
BRIEFING

Total Disaster:

Will the UK government use taxpayer finance to enable a human rights nightmare abroad?



Introduction

Keir Starmer has inherited a controversial decision from Boris Johnson's government. The UK Prime Minister must decide whether [USD \\$1.5 billion](#) of UK taxpayer support should be used to enable one of the most controversial infrastructure projects of modern times: The Mozambique Liquefied Natural Gas (LNG) Project. If Starmer goes ahead with this he risks thousands of lives in Mozambique, his claims to climate leadership and making the UK complicit in corruption.

In 2020, the then-International Trade Secretary, Liz Truss, [reportedly overruled her own civil servants and the objections of fellow cabinet ministers](#) to insist that UK Export Finance (an agency of her department that uses taxpayer-backed finance to support British business abroad) supported the Mozambique project.

Even at this stage, the project was troubled, located in the Cabo Delgado region of Mozambique, where an ISIS-linked insurgency was [killing hundreds of people per month](#) and had already displaced [nearly half a million](#) people. Analysts noted that even in summer 2020, ["it was clear to any reasonably well-informed observer ... that the conflict was escalating and that the exploitation of gas reserves was one of the key drivers."](#) The United Nations, European Union and churches had [already criticized 'extractive firms'](#) for their role in exacerbating the conflict.

Normally, an approval by the minister responsible for UK Export Finance is enough for the financing to go ahead. But just a few months

later, the project had already become so controversial that the Prime Minister, Boris Johnson, was forced to [personally take responsibility and approve the project financing, leaving him feeling 'bounced' into supporting it](#). Partly because of this pressure, Johnson later [ended all UK government financing of overseas fossil fuel projects](#) at the end of 2020. However, as the UK had already said 'yes' to Mozambique LNG, it was unaffected and the UK remained committed.

Just 10 months after Truss' approval, in April 2021 insurgents targeting the project and its workers killed [1,402 people in the town of Palma](#), including [a British citizen](#). This death toll means Palma is one of the biggest terrorist attacks of all time, [the worst since 9/11](#). The actions during the massacre of the LNG project's sponsor, TotalEnergies, are now being investigated by French courts.

The Palma massacre has meant the LNG project has been [on hold since 2021](#). For the past two years, TotalEnergies have claimed the project is on the verge of re-starting, that the situation has stabilised, and have been asking financiers like the UK to re-commit to the project. Starmer's government now must decide whether the government should support Mozambique LNG.

The outlook for this project couldn't be much worse. To name only some of the problems:

- The insurgency continues to rage across the region, [fuelled by resentment of the gas project](#).
- Mozambique's army stands [accused of the torture, rape and murder](#) of civilians *at the*

Mozambique LNG project site, where soldiers allegedly used the project site gatehouse as a makeshift prison.

- A Mozambican army task force protecting the LNG project have [separately been accused](#) of multiple crimes against civilians in the area, including theft, rape and murder. Documents show TotalEnergies was aware of these allegations but continued to fund the task force anyway.
- Millions of dollars in gas revenues have [recently been reported missing](#) from Mozambique state bank accounts.
- A UK citizen's death in the 2021 Palma massacre has not yet been fully investigated, with an inquest due this year. Meanwhile, in a high-profile French court case, relatives of other victims caught up in the massacre [accuse TotalEnergies](#) of leaving their relatives to die.
- The UK government faces human rights and climate-related legal risk if it funds this project, [which could emit more greenhouse gas pollution over its lifetime](#) than the entire annual emissions of the European Union.
- To top it all off, by the time the gas project comes online, [research suggests](#) that peaking global gas demand means there may no longer be a market for the project, making it uneconomical.

The LNG project cannot go ahead without backing from export credit agencies like the UK government's UK Export Finance. [TotalEnergies have said they will not resume the project without all the financing in place](#). The UK financing is seen as ['crucial'](#). This puts Keir Starmer's government in a powerful position –

will they finance this Boris Johnson-era disaster project, or preserve their international reputation and refuse it?

Earlier in 2025, the government reportedly took [legal advice](#) about whether it can exit the project. More recently, the UK government [reportedly commissioned investigators](#) to examine the human rights situation on the ground. It seems clear that the UK government is gearing up to make a decision.

This report summarises the main reasons why the UK government should not commit to supporting a disastrous project they know to be wrong.

Security risk continues

- The LNG project's proponents claim that the security situation has ['improved'](#). However, the LNG project is inextricably linked to the violence. May 2025 saw an upsurge in violence by the insurgency, ["corresponding exactly" with announcements that the project will go ahead](#). 80 attacks by insurgents took place in the [first four months of 2024](#), including [two attacks on military bases in May](#).
- The Mozambican government is paying Rwandan Defence Force (RDF) troops to secure the area around the gas terminal, but [in May 2025 it was revealed](#) that the Mozambican government has allegedly not paid Rwanda for the RDF support since August 2024, with unpaid dues amounting to between \$2m and \$4m per month. This creates doubt about Rwanda's long-term commitment to securing the area, especially

[given three of their troops were killed in May 2025 by insurgents, and a further six injured](#). Given that "[all parties know that any progress on gas development projects depends on the continued presence of the RDF](#)," this makes the security situation precarious.

