

AFRICAN ENERGY CHAMBER

Nigeria Captures 40% of African FID Activity After Decade-Long Upstream Stagnation

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Nigeria's upstream oil and gas sector has reclaimed a dominant position across the African continent, now accounting for 40% of all final investment decision (FID) activity in Africa — a striking turnaround after more than a decade on the sidelines. According to a triennial government report, executive actions taken by President Bola Tinubu have been instrumental in reversing a prolonged period of underinvestment and regulatory uncertainty that had driven capital away from Africa's largest oil producer.

The reform program represents a structural shift in how Nigeria positions itself for upstream development. For years, the country's petroleum sector suffered from policy instability, delayed passage of the Petroleum Industry Act, and chronic underinvestment by international oil companies that were divesting onshore assets and retreating from deepwater commitments. That dynamic has now materially changed, with Nigeria re-emerging as the continent's primary destination for upstream capital allocation.

The Tinubu administration's interventions — spanning fiscal incentives, regulatory streamlining, and renewed engagement with international operators — appear to have unlocked a pipeline of projects that had been stalled or deferred. The 40% FID share signals that operators and investors now view Nigeria's legal and fiscal framework as sufficiently stable to commit capital at scale. This is particularly

significant given that competing jurisdictions such as Mozambique, Tanzania, and Namibia have been actively courting the same pool of global upstream investment.

For the broader African energy landscape, Nigeria's resurgence concentrates a significant share of near-term development activity in the Gulf of Guinea. This has downstream consequences for the entire service and supply chain ecosystem — from deepwater drilling campaigns and subsea tiebacks to FPSO procurement cycles and well services demand. The volume of FIDs suggests that project sanction timelines are compressing, meaning service companies must position early to capture work rather than waiting for mature tendering processes.

The scale of Nigeria's FID recovery also points to longer-term infrastructure needs. Renewed upstream activity typically generates demand for export infrastructure, gas monetisation solutions, and enhanced recovery services as fields move from development into production phases. Nigeria's existing but ageing offshore infrastructure — much of it requiring life extension, replacement, or digital integration — adds a further layer of opportunity beyond greenfield development alone. With 40% of continental FID activity now concentrated in a single jurisdiction, Nigeria is once again the most consequential upstream market in Sub-Saharan Africa.

Why this matters to partners and clients of Saga

Norwegian service companies should treat Nigeria's FID recovery as a near-term bid priority, particularly for subsea systems, FPSO integration, and well services tied to deepwater and pre-salt developments now progressing toward sanction. The compression of project timelines means early engagement with operators such as TotalEnergies, Shell, and indigenous players like Seplat is essential to secure positions in supply chains before contracts are awarded. Companies with existing Nigerian operations or local content partnerships are best placed to convert this FID momentum into contracted revenue.

PARTNER ANGLES

- **Subsea:** Multiple deepwater FIDs imply near-term demand for subsea trees, umbilicals, and tieback systems — Norwegian subsea specialists should identify which specific projects have reached or are approaching sanction.
- **FPSO:** A surge in FID activity in Nigerian deepwater historically translates directly into FPSO procurement or conversion contracts; Norwegian FPSO operators and outfitters should monitor operator announcements for vessel awards.
- **Drilling:** Increased FID volumes will require expanded deepwater and shelf drilling campaigns, creating rig demand and opening opportunities for Norwegian drilling contractors and well equipment suppliers.
- **Service:** Well services, integrity management, and brownfield life-extension work on ageing Nigerian offshore infrastructure represent a parallel opportunity stream alongside greenfield FID-driven activity.
- **Pipeline:** Renewed upstream investment is likely to generate associated gas monetisation and export pipeline projects, where Norwegian pipeline engineering and installation firms can compete for FEED and EPC roles.

[Original source: African Energy Chamber →](#)

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