

JEUNE AFRIQUE ÉCONOMIE

# Niger Military Regime Restores Chinese Oil Partnership After Year-Long Dispute

Saga deep read · 19 May 2026 · Score 50

---

After more than a year of diplomatic friction that effectively froze crude oil production and exports, Niger's military government has signed new agreements with Beijing to revive its hydrocarbon sector. The rapprochement marks a significant reversal following the junta's 2023–2024 expulsion of several Chinese officials from the oil industry — a move that had paralysed operations and deprived Niamey of critical export revenues.

The agreements signal a return to pragmatism driven by Niger's acute fiscal pressures. Since the July 2023 coup, the junta has faced tightened Western sanctions, suspension of aid flows, and the economic strain of ECOWAS-imposed restrictions. Hydrocarbons represent one of the few hard-currency earners available to the regime, making a functioning partnership with China National Petroleum Corporation (CNPC) — the dominant operator in Niger's oil sector — an economic necessity rather than a political choice.

Niger's oil infrastructure centres on the Agadem Rift Basin in the southeast, where CNPC has operated the Agadem block since the mid-2000s. The 2,000-kilometre Niger-Benin pipeline, completed in 2023 and running to the port of Sèmè-Podji, was designed to unlock export capacity estimated at around 90,000 barrels per day. However, operational disruptions linked to the diplomatic fallout significantly curtailed throughput. Restoring full pipeline utilisation is now central to both parties' interests, and the new agreements are expected to address governance

arrangements around production-sharing, staffing of technical roles, and export scheduling.

For the broader West African energy landscape, the Niger-China reset carries strategic implications. It reinforces Beijing's entrenched position as the preferred partner for frontier hydrocarbon development in the Sahel — a region where Western companies have largely retreated following security deterioration and governance concerns. It also demonstrates that resource-dependent juntas, however assertive their initial posture toward foreign operators, are ultimately constrained by revenue imperatives.

From a market-access perspective, Niger's production remains modest by global standards but represents a functioning upstream and midstream system in a landlocked environment — exactly the type of complex, high-logistics operating context where specialised service providers can add measurable value. Whether the new agreements create space for third-party service contractors alongside CNPC, or whether Chinese integrated execution remains the model, will determine how accessible the opportunity set is for international players in the near term.

### Why this matters to partners and clients of Saga

Norwegian service companies should monitor the scope of the new Niger-China agreements closely — specifically whether CNPC will sub-contract inspection, integrity management, or specialist well services on the Agadem block or the Niger-Benin pipeline. If CNPC follows its pattern elsewhere in Africa of selectively engaging Western technical specialists for high-complexity work, a limited but real entry point may emerge. For now, a watching brief is appropriate, with relationship-building through Chinese EPC partners the most realistic near-term strategy.

#### PARTNER ANGLES

- **Pipeline:** The 2,000 km Niger-Benin export pipeline requires ongoing integrity monitoring and potential remediation services — a niche where Norwegian pipeline specialists can position through CNPC's African procurement networks.

- **Drilling:** Resumed Agadem block development may trigger new well campaigns; drilling contractors with landlocked, desert-environment experience should track CNPC's tender activity and explore frame agreements.
- **Service:** Production optimisation and well intervention services at mature Agadem fields could be sub-contracted if CNPC prioritises throughput recovery over integrated self-execution — worth monitoring through regional agents.
- **Subsea/FPSO:** Indirectly relevant: stable Niger exports flowing through Benin increase crude volumes available to offshore West African trading hubs, sustaining demand for FPSO and offtake logistics across the Gulf of Guinea.

[Original source: Jeune Afrique Économie →](#)

---

## Saga Advisory

General: [info@saga-advisory.com](mailto:info@saga-advisory.com) · [saga-advisory.com](https://saga-advisory.com)

*STAVANGER · CAPE TOWN*