- In addition, [allegations are circulating from a Mozambique government-backed militia](#) that the RDF is unwilling to engage the insurgents militarily, calling further into question the long-term security of the area.

Human rights abuses

- In September 2024, Politico [published allegations](#) that a Mozambican army unit carried out a series of atrocities on the LNG project site, including rape, torture and the murder or disappearance of at least 97 civilians. The article alleged that soldiers used the gatehouse of the project site as a makeshift prison, and that only 26 of their hundreds of captors survived. The article also claims that documents show TotalEnergies "was aware of allegations that Mozambican soldiers in and around the gas plant were regularly committing abuses." As of June 2025, these allegations are being investigated by the [Mozambican government](#) and by [the Dutch government](#). A major investor in [TotalEnergies has cut its stake](#) in the company and joined civil society calls for a full, independent and international investigation.
- A separate [investigation published in Le Monde](#) in November 2024 alleged that TotalEnergies knew that the Mozambican troops it funded stood accused of torture,

rape and killing in the wider area in incidents separate to the massacre at the LNG site – and continued to pay the army.

TotalEnergies' alleged responsibility for the deaths of subcontractors

- In March 2025, [a judicial investigation was opened against TotalEnergies in a French court](#). TotalEnergies is accused of manslaughter by failing to assure the safety of its subcontractors during the Palma massacre. Total allegedly [refused to provide fuel to a South African security company](#) that organised helicopter rescues from a besieged hotel during the attack. The company eventually ran out of fuel, leaving people stranded inside.
- During the Palma massacre, British citizen Philip Mawer, a subcontractor on the LNG project, was killed. It is common knowledge that an inquest will soon take place in a UK coroner's court into Mr Mawer's death. The inquest may disclose further information regarding the circumstances of Mr Mawer's death and any connection to the allegations made in the French judicial investigation noted above, about TotalEnergies' possible role in the death of its subcontractors.

Project is clearly exacerbating the insurgency

The LNG project is a cause of huge resentment to the residents of the Cabo Delgado region, fuelling support for the insurgency and providing targets for it.

- The issue of resettlement for those who have been forced to move because of the project is still not resolved. In March, TotalEnergies representatives were [confronted at a public meeting by a large crowd in Quitunda](#) – a place the company holds up as a successful example of relocation.
- There is significant evidence of [intimidation against those speaking out](#), with communities reporting that intimidation [involving the police](#) is commonplace. [Reports highlight a number of communities where this is taking place currently.](#)
- [As of January, over 1,300 complaints about resettlement and compensation have been received by local civil society organisation Justiça Ambiental.](#) These issues complicate the situation for the UK government, if the human rights of those around the project site are not being respected.
- A Mozambican conflict analyst noted that the insurgency “[can exploit and then capitalise on this dissatisfaction.](#)” Therefore, the gas project and the insurgency are inextricably linked, and [progress on restarting the project is closely linked to upsurges in violence.](#) This provides a direct link between the UK government’s financing and future violence.

Corruption risk

- Even before the LNG project started, gas in Mozambique has been mired in corruption. Between 2013 and 2016, the London branches of Credit Suisse and VTB Capital

worked with some Mozambican officials to [arrange loans worth over \\$2 billion for naval forces to protect the offshore gas fields](#), betting that projected LNG production would provide compensation. This scandal prompted criminal investigations by several governments where authorities [brought criminal charges against three international bankers and a Mozambican official.](#)

- In May 2025, a Mozambican court revealed that [USD \\$33 million in gas revenues from another gas project in Cabo Dalgado](#) are missing from the state's bank accounts. The court has determined this represents a violation of the law, and raises questions about what will happen to gas revenues from the Mozambique LNG project.

UK Export Finance [has been criticised in the past for not taking corruption](#) seriously enough, and has never declined a transaction on corruption grounds. Given serious corruption risks surrounding Mozambique gas revenues, on this factor alone support for the project should be refused.

Legal risk

- The UK could be in breach of its legal obligations by funding the project. Friends of the Earth [has outlined](#) how the 2024 landmark UK Supreme Court judgement *R vs Surrey County Council* (the ‘Finch’ ruling), and subsequent developments such as the High Court’s judgement on the controversial Whitehaven coal mine in Cumbria, mean that the UK’s decision to support the project could be unlawful.

