Subject: objection to proposed FMO financing of Eni Natural Energies Congo SAU

Dear FMO Investment Team,

We are writing to express strong objection to FMO's proposed participation of up to USD 150 million in the IFC-led financing facility for Eni Natural Energies S.p.A. and its subsidiaries in Angola, the Republic of the Congo and Mozambique.

We urge FMO to reject this financing**.** Public development finance is meant to support locally defined development priorities and contribute to a just transition away from fossil fuels. This investment will be conflicting with these priorities. In our opinion, it will primarily enable the commercial expansion of a multinational energy company group instead of contributing to development priorities.

This investment proposal raises serious questions about who ultimately benefits from the investment, whether its climate claims stand up to scrutiny, how biofuel feedstock production will affect land and livelihoods, and whether affected communities and civil society can exercise their rights without fear of harm or intimidation.

Why would public development finance support Eni's commercial expansion?

Eni S.p.A. is an Italian multinational energy company group. It is one of the world's major oil companies, showing a decade of increasing involvement in oil and gas exploration, production and LNG expansion. According to expert group Urgewald, it ranks fourth for short-term expansion plans totaling 4.9 billion boe[1]. Through 2030, Eni plans to allocate at least 57% of its investments to oil and gas, 35% of its investments (including Plenitude's[2] own expenditures, as a demerger of Eni and Plenitude is ongoing) will be allocated to low carbon energy, which in this case also includes gas distribution. The rest, approximately 8%, goes to other activities including refining of fossil-based and biofuels[3]. Eni has long been under scrutiny for its renewable energy initiatives being part of a greenwashing campaign.[4]

[1] https://www.urgewald.org/sites/default/files/media-files/Briefing_TotalEnergies0426_eng_WEB.pdf

[2] Plenitude is one of ENI's subsidiaries, a lower-carbon energy business, combining renewable electricity generation, energy retail and electric-vehicle charging.

[3] https://report.eni.com/annual-report-2024/en/_assets/downloads/entire-eni-ar24.pdf?h=E9C0NCXz; https://reclaimfinance.org/site/en/assessment-of-oil-and-gas-companies-climate-strategy/#tab-e257f0b0df135405172

Eni S.p.A's 2026-2030 strategic plan, promises shareholders a growing dividend, a share buyback starting at €1.5 billion (already raised twice since, to €3.4 billion), and an extraordinary dividend whenever oil prices climb above $90 a barrel.[5] In its quarterly report for the period April–June 2026, Eni S.p.A reported that its net profit had doubled year-on-year.[6] Based on projections using 2025 figures, if the energy crisis were to persist until the end of 2026, Eni could generate a net profit of around 10 billion euros in the current year.

Eni Natural Energies Congo SAU is 100% owned by Eni Natural Energies S.p.A. which, in turn is a wholly owned subsidiary of Eni S.p.A., the parent company of the Eni Group. [3] Consequently, profits generated by both Eni Natural Energies Congo SAU and Eni Natural Energies could benefit Eni S.p.A. Any funds received by Eni S.p.A. become part of the parent company's broader financial resources, which can support different corporate activities, potentially including fossil-fuel operations.

FMO argues that its participation will mobilise long-term financing at a scale not currently available to agribusiness companies operating in the target countries. However, the ultimate beneficiary is part of EnI S.pA. This is not a company short of cash. It is a highly profitable oil major choosing to prioritise shareholder payouts and investments in fossil fuels. The proposed FMO financing will help expand an agricultural feedstock supply chain, with vegetable oil shipped to Eni's biorefineries in Italy. Ultimately the multinational company Eni stands to profit, and the development institutions absorb some of the subsidiaries' financing risk.

Investing in Eni means investing in a fossil fuel giant – biofuels are not a credible solution when they perpetuate the same problems

The investment is presented as contributing to transport decarbonisation through sustainable biofuel feedstock production. However, there are serious reasons to question both the climate benefits of Eni's biofuel strategy and its social and environmental sustainability.

