Anadarko Moçambique Área 1, Limitada (Anadarko), co-proponent of the Mozambique Gas Development Project (the Project), is committed to transparently disseminating accurate information about the resettlement process associated with the development of the liquefied natural gas (LNG) park on the Afungi peninsula in the District of Palma.

This is the second in a series of nine articles providing information and an update on progress made with resettlement planning activities. The focus of this article is on the Project’s efforts to explore alternative sites and Project designs in order to minimize economic and physical displacement and the associated impacts on affected communities.

**Is resettlement the only option to enable Project development?**

More than one option exists to develop and monetize the abundant natural gas resources discovered in Offshore Area 1 in the Rovuma Basin, more than 20 kilometres off the coast of Cabo Delgado Province. In coordination with the Government of Mozambique, onshore processing by means of liquefaction at an LNG park was deemed the most appropriate option as it would facilitate onshore infrastructure and industrial development, while maximizing investment in local content including local procurement, employment and training.

Several potential locations for the Project were evaluated following an extensive screening and assessment process. The Afungi peninsula in the District of Palma was chosen as the preferred site for the onshore LNG park development because of its environmental characteristics and the limited impacts on sensitive biodiversity, among other beneficial characteristics.

**Resettlement: Who are the affected communities?**

Although selecting Afungi as the Project site means that some resettlement is inevitable, the Project continues to explore alternative Project designs in order to minimize economic and physical displacement and the associated impacts on affected communities.

The Project Environmental Impact Assessment (EIA) initially assumed that all households residing inside the area that the Government of Mozambique had selected and assigned for the development of the LNG Project would be physically displaced and would need to resettle. This area of approximately 7,000 ha to which the Government, through the Land Law, conferred “the right to use and enjoy land” or “Direito de Uso e Aproveitamento de Terra” is known as the DUAT area. At the outset of the resettlement process the Project also assumed that potentially physically displaced communities would have to be resettled to a site located outside the DUAT area. Households would also not be able to continue agricultural activities within this area.

During early community engagement, communities expressed a desire to remain in close proximity of the Project area and LNG site, as well as to the coast. In an effort to minimize the extent of physical and economic displacement, and responding to community preference, the Project undertook a series of Project land use and LNG facility layout assessments that rendered the following results:

- It was determined that the DUAT area could accommodate the LNG park as well as a replacement village. Physically displaced communities will therefore not need to be moved further than 10 km from their original village.
- The size of the Project Industrial Zone was refined and reduced, reducing the number of households that will be physically displaced.
- The Project was able to better define the criteria for the areas where communities could continue with their livelihood activities.

The initial Project assumption was that no livelihood activities could continue within the DUAT area. Continued onshore and near-shore facility layout refinements succeeded to reduce the approximate area required for the development of the LNG plant and associated facilities, limiting this to the Project Industrial Zone only. As a result, communities are able to continue with agricultural and other livelihood activities in certain areas inside the DUAT area but outside of the Project Industrial Zone.

Ultimately, revising the layout and reducing the area of land required for Project infrastructure significantly reduced the number of households that will need to be physically resettled. Assessments completed between August 2013 and August 2015 determined that the following types of physical and economic displacement will occur as a result of Project developments:

- **The physical resettlement of 456 households from the village ofQuitupo and some of its related production zones (Simo, Milamba and Ngoji) due to onshore and near-shore Project development (inside the Project Industrial Zone).**
- **Economic displacement of households from Palma, Senga and Maganja that have fields and other assets within the Project Industrial Zone.**
- **Fishermen and intertidal collectors will lose access to certain fishing areas and intertidal collection areas due to the construction and operations of Project marine facilities and the associated Marine Exclusion Zone.**

**Have any households been resettled?**

As of 10 August 2015, no resettlement associated with the Project has occurred. Households will only be resettled once the Government of Mozambique has approved the Resettlement Plan and other relevant permits and approvals have been achieved positioning the Project to proceed. Prior to approval of the Resettlement Plan, detailed information gathered during the planning phase must be incorporated into the draft plan, which will be made available for public review and comment after the third round of resettlement public meetings. Stakeholder recommendations will then be incorporated into a final Resettlement Plan that will be submitted to the Government of Mozambique to inform its decision-making.

**Consultation, sharing of information and dialogue**

The next article will focus on the role of consultation and dialogue as part of the resettlement planning process.