

AFRICAN ENERGY CHAMBER

Nigeria Reclaims 40% of Africa's Upstream FID Activity After Reform Push

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Nigeria has repositioned itself as the dominant destination for upstream investment decisions on the African continent, capturing approximately 40% of Africa's final investment decisions (FIDs) following a sustained executive-led reform program under President Bola Tinubu. The turnaround is documented in a government three-year review and marks a decisive reversal of a decade-long decline that had seen international oil companies steadily reduce their Nigeria exposure in favour of lower-risk jurisdictions.

The upstream deterioration that preceded the current recovery was driven by a combination of regulatory uncertainty, chronic crude theft from onshore and shallow-water infrastructure, fiscal terms that struggled to compete with emerging deepwater plays elsewhere on the continent, and the prolonged delay in implementing the Petroleum Industry Act (PIA). At its lowest point, Nigeria was losing billions of dollars annually in deferred investment as supermajors divested onshore acreage and shelved deepwater appraisal programmes. The country's share of continental FID activity fell sharply as Angola, Mozambique, Senegal, and Namibia attracted an outsized proportion of available capital.

The Tinubu administration's executive action appears to have addressed several of these structural bottlenecks. While the three-year review does not specify every individual measure, the reform programme is understood to encompass rationalised fiscal terms under the PIA framework, accelerated licensing rounds, efforts to reduce

pipeline vandalism and crude theft through community engagement and technology deployment, and a more predictable regulatory interface for investors via the Nigerian Upstream Petroleum Regulatory Commission (NUPRC). The cumulative effect has been sufficient to restore operator confidence to the point where Nigeria now leads the continent in upstream capital commitment.

For Norwegian oil and gas service companies, a 40% FID concentration in a single market represents a structural opportunity rather than a cyclical one. Nigeria's upstream mix — spanning mature onshore fields requiring production enhancement, shallow-water brownfield redevelopment, and deepwater greenfield developments in the prolific Niger Delta province — maps directly onto the capability sets of Norwegian subsea, FPSO, drilling, and well services firms. The deepwater segment in particular, where fields such as Bonga North and Zabazaba-Etan have long been candidates for FID, is the natural home for Norwegian technology and project execution expertise.

The pipeline and flow assurance segment will also see activity as operators invest in export infrastructure to monetise newly sanctioned volumes. With the Trans Niger Pipeline and other trunk lines requiring rehabilitation and anti-theft technology upgrades, Norwegian pipeline integrity and inspection companies have a credible entry point. Equally, as Nigeria continues to pursue gas monetisation — both for domestic power generation and potential LNG expansion — Norwegian LNG engineering and process technology firms should be tracking project pipelines at NLNG Train 7 and any greenfield regas or export proposals.

Why this matters to partners and clients of Saga

Norwegian service companies should treat Nigeria's FID leadership position as a trigger to re-engage or upgrade their in-country partnerships, particularly for deepwater FPSO, subsea, and well services contracts that will follow sanctioned projects. Firms that stood down during the divestment years should now audit their local partner agreements and NUPRC vendor registration status. Monitoring the specific project names behind the 40% FID figure — expected to include deepwater assets and gas infrastructure — will allow targeted bid preparation.

PARTNER ANGLES

- **FPSO:** Multiple deepwater FIDs in the Niger Delta province will require FPSO procurement and integration work; Norwegian FPSO operators and outfitters should confirm their positions on operator shortlists now that project timelines are firming.
- **Subsea:** Greenfield deepwater developments such as Bonga North represent subsea tree, manifold, and umbilical scopes where Norwegian suppliers hold a competitive edge and should engage early in FEED processes.
- **Drilling:** A recovery in upstream FIDs will drive rig demand for both appraisal and development drilling; Norwegian drilling contractors and well services firms should assess rig availability and local content compliance requirements.
- **Pipeline:** Pipeline rehabilitation and anti-theft technology upgrades across the Niger Delta trunk line network present near-term entry points for Norwegian pipeline integrity and inspection companies.
- **LNG:** Nigeria's parallel gas monetisation agenda, including NLNG expansion discussions, provides a pipeline of front-end engineering work suited to Norwegian LNG process and cryogenic technology firms.

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