First, Eni's activities have repeatedly been accused of greenwashing as it continued to lobby for fossil fuels while having early knowledge of climate risks, and allegedly published misleading green claims under EU law.[7]

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[4] https://www.theguardian.com/environment/2023/may/09/italian-oil-firm-eni-lawsuit-alleging-early-knowledge-climate-crisis; https://www.beuc.eu/press-releases/consumer-groups-file-greenwashing-complaint-against-engie-eni-plenitude-shell-and; https://www.greenpeace.org/international/story/80988/eni-planet-heating-pollution-sponsoring-winter-olympics/

[5] https://www.eni.com/en-IT/investors/remuneration-policy/dividend.html

[6] https://www.eni.com/content/dam/enicom/documents/press-release/migrated/2026-en/07/PR-2026-second-quarter-results.pdf

[7] https://www.theguardian.com/environment/2023/may/09/italian-oil-firm-eni-lawsuit-alleging-early-knowledge-climate-crisis; https://www.beuc.eu/press-releases/consumer-groups-file-greenwashing-complaint-against-engie-eni-plenitude-shell-and

Financing Eni would contribute to the development and expansion of a company whose core business remains closely tied to fossil fuels and the continuation of fossil fuel operations. Supporting biofuel production does not, in itself, constitute a credible climate strategy when it forms part of a broader business model that continues to rely on fossil fuels. Such financing raises serious questions about its compatibility with FMO's climate commitments. [8]

Second, Eni's biofuel activities in African countries have also raised significant concerns about the sustainability and traceability of its feedstocks, as well as their impacts on local communities.

ENI has been importing castor and croton oils from Kenya and the Republic of Congo, relying on a system that dispossesses and impoverishes farmers, according to a study by Transport & Environment. [9] Recent investigations show that crop production in Kenya – financed with $135 million from IFC[10] - is not meeting Eni's expectations, and the company is now importing large amounts of rapeseed from South Africa - at odds with its commitment not to compete with food production[11].
An investigation by Politico and SourceMaterial, based on interviews with dozens of Kenyan farmers, backs up those concerns. Farmers described replacing maize with castor on the promise of good money, only for Eni's intermediaries to never return to collect the harvest, leaving families without food or income.[12] Transport & Environment, whose trade data fed the investigation, warns this raises serious doubts about whether non-food biofuel feedstock can be scaled up sustainably at all — in Kenya or anywhere else.

Taken together, these concerns undermine the assumption that financing Eni's biofuel expansion will deliver climate benefits, when considering its link with Eni's SpA fossil fuel strategies, nor that it would bring social and economic benefits for local communities. Rather than supporting a credible transition away from fossil fuels, FMO risks financing a strategy that perpetuates fossil fuel dependence while exposing farmers and local communities to significant social and economic harm. FMO committed to phase out fossil fuels in their combined position statement on fossil fuels.[13] Contributing to a project that ultimately benefits one of the major fossil fuel companies is not in line with this commitment.

[8] https://www.fmo.nl/l/library/download/urn:uuid:6ca1d6f7-56ca-437d-adb9-a16c4dc55f3e/final_combined_position+statement_fossil_fuels_clean_publication.pdf?format=save_to_disk
[9] https://www.transportenvironment.org/articles/from-farm-to-fuel-inside-enis-african-biofuels-gamble
[10] https://www.ifc.org/en/pressroom/2024/ifc-and-the-italian-climate-fund-partner-with-eni-to-support-biofuel-production-farmers-in-kenya
[11] https://www.transportenvironment.org/articles/not-what-they-promised; https://www.eni.com/en-IT/media/press-release/2022/10/eni-concluso-approvvigionamento-olio-di-palma.html
[12] https://www.politico.eu/article/seeds-of-doubt-the-dark-side-of-enis-green-jet-fuel-promise/
[13] https://www.fmo.nl/l/library/download/urn:uuid:6ca1d6f7-56ca-437d-adb9-a16c4dc55f3e/final_combined_position+statement_fossil_fuels_clean_publication.pdf?format=save_to_disk

Eni's other Mozambique operations warrant scrutiny of human-rights safeguards

Our organisations have followed the development of major gas projects in northern Mozambique, where Eni has been operating since 2006: it runs the region's only operational facility (the Coral South FLNG floating gas extraction and liquefaction platform); it is a key partner in the Rovuma LNG project, developed jointly with the US giant ExxonMobil and tied to TotalEnergies' Mozambique LNG project via land rights; it has a second FLNG, Coral North, scheduled for 2028.

