

AFRICA OIL+GAS REPORT

Algeria Launches 2026 Bid Round Targeting Seven Blocks Near Producing Fields

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Algeria has launched a new licensing round for 2026, offering seven exploration and development blocks situated in the perimeters surrounding existing, producing oil and gas fields. The round, reported by Africa Oil+Gas Report, signals Algiers' continued effort to attract international investment into its mature hydrocarbon basins and reverse a prolonged decline in production output.

The strategic placement of the offered blocks in proximity to established producing areas is a deliberate design choice. By clustering new acreage around known reservoirs and existing infrastructure, Algeria's state hydrocarbon company Sonatrach and the government are reducing geological risk for potential partners and lowering the capital expenditure threshold for early production. Fields with proven stratigraphy and nearby processing facilities present a faster path to first oil or gas compared with frontier exploration acreage.

Algeria remains Africa's largest natural gas producer and a critical supplier to Southern Europe, giving any new upstream activity here both continental and geopolitical weight. The country has been working to modernise its hydrocarbon law framework and improve fiscal terms to compete with other African licensing rounds for a limited pool of international exploration capital. The 2026 round appears to reflect lessons learned from previous rounds that attracted limited international participation, with a focus on lower-risk, near-infrastructure opportunities.

For service companies, the proximity of the new blocks to existing field infrastructure is significant. Operators who win acreage will require well intervention, workover, and potentially infill drilling programmes to evaluate and develop reserves that may already be partially appraised. Existing pipeline corridors and processing plants in Algeria's prolific Hassi Messaoud and Hassi R'Mel regions mean that surface infrastructure costs could be substantially reduced, accelerating the commercial timeline and triggering earlier service procurement cycles.

Norwegian service companies monitoring North Africa should note that Algeria, while not Sub-Saharan Africa, represents a strategically adjacent market where established relationships with Sonatrach and international operators active in the bid round could open doors. Companies with experience in mature-field redevelopment, enhanced oil recovery, and brownfield drilling campaigns are particularly well positioned. The 2026 timeline suggests that operator awards and early work programme commitments could materialise within 18 to 24 months, making this a near-term opportunity worth tracking closely alongside Sub-Saharan activity.

Why this matters to partners and clients of Saga

Norwegian well services and drilling contractors should monitor which international operators — particularly those already present in Sub-Saharan Africa — secure blocks, as these relationships can be leveraged for early service contract discussions. Companies with brownfield and mature-field redevelopment expertise, such as well intervention or EOR specialists, are directly aligned with the near-infrastructure nature of the offered acreage. The 2026 timeline is actionable: service companies should begin positioning with likely winning operators now.

PARTNER ANGLES

- **Drilling:** Infill and appraisal drilling programmes on near-producing acreage will require fit-for-purpose rigs and drilling services early in any work programme.
- **Well Services:** Mature-field blocks around existing producers create immediate demand for workover, well intervention, and reservoir evaluation services.

- **Subsea/FPSO:** While primarily an onshore basin, any offshore or near-shore tie-back development associated with the round warrants monitoring for subsea infrastructure requirements.
- **Pipeline:** Proximity to existing pipeline corridors may require integrity management, tie-in engineering, and flow assurance services as new blocks are brought online.
- **Service:** Norwegian companies with EOR and brownfield redevelopment track records should identify likely block winners early to position for integrated service packages.

[Original source: Africa Oil+Gas Report →](#)

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