

AFRICAN ENERGY CHAMBER

São Tomé and Príncipe Opens Blocks 7, 8 and 9 with 85% IOC Participation Rights

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São Tomé and Príncipe has launched a formal competitive bidding process for three offshore blocks — Blocks 7, 8 and 9 — offering international oil companies (IOCs) an 85% participation stake in each. The African Energy Chamber is actively supporting the initiative as part of broader efforts to attract upstream investment to the small island nation situated in the Gulf of Guinea, one of Africa's most prolific hydrocarbon basins.

The 85% IOC participation offer is a deliberate and aggressive incentive structure, designed to compensate for the frontier-nature of these acreages and the comparatively limited domestic capital and technical capacity available in São Tomé and Príncipe. The remaining 15% is expected to be retained by the state oil company, Empresa Nacional de Petróleo de São Tomé e Príncipe (Sonangalp). This fiscal architecture signals that the government is prioritising acreage activation and exploration momentum over near-term revenue maximisation — a pragmatic stance for a country that has yet to produce a single barrel of commercial oil despite sitting within a proven hydrocarbon neighbourhood that includes prolific Equatorial Guinea, Gabon, and Nigeria deepwater plays.

Blocks 7, 8 and 9 lie within São Tomé and Príncipe's Exclusive Economic Zone. While specific geological data released alongside the bid round has not been detailed in public disclosures, the Gulf of Guinea's shared geological systems — including salt basin structures and deep-water turbidite fans — make the acreage geologically

analogous to producing assets nearby. Previous exploration activity in the country's Joint Development Zone with Nigeria generated interest but did not result in commercial discoveries, making this new round effectively a reset of the country's upstream ambitions.

The African Energy Chamber's involvement lends the process a degree of institutional credibility and regional marketing reach, which São Tomé and Príncipe will need to compete with more established bid rounds currently running across the continent. The government will need to demonstrate competitive data packages, a transparent licensing framework, and a clear regulatory pathway to move quickly from award to exploration commitment.

For Norwegian service and technology companies, the bid round is worth monitoring as an early-stage opportunity. Any IOC that enters these blocks will require frontier exploration support — seismic acquisition and processing, well planning, drilling services, and potentially FPSO or mobile offshore unit solutions if exploration yields encouraging results. The Gulf of Guinea remains well within the operational footprint of Norwegian subsea and offshore service providers.

Why this matters to partners and clients of Saga

Norwegian service companies should monitor which IOCs enter this bid round, as successful entrants will require exploration-phase services including seismic, drilling, and subsea well evaluation in a deepwater Gulf of Guinea environment. Companies with existing Gulf of Guinea operational presence — particularly in Gabon, Equatorial Guinea, or Nigeria — are best positioned to leverage existing logistics infrastructure for any São Tomé work. No immediate commercial opportunity exists, but early relationship-building with winning IOC operators would be a prudent step.

PARTNER ANGLES

- **Drilling:** Frontier exploration wells in deepwater Gulf of Guinea acreage will require specialised drilling contractors with West Africa rig availability and harsh-environment experience.

- **Subsea:** Early-stage subsea surveys and eventual wellhead infrastructure contracts will follow any commercial discovery — Norwegian subsea firms should track IOC entrants for pre-FEED engagement.
- **FPSO:** If exploration proves successful, São Tomé's limited onshore infrastructure makes an FPSO solution the default development concept, creating a potential opportunity for Norwegian FPSO designers and operators.
- **Service:** Seismic acquisition and geophysical data processing services will be among the first contracted activities once blocks are awarded, representing a near-term entry point for Norwegian geo-service companies.
- **Pipeline:** Any gas monetisation from a Gulf of Guinea discovery would likely involve subsea tie-back or regional pipeline feasibility studies, warranting early monitoring by Norwegian pipeline engineering firms.

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

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