

AFRICAN ENERGY CHAMBER

TotalEnergies Secures Block 32 Extension as Angola Reforms Unlock Mature Asset Potential

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Angola has extended TotalEnergies' license on Block 32, one of the country's most productive deepwater assets, signalling renewed confidence in the upstream framework underpinning Angola's next production cycle. The agreement reflects a broader strategic alignment between Luanda and international operators, as the government works to arrest declining output and attract fresh capital into both mature and frontier acreage.

Central to this shift is Angola's Incremental Production Decree, a policy instrument designed to incentivise additional investment in fields that have passed their production peak. By offering more favourable fiscal terms for incremental barrels — production above an agreed baseline — the decree effectively resets the economics of assets like Block 32, which might otherwise face accelerated decommissioning timelines. For TotalEnergies, the extension is not simply a holding position; it represents a commercial signal that Angola's revised fiscal architecture can justify the capital expenditure required to sustain output from complex subsea infrastructure.

Block 32 sits in ultra-deepwater acreage offshore Angola and has been a cornerstone of TotalEnergies' African portfolio since first oil was achieved from the Kaombo project in 2018. The block encompasses multiple satellite tie-backs and a dual-FPSO system — Kaombo Norte and Kaombo Sul — capable of processing around 230,000 barrels of oil per day at plateau. Sustaining and potentially growing production from

this infrastructure will require continued investment in subsea intervention, well workovers, and potentially new infill drilling campaigns. These are precisely the activities where specialist service companies are engaged over multi-year periods.

Angola has been one of Sub-Saharan Africa's most consistent markets for deepwater services, and the Block 32 extension reinforces the country's position as a priority destination for offshore spending through the late 2020s. The government's reform agenda — which also includes streamlining the role of national oil company Sonangol and improving contracting transparency — has gradually improved the operating environment for foreign investors and their supply chains. While challenges around local content requirements and cost inflation persist, the policy direction is constructive for long-cycle project commitments.

For the broader Angolan upstream sector, the TotalEnergies decision is likely to encourage similar extensions or new work programmes on adjacent blocks. Eni's deepwater portfolio, as well as acreage held by bp and Equinor, may benefit from the precedent set by Block 32's renegotiation. Angola's national oil company Sonangol remains a co-venturer across most of these assets, meaning any acceleration in activity also strengthens state revenues and supports the government's fiscal consolidation programme. The coming 12-24 months should clarify whether Angola can translate policy reform into a sustained increase in drilling and production activity.

Why this matters to partners and clients of Saga

Norwegian service companies with established Angola exposure — particularly those active in subsea systems, FPSO operations, and well intervention — should treat this extension as a medium-term workload signal and engage TotalEnergies' Angola procurement chain now. The Incremental Production Decree logic favours workovers and infill drilling over greenfield development, which suits companies offering well services, subsea tooling, and flexible intervention vessels. Partners without existing Angola presence should monitor closely and consider teaming with locally registered entities to satisfy content requirements ahead of anticipated tender activity.

PARTNER ANGLES

- **Subsea:** Subsea tie-back and intervention work on Kaombo infrastructure is a natural fit for Norwegian companies offering ROV services, subsea inspection, and connector systems — track TotalEnergies Angola's upcoming maintenance tenders.
- **FPSO:** Kaombo Norte and Sul require sustained topside maintenance and potential life-extension upgrades; Norwegian FPSO operators and marine services firms should position for long-term O&M contracts.
- **Drilling:** Infill and workover campaigns implied by the Incremental Production Decree will require deepwater drilling capacity — Norwegian drilling contractors active in West Africa should assess rig availability and frame agreements with TotalEnergies Angola.
- **Service:** Well services companies specialising in production optimisation, stimulation, and completion technologies are directly relevant to the incremental barrel strategy Angola is incentivising under the new decree.
- **Pipeline:** Any expansion of satellite tie-backs within Block 32 will require new subsea pipeline and flowline installation; Norwegian pipeline contractors should monitor field development plan updates from TotalEnergies Angola.

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

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