AFRICA OIL+GAS REPORT · OFFSHORE

# Nigeria Launches Executive Order to Incentivise Deep Offshore Oil and Gas Investment

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Nigerian President Bola Ahmed Tinubu has approved a new investment framework specifically targeting deep offshore oil and gas development, issuing an executive order to formalise the incentive structure. The move signals a deliberate effort by Abuja to attract fresh capital into Nigeria's deepwater sector, which holds some of the country's most significant untapped hydrocarbon resources.

The executive order establishes what the presidency describes as a new investment framework for deep offshore projects. While the specific fiscal terms, tax concessions, or royalty arrangements have not been detailed in available reporting, the issuance of a formal executive order — rather than a ministerial directive — indicates the initiative carries significant political weight and is intended to provide investors with a degree of legal certainty. Executive instruments of this nature are typically designed to address longstanding concerns around fiscal stability and regulatory predictability, both of which have historically constrained deepwater commitments in Nigeria.

Nigeria's deep offshore acreage has attracted sustained interest from international oil companies over several decades, but project timelines have repeatedly been disrupted by disputes over the fiscal regime, particularly following amendments introduced under the Petroleum Industry Act. The new framework appears designed to complement rather than replace the PIA, offering additional incentives to stimulate final investment decisions on blocks where development has stalled or exploration momentum has slowed.

The timing of the order is notable. Nigeria is under sustained pressure to grow production capacity, which has lagged official targets for several years due to a combination of underinvestment, infrastructure deterioration, and crude theft. Deep offshore development represents one of the clearest pathways to material production growth, given the scale of resources involved and the relative insulation of subsea infrastructure from onshore security risks. By creating a dedicated incentive framework, the Tinubu administration is signalling that it views deepwater acceleration as a near-term priority rather than a long-term aspiration.

For the international service and supply chain community, the executive order is a constructive signal even if specific project timelines remain uncertain. Incentive frameworks of this type typically precede a wave of commercial negotiations, environmental approvals, and contracting activity as operators test the boundaries of the new regime. Companies positioned in Nigeria — or seeking to re-enter the market — should monitor how the framework is translated into practice over coming months, particularly through licence terms offered on any new acreage rounds and the fiscal treatment of projects currently in pre-FEED or FEED stages.

## Why this matters to partners and clients of Saga

Norwegian service companies should treat this executive order as an early indicator of potential deepwater contracting activity in Nigeria over the next two to four years, warranting active market positioning rather than passive monitoring. Firms with existing Nigerian relationships — particularly those with FPSO, subsea systems, or well services capabilities — should engage with operators and IOC partners now to understand how the new framework may accelerate project timelines. Those without a current Nigerian footprint should assess partnership or teaming options with established local players ahead of any formal tendering cycle.

### PARTNER ANGLES

- **FPSO:** Deepwater incentives could unlock stalled FID decisions on Nigerian deepwater projects requiring FPSO solutions; Norwegian FPSO operators and engineering firms should engage IOC partners to assess revised project economics under the new framework.

- **Subsea:** Subsea infrastructure is a cornerstone of deepwater development in Nigeria, and improved fiscal terms could accelerate procurement of umbilicals, flowlines, and subsea trees — segments where Norwegian companies hold strong competitive positions.
- **Drilling:** A renewed deepwater push will require additional drilling campaigns; Norwegian drilling contractors and rig owners should monitor tender pipelines from operators active on Nigerian deepwater acreage.
- **Service:** Well services and inspection, maintenance, and repair companies should track how quickly the incentive framework translates into operator capex commitments, using the interim period to strengthen local content partnerships required under Nigerian regulations.
- **Pipeline:** Deepwater tiebacks and export infrastructure associated with new field developments may create pipeline engineering and installation opportunities for Norwegian firms with relevant offshore track records.

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