The purpose of this document is to provide background information to the third series of resettlement public meetings that will be convened for the Mozambique Gas Development Project in compliance with Decree no. 31 of 8 August 2012. The meetings will focus on the following topics:

- Feedback on surveys and other activities carried out to date;
- Moratorium and suspension of asset survey;
- Resettlement impacts and proposed entitlement framework; and
- Resettlement Implementation Plan, implementation budget and schedule.

The first and second series of public meetings were convened in July and August 2014 respectively. Meetings were convened in Senga, Maganja, Quitupo and Palma Sede.

The resettlement team would like to thank members of affected communities, representatives from Central, Provincial and District Government, the Palma District Consultative Council, NGOs, civil society and the media for their participation in the second series of public meetings during which the key topics for discussion were:

- Resettlement site design;
- Concept housing and village models; and
- Integration of resettled villages with host communities

Stakeholder comments and concerns raised during the meetings were recorded, responded to and documented in minutes. The minutes of all meetings have been approved, signed by attendees and displayed in public places. A complete set of minutes produced as part of the resettlement public meetings can be obtained at the Palma District Administration office or viewed on the Project website at www.mzing.com.

Stakeholder issues, concerns and suggestions will continue to be discussed and addressed as part of continued consultation, and will continue to inform the development of the Resettlement Plan.

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**Project Commitments to Resettled Communities**

1. The Project recognizes and considers it an important social priority to make sure Project-affected People are fairly compensated for any adverse impact they may experience as a result of resettlement.

2. The Project is committed to provide assistance to those adversely impacted and to restore their livelihoods, where necessary.

3. The Project considers the resettlement and compensation program as an opportunity to conduct development activities and will make every effort to support the future well-being of affected people and their communities.
Resettlement Process Feedback

Surveys

On September 26th 2013, the Mozambique Gas Development Project commenced a census with all potentially affected households in the Project area. From the census, two main categories of affected households have been determined:

**Category 1.** 456 households will be physically displaced by Project activities and will need to resettle to the replacement village in the Quitunda area. Of these physically displaced households, 448 come from Quitupo, Milamba, Simo and Ngodji. Eight households living in Quitunda (where the replacement village will be built) will also be physically displaced.

**Category 2.** 732 households have assets in the Project Industrial Zone and 19 in the area of the replacement village. These households will lose access to those assets, including access to machambas and other assets such as fruit trees or other immovable assets and therefore experience economic displacement.

**Asset survey summary reports**

In order to provide a summary of all household assets surveyed within the Project DUAT, asset survey reports have been prepared. The Project has initiated distribution of the asset survey summary reports to households that have been included in the asset survey.

It is important to note that many of the assets recorded in the summary reports may not be affected by the Project. Once the Resettlement Plan is approved and ready for implementation, the first step will be to verify which assets will be affected.

**What is the Moratorium?**

The Government of Mozambique will declare a “cut off” date upon completion of the census and asset inventory.

Households identified by the census as having fields and assets within the Project Industrial Zone (PIZ) at the time of the cut-off date will be eligible for compensation and/or resettlement assistance, as the case may be.

Households that settle in the PIZ after the cut-off date will not be eligible to receive compensation. Any trees, crops, fields or structures established after the cut-off date will not be compensated.

This measure is to prevent outsiders claiming use of land and compensation that should rightfully benefit existing community members.

Just before payment of compensation, each eligible household will be presented with a compensation offer/Agreement. The compensation offer/Agreement will list the household’s affected assets as identified by the asset survey. Each household will be asked to verify that their assets have been accurately measured.

**Resettlement Program Overview**

![Resettlement Program Flowchart]

- **Project Schedule**
  - EIA
  - Project preparation
  - Resettlement Plan
  - Environmental License
  - Early Works construction
  - LNG Plant construction

- **Community Schedule**
  - Resettlement planning
  - Replacement village construction
  - Physical resettlement
  - On-going consultation

**Early Project Construction Activities**
- Access roads
- Pioneer Camp
- Demarcation
- Studies
- Materials Offloading Facility
- Improved roads
- Aerotrace

**Resettlement Plan**
- Approved by MITADER

**Environmental License**
- Cut off date and moratorium declared
- Asset Survey update
Entitlement Framework

Based on the information collected through the various surveys, compensation (in cash or kind) categories have been established for households, communities and individuals. Impacts on households can be divided into two categories:

1. **Terrestrial impacts**
   - as a result of the Project Industrial Zones and the Replacement Village site.

