ECOFIN AGENCY · MOZAMBIQUE · LNG

BPCL adds $1.8bn to Mozambique LNG stake

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India's Bharat Petroleum Corporation Limited (BPCL) plans to invest an additional $1.8 billion in the Mozambique LNG project, lifting its total financial commitment in the venture to approximately $4.6 billion. The announcement signals sustained upstream confidence in one of Africa's most consequential LNG developments, despite the security disruptions that forced its suspension.

BPCL holds a 10% stake in the TotalEnergies-led project, which resumed construction in January 2026 after a prolonged halt triggered by an insurgency in the Cabo Delgado region. The restart marks a pivotal moment for the broader Mozambique LNG value chain, which had been stranded mid-execution for several years. The return of active construction brings with it a substantial wave of procurement activity across subsea, topside, marine, and logistics disciplines.

Alongside its equity exposure, BPCL has secured an offtake agreement to purchase one million tonnes of LNG annually from the project. This dual position — equity partner and committed buyer — underlines the strategic importance India places on East African gas as a long-term supply source. For Mozambique, re-engagement by a significant equity holder of BPCL's scale reinforces the project's financing stability and signals to other partners and contractors that momentum is being rebuilt on solid commercial foundations.

The TotalEnergies-led Mozambique LNG project targets liquefaction and export of natural gas from the Rovuma Basin, one of the largest gas discoveries in the Southern Hemisphere in recent decades. Construction resumption in early 2026

means that engineering, procurement, and construction schedules are now active, and major contractors and subcontractors across marine installation, pipeline, and LNG module fabrication will be ramping up their supply chains accordingly. Norwegian service companies with prior exposure to comparable LNG export infrastructure should monitor contract award cycles closely as the project re-enters full execution mode.

The scale of re-investment — nearly $2 billion in incremental commitment from a single 10% stakeholder — reflects both the size of the overall project capex and the confidence that key sponsors retain in its long-run commercial viability. As construction activity intensifies through 2026, procurement windows for specialised subsea, EPCI, and LNG-related services are expected to open across multiple work packages. Norwegian firms with track records in deepwater tie-backs, marine pipeline installation, and LNG facility construction should treat BPCL's announcement as a forward signal that the project's supply chain is entering a live and competitive phase.

Why this matters to partners and clients of Saga

The resumption of construction in January 2026 and BPCL's reinforced $4.6bn total commitment confirm that Mozambique LNG's procurement cycle is now active — Norwegian service companies should begin immediate relationship-building with TotalEnergies' project management and EPC contractors to position for upcoming work packages. Firms in subsea installation, marine pipeline, and LNG module fabrication are best placed to pursue prequalification as the project ramps toward full execution. Monitor tender and EOI releases from the TotalEnergies-led consortium closely through 2026.

PARTNER ANGLES

- **LNG:** Construction resumption in January 2026 opens live procurement windows for LNG facility engineering, cryogenic systems, and commissioning services — begin prequalification outreach to TotalEnergies and EPC leads now.

- **Subsea/FPSO:** Rovuma Basin subsea infrastructure will require installation and hook-up services; Norwegian EPCI firms should map their vessel availability against the project's re-baselined construction schedule.
- **Pipeline:** Pipeline installation and tie-in scopes associated with the onshore LNG plant feed-gas system represent a concrete entry point for Norwegian pipeline contractors as work packages are re-tendered.
- **Drilling:** Resumed construction may trigger additional development well campaigns to underpin production ramp-up; drilling contractors should monitor rig demand signals from TotalEnergies and joint-venture partners.
- **Service:** Logistics, integrity management, and specialist inspection services will be in high demand as a large, previously suspended LNG construction site returns to full activity in a remote, complex operating environment.

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