



PLATAFORMA DA SOCIEDADE CIVIL

SOBRE RECURSOS NATURAIS E INDÚSTRIA EXTRACTIVA (PIE)



Natural Gas for Economic Transformation and Inclusive Growth: How to Prevent the Resource Curse in Mozambique

Programme Information Sharing Conference 28-29 of August, 2019, Hotel VIP, Maputo

Mozambique was hailed as the new Qatar after oil companies announced giant gas finds off the coast of Cabo Delgado at the beginning of the decade. For business people, the natural resource boom offered the potential of huge profits. For the ordinary people of Mozambique, the owners of the resources, it offered the potential of escaping poverty.

The sector is growing fast - but expectations are growing faster as the government, companies and donors have overstated the speed with which benefits would flow. More than a decade after the start of pipeline gas exports to South Africa, and the award of the Moatize coal concession to Vale, the beneficiary impacts for ordinary Mozambicans have been modest.

Now that Anadarko has taken FID on the first \$20 billion onshore LNG project it is hoped that the real change will come. It will only be positive if the sector is properly managed. Mozambique can benefit from its natural resources, but we must work together to ensure this. History shows that countries dependent on windfall revenues require strong civil society, media and government institutions to keep the oil companies and politicians accountable.

This is aim of this first in a series of learning and information sharing conferences: To bring key stakeholders from the public sector, the private sector, civil society, journalists and independent experts together to build a community of learning and practice to ensure that the right questions are asked and crucial information is shared in order to prevent the resource curse in Mozambique. Drawing on the experience of key actors, we will look at national and international developments in the gas industry and what steps we should take next to ensure ordinary Mozambican can benefit from the natural resource boom.

Day one

8.00 – 8.30: **Registration**

- Protocol

8.30-8.45: **Context and Objectives of the conference**

- **Dra. Anabela Rodrigues**, WWF National Director, Plataforma Nacional dos Recursos Naturais.

8.45-9.00: What does Mozambique's O&G sector look like today?

- **Eng. Carlos Zacarias**, PCA, Instituto Nacional de Petróleos (INP)

9.00-9.20: Introduction and outline of the Natural Resource Charter Decision Chain

- **Prof. Adriano Nuvunga**, Centro para Democracia e Desenvolvimento (CDD)

9.20: Exploration and license allocation: How should Mozambique prepare for its 6th licencing round?

9.20-9.25 – Introductions by Moderator, Titus Gwemende, Oxfam SAF

9.25 -9.45: Q&A with INP: **Plans for 6th licencing round: lessons learnt from 5th round, new measures taken**

9.45 -10.15: **Are oil companies getting a good deal in Mozambique? Why is Mozambique still attractive? Why did it take so long to sign deals?**

- Sasol

10:15 – 10:30 coffee break

10.30: Taxation: Mozambique's Exploration & Production Concession Contracts

10.30-10.35: Introductions by Facilitator, **Ericino de Salema**, Electoral Institute for Sustainable Democracy in Africa (EISA)

10.35 – 10.50: **An overview of what Mozambique's EPCC looks like**

- INP

10.50-11.20: **Look at a specific EPCC signed by one of the oil companies in the 5th licencing round**

- **Dr. Edson Cortez**, Centro de Integridade Pública (CIP)

11:20: Taxation: the Rovuma LNG projects

11.20 -11.25- Introduction by Facilitator, **Jeremias Langa**, Sociedade Independente de Comunicação (SOICO)

11.25-11.50: **When and how will Mozambique extract tax from its onshore LNG projects**

- **Dr. Anibal Mbalango**, Autoridade Tributaria (AT)

11.50-12.10: **Challenges Mozambique faces in extracting tax from the LNG projects**

- **Prof. Adriano Nuvunga**, CDD

12:10-12.25: **How is the AT preparing for these challenges**

- Response from AT

12.25-12.45: **Inputs from the Norwegian Embassy**

12.45 – 13.00: Q&A on the morning's session

13.00 – 14.00: Lunch Break

14.00: Nationally Owned Resource Companies

14.00-14.05: Introductions by Facilitator, **Dra. Alda Salomão**, Centro Terra Viva – CTV

14.05-14.25: **Why have an NOC? How can they be kept accountable? How do they add value?** What are the potential pitfalls?

- **Tom Bowker, Editor, Zitamar News**

14.15-14.45: **Role of ENH in Mozambique's LNG industry: how the company is adding value, steps taken against corruption, training in place for national staff.**

- **Dr. Omar Mithá, PCA, Empresa Nacional de Hidrocarbonetos – ENH**

14.45-15.00: **Response to discussion and Q&A - Dr. Agostinho Machava, CDD**

15.00 -15.30 **Launch of Journalist, NGO and Industry Community of Practice Group: Collaborative approach to understanding the natural gas and LNG industry in Mozambique**

- Facilitator, **Prof. Adriano Nuvunga, CDD**

15:30 – 15:45 **Closing remarks of day one, Dra. Anabela Rodrigues, WWF National Director, Plataforma Nacional dos Recursos Naturais.**

Day two

8.00 -8.20 **Registration**

- Protocol

8.20: Upcoming legislation in the Natural Resource Sector

8.20-8.25: Introductions by moderator, **Prof. Adriano Nuvunga, CDD**

8.25 – 9.00: **For a Third Generation of Oil, Gas and Other Natural Resources Legislation in Mozambique – Dr. Edson Macuacua – President of the First Comission (Assembly of Republic)**

9.00-9.15: Q&A

9.15- Revenue Distribution and Volatility

9.15-9.20: Introduction by Moderator Eng. Joao Carilho, OMR

9.15 -10.00: How to spend it? The risks and opportunities gas wealth may offer –

- **Prof. João Mosca, Observatório do Meio Rural - OMR**

10.00 – 10.30: What are the policy options to foster diversification, linkages and spillover effects to the local economy?

- **Ministério da Economia e Finanças, MEF**

10.30– 10.45 Coffee break

10.45 – 11.05: Sovereign Wealth Fund: **Should Mozambique have one? What would be suitable for Mozambique?**

- **Dr. Jamal Omar, Banco de Moçambique BM**

11.05 – 12.05: **What are the alternatives?**

- **Charles Scheiner, Lao Hamutuk, Dili, Timor Leste**

12.05 -12.35: Q&A on the morning's session

12.35 – 13.35: Lunch Break

13.35: Protecting the Environment: Roles of Multinational Companies

13.35-13.40: Introduction by Moderator – Dr. Cláudio Ndimande, MAGTAP

13.40-14.10 - **What environmental, social and human rights standards will Mozambique hold its companies to, outline of the issues.**

- **Dra. Alda Salomão**, Director – TINDZILA Land Governance and Local Development Research Centre

14.10-14.40 **The environmental risks of the projects**

- **Dra. Anabela Rodrigues**, WWF National Director, Plataforma Nacional dos Recursos Naturais

14.40-15.10 **Steps IOCs are taking to protect the environment**
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15.10 – 15.40 **The social and human rights challenges near the LNG projects**

- **Jordão Matimula Jr.**, Associação Nacional de Extensao Rural, AENA

15.40-15.55 **What social development will the projects bring to the region by A1 or A4 and response from AMA. KULIMA and AAAJC.**

15.55-16.10: Q&A

16.10 -16.25: **Closing remarks and way forward**

- **Prof. Adriano Nuvunga**, Centro para Democracia e Desenvolvimento - CDD