2. **Marine impacts**
   - as a result of construction of the jetties, Materials Offloading Facility and the pipeline corridor. During the construction phase, these near shore components will collectively result in a 500m Marine Exclusion Zone. During operation, the Project will maintain a 1,500m Security Exclusion Zone around the jetties and Materials Offloading Facility. Note that the pipeline will not have any exclusion zone during the operations phase.

The following flow diagrams provide an overview of the entitlements for terrestrial and marine impact categories. Information on the impacts and corresponding entitlements is currently being disclosed to affected households to seek their input, whereupon the entitlement framework will be finalized.

Marine and terrestrial impacts caused by the development of the Project will not all occur at the same time. Impacts will occur as the Project develops.
Fisheries Entitlements

Individual with direct dependency on fishing or intertidal gathering

Yes → Intertidal gathering

No → Highly impacted resettled?

Yes → Can fishing continue?

No → Continue fishing

Community support program particular to fisheries

Yes → Access to:
- Material Assistance
- Fishery livelihood program
- Transitional compensation

No → Access to:
- Non-fishery livelihood program
- Transitional compensation

Community support program particular to fisheries

Access to:
- Material Assistance
- Transitional compensation, as necessary

Community level fisheries support
Benefits

The Project will enter into benefit agreements with affected communities, relating to the restriction of their rights of access to natural resources. Communities eligible for such agreements include:

- Senga;
- Quilupu;
- Maganja, and
- Palma Sede.

Resettlement Implementation Action Plan

The Resettlement Plan will be implemented once the Government has approved the construction of the replacement village in the Quitunda area, and has approved the Project’s Resettlement Plan.

The construction of the houses and essential community infrastructure in the replacement village in the Quitunda area will be completed to a level satisfactory to affected households and the Government of Mozambique before resettlement (moving from an existing house to the replacement village) will commence.

When the Project’s Resettlement Plan is approved and financing for its implementation has been secured, implementation of the following activities will be initiated:

- Signing of individual resettlement agreements;
- Approval of the detailed resettlement and compensation costs;
- Delivery of compensation payments;
- Physical relocation of households and businesses;
- Provision of resettlement assistance and transitional support; and
- Handover of communal and public facilities.

Some activities will be performed on a continuous basis, such as:

- Information sharing with affected people to encourage continued participation in opportunities and consultation throughout implementation of the resettlement process;
- Implementation of livelihood restoration programs;
- Regular internal and external monitoring and reporting, especially on integration of vulnerable people in programs;
- Complaints and grievance management; and
- Completion audit following a reasonable period for resettlement measures, particularly livelihood restoration, to have been completed.

Some activities will be undertaken simultaneously, as is demonstrated below.
Budget for Implementation

The Mozambique Gas Development Project will pay the cost for the implementation of the resettlement program. The program cost will be determined based on the final number of households affected by the Project, as well as the final compensation packages each household and community will receive. The Project will also cover the cost for the construction of the replacement village in the Quitunda area, as well as other infrastructure and livelihood restoration plans. The estimated cost of the resettlement program, including all compensation, replacement housing and other infrastructure developments is approximately 151-181 million USD (5.5 - 6.5 billion MZN).

Commitment to Open Communication

The resettlement process is conducted in accordance with Mozambican Legislation and the International Finance Corporation's (IFC) Performance Standard (PS) 5 on Land Acquisition and Involuntary Resettlement (January 2012).

The Project recognizes that the informed participation of affected communities, the Government of Mozambique and civil society is paramount to facilitate participatory planning, informed decision-making and a successful resettlement implementation process. The Project will therefore continue to openly and transparently communicate about the resettlement planning process and implementation thereof and will make every effort to ensure that all interested and affected parties are aware of the process and can participate in it meaningfully.

To ensure informed participation, the Project will continue to disclose information and consult in various ways through formal and informal engagements, supported by a variety of communication materials.

The resettlement engagement team will continue their daily and on-going community consultation activities in all affected communities on the Afungi Peninsula and in Palma. In-person engagements are supported by a variety of pictorial communication materials, maps and three-dimensional models to ensure understanding of critical resettlement process concepts. Where possible and appropriate, the resettlement team will arrange site visits so community representatives can familiarize themselves with a particular real-life context to enhance understanding and informed decision-making.

Information materials, such as this brochure, will continue to be widely distributed among communities and in Palma, including to the Palma District Government and Consultative Council. In addition, all materials prepared to support open communication during the resettlement process are posted on the Project website (www.mzing.com) and are free for the public to access and download.

Contact us

If you would like to obtain more information about the resettlement process or the public meetings, or if you wish to comment or make a suggestion, please contact the Project's resettlement team:

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The Mozambique Gas Development Project values your participation.