- [In a letter to the UK government](#), Oil Change International noted that the UK has international law obligations to promote human rights abroad, and that UK Export Finance's own policies state that it would not normally provide funding where a "review identifies that the project is unlikely to align with international standards." Clearly many international standards have been breached in this case, leaving the government vulnerable to legal action on human rights grounds.
- In October 2024, Josip Borrell, the EU foreign affairs chief, [commented](#) on the allegations of human rights abuses by the Mozambican army by noting that a new EU directive soon to come into effect in 2027 would make European companies such as TotalEnergies accountable for the impact of their operations on human rights and the environment inside and outside Europe and require EU countries to "ensure that any victims receive compensation." TotalEnergies' [own advisers have also given the company](#) advice on how the conduct of the Mozambican army could implicate it in human rights abuses, and make it a "party to the conflict." This introduces legal risk to TotalEnergies that could impact the UK government in the future.
- questioning the need for the Mozambique project.
- With the International Energy Agency predicting [peak gas demand before 2030](#), and the project aiming to come online [by 2029 at the earliest](#), the project may become a stranded asset, unable to pay back its debts. [Analysis](#) by Carbon Tracker shows that in a moderately-paced transition scenario, oil and gas revenues in Mozambique are just 20% of what they are compared to a slow-paced transition, raising concerns about government revenue. The report specifically mentions the Mozambique LNG project, characterizing it and similar projects in the country as representing *"a multibillion dollar investment which will require revenues to pay back well beyond peaking demand, in even a slow transition scenario."*
- As the project becomes more delayed, potential buyers are likely to look elsewhere. The Indonesian state gas company [Pertamina pulled out of its 20-year contract to buy gas from Mozambique LNG](#), and uncertainty and risk around the project mean that others may do the same. Earlier this year, Centrica, who own British Gas, [were questioned](#) about the ethics of their Mozambique LNG contract at their AGM.

Economic risk

- The LNG project, now much-delayed, is at risk of becoming a stranded asset unable to make back the money that has been put into it. The Institute for Energy Economics and Financial Analysis [notes](#) that global LNG markets will soon be oversupplied,

Climate risk

- The LNG project is a gigantic climate bomb, with [analysis](#) by Friends of the Earth England, Wales and Northern Ireland showing that the project could emit 3.3 - 4.5 billion tonnes of CO2 equivalent over the project's lifecycle, more than the combined annual

greenhouse gas emissions of all 27 EU countries. By providing crucial finance to make the project viable, the UK government would be responsible for enabling these emissions.

- In addition, making the Mozambique LNG project viable would make other, later projects viable too, such as the proposed Rovuma LNG project, which would be [situated adjacent to the Mozambique LNG project](#). While [some major financiers have already ruled out financing for Rovuma](#), and many export credit agencies are [now bound by an international agreement](#) to end fossil fuel financing, if the Mozambique LNG project became viable, this would open the door to many more gas projects in the area like Rovuma and others, fueling even greater climate pollution.

Local environment risk

- A report [published in February](#) alleges that confidential documents show that TotalEnergies is not keeping its promises regarding biodiversity in the local environment. In addition, the company paid a suspiciously low amount of money to an environmental consultancy to study the impact of the LNG project on biodiversity, raising questions as to whether this assessment was carried out properly.
- The same report claims that the LNG project has caused 14 times more damage to the seabed than it claimed it would in its environmental impact assessment, and that 320 hectares of sensitive habitat have been destroyed, including areas TotalEnergies previously pledged to protect. Upon taking

the leading stake in the project, Total promised to adhere to the International Finance Corporation's PS6 performance standard, which means no net loss of biodiversity and even a "net gain" for "critical habitats" hosting endangered species. They appear to have broken this promise, raising questions as to the accuracy of the various environmental impact assessments that the UK has used while deliberating on the merits of financing this project.

Conclusion

In 2020, the UK became the first country in the world to end its international public finance for fossil fuels, then led a coalition of countries to follow its example, shifting billions out of fossil fuels every year and into clean energy instead. However, all that international goodwill would be undone if the UK finances the Mozambique LNG project. The Prime Minister's grand words when he pledged to [lead a 'Global Clean Power Alliance'](#) will be laughable if he signs off on funding this project.

In one of his first speeches as Foreign Secretary in September 2024, David Lammy said ["we are bringing an end to our climate diplomacy of being 'Do as I say, not as I do'"](#). He also noted that impacts of the climate crisis, such as recent severe droughts and hurricanes "are not random events delivered from the heavens. They are failures of politics, of regulation, and of international cooperation. These failures pour fuel onto existing conflicts and regional rivalries, driving extremism, displacing communities and increasing humanitarian need."

His words couldn't have been better chosen to sum up the folly of financing Mozambique LNG.

It is plain that the UK government cannot morally use taxpayer finance to enable this project. And it is clear that the project, despite being touted as supporting Mozambique's development, will only benefit multinational corporations and not the citizens of Mozambique.

The government must immediately announce that it is withdrawing from the project, and put an end to this nightmare it inherited from the previous government.

Oil Change International is a research, communications, and advocacy organization focused on exposing the true costs of fossil fuels and facilitating the ongoing transition towards clean energy.

Briefing written by Adam McGibbon. Design by Matt Maiorana.

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For more information, you can contact the author at adam.mcgibbon@oilchange.org.