene (Community Leader in Muá)	<hr/> Mr. Saide Tarize (Community Leader in Bagala)
<hr/> Mr. Bacar Ali Mbali (Community Leader in Quilaua)	<hr/> Mr. Awaze Saíde (Community Leader in Quelimane)