As recently reported by UN experts on human rights,[14] gas extraction and the above mentioned processing projects in the Cabo Delgado region of Mozambique have suffered from inadequate consultation, which has undermined local participation in key project decisions and resulted in loss of livelihoods and long-term socioeconomic disruption for communities who depend heavily on fishing, agriculture, and natural resources. Despite promises of employment creation, high illiteracy rates and limited access to education mean that local communities have reportedly benefited little from job opportunities generated to date. The lack of development for the people in the region, has been linked to the armed conflict that has tormented the region in the past decade.[15] The conflict and resulting massive outburst of violence as well as climate shocks have already caused large-scale displacements, and catastrophic events linked to climate change are becoming increasingly frequent and severe.[16]

The expansion of large-scale extractive and energy projects in conflict-affected settings raises difficult questions about economic power, the distribution of benefits, accountability and the protection of people whose lives and livelihoods are affected by investment decisions. The relationship between major resource projects, local grievances, security dynamics and public expectations of economic development demands serious scrutiny.

Companies receiving development finance should respect civic space

Because of Eni's negative climate legacy and lack of showing responsibility, in May 2023 the Italian campaigning organization ReCommon, together with Greenpeace Italy and 12 citizens, brought Eni to Court for violating the obligations under the Paris Climate Agreement and fundamental human rights through the first ever climate litigation moved against a private entity under Italian law. Since the filing of the

[14] https://www.ohchr.org/en/press-releases/2026/03/mozambique-un-experts-concerned-african-development-bank-funding-floating
[15] https://issafrica.org/iss-today/the-many-roots-of-mozambiques-deadly-insurgency
[16] https://www.ohchr.org/en/press-releases/2026/03/mozambique-un-experts-concerned-african-development-bank-funding-floating

climate lawsuit ENI scaled up legal action against the two plaintiffs.[17] For three years, the European Coalition Against Slapps in Europe (CASE-EU) awarded the Italian company the symbolical prices: “Corporate bully of the year” in 2021,[18] “SLAPP Addict of the year” in 2025 [19] and “Green gag award” in 2026.[20]

Legal action against environmental organisations can have consequences well beyond the parties directly involved. The prospect of costly litigation can deter campaigners, researchers, journalists and community organisations from investigating corporate conduct, raising public concerns or seeking accountability.

This matters directly to development finance. Communities affected by major investments and the organisations that support them must be able to question corporate claims, scrutinise social-environmental impacts and advocate for their rights without facing disproportionate legal or financial pressure.

FMO has committed to *‘respect the right to freedom of expression and acknowledges the importance of protecting dissenting voices from retaliation and violent reprisals. FMO does not condone any activity by its customers that amounts to oppression, violence, or any other violation of the human rights of those who voice their opinions in relation to FMO’s activities or the activities of its customers’ .*[21]

The above incidents demonstrate that Eni’s company group does not respect these commitments.

In light of these concerns, we request FMO to decline to proceed with the proposed financing.

Yours sincerely,

Justicia Ambiental! (Mozambique)

Re:Common (Italy)

Both ENDS (Netherlands)

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[17] https://www.theguardian.com/environment/2025/jul/04/italian-oil-firm-eni-accused-of-trying-to-silence-green-activists

[18] 2021 European SLAAP Contest Awards, 21/05/2021, https://www.youtube.com/watch?v=AdPFcDB2Y_w

[19] https://www.the-case.eu/latest/from-the-red-carpet-the-european-slapp-contest-2025/

[20] https://www.the-case.eu/latest/european-slapp-contest-shines-light-on-europes-biggest-bullies-days-ahead-of-legal-deadline/

[21] https://www.fmo.nl/l/library/download/urn:uuid:c0240734-e58f-49d3-b5b3-8f88d8c20ab0/260901_position+statement+on+human+rights+%281%29.pdf?format=save_to_disk