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Nigeria's Multi-Billion Dollar Pipeline Expansion Opens Major Midstream Opportunities

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Nigeria is executing one of Sub-Saharan Africa's most ambitious midstream infrastructure programmes, driven by its Decade of Gas policy agenda. Holding over 215 trillion cubic feet of proven natural gas reserves, the country is accelerating pipeline construction to connect southern production hubs with northern industrial and population centres, while simultaneously expanding cross-border export capacity. The scale of capital deployment and the technical complexity of individual projects make this a compelling landscape for international engineering and service companies.

At the heart of the current buildout is the Ajaokuta-Kaduna-Kano (AKK) Gas Pipeline, a \$2.8 billion project led by state-owned NNPC Limited. The pipeline has reached key nodes near the Federal Capital Territory in Abuja, with phased commissioning targeted to stimulate industrial activity, supply gas-fired power plants, and unlock manufacturing capacity across northern states that have historically lacked access to natural gas transport infrastructure. The AKK represents one of the largest single pipeline investments currently active in West Africa and underscores the Nigerian government's commitment to monetising domestic gas rather than continuing to rely on crude oil export revenues alone.

A second flagship project, the Obiafu-Obrikom-Oben pipeline — known as OB3 — illustrates the technical sophistication now demanded by Nigerian midstream development. The 130-kilometre trunkline has achieved notable engineering

milestones through the use of Horizontal Directional Drilling (HDD) to pass beneath major waterways, including the River Niger. Once fully operational, the OB3 pipeline is designed to transport up to 2 billion cubic feet of gas per day, connecting major eastern gas fields to the broader national grid. The crossing of significant river systems using directional drilling techniques signals that Nigerian pipeline projects are now operating at a technical tier that requires experienced international contractors.

Taken together, these projects reflect a multi-billion-dollar wave of midstream capital expenditure that is reshaping Nigeria's energy infrastructure. The combination of large-scale trunkline construction, complex sub-surface engineering requirements, and phased commissioning schedules creates a sustained pipeline of work across engineering, procurement, construction, and operations. For international firms with relevant technical capabilities, the Nigerian market is no longer a watching brief — active engagement with NNPC Limited and its project partners is increasingly warranted.

The broader context reinforces the opportunity. Nigeria's infrastructure bottlenecks have long constrained the monetisation of its gas reserves, but the current political and policy environment — anchored in the Decade of Gas framework — has elevated midstream development to a national priority. This reduces some of the policy risk that has historically deterred foreign participation and creates a more predictable commercial environment for firms considering long-term market entry or partnership arrangements in the Nigerian pipeline sector.

Why this matters to partners and clients of Saga

Norwegian pipeline and subsea engineering firms should monitor the AKK and OB3 projects closely, as the technical demands — including HDD river crossings and large-diameter trunkline installation — align directly with competencies held by Norwegian EPC and specialist contractors. Service companies with experience in pipeline integrity, commissioning support, and gas metering infrastructure are well-positioned to pursue subcontract or technology-supply roles through NNPC Limited and its appointed main contractors. Partners should initiate engagement now given the phased commissioning schedule, which will generate recurring service and maintenance demand over multiple years.



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- **Pipeline:** Norwegian pipeline EPC and HDD specialists can target subcontract roles on the OB3 river-crossing programme and AKK mainline installation, where technically complex segments remain active.
- **Subsea/FPSO:** Firms with subsea and wet-pipeline expertise can assess applicability of their technology suites to Nigeria's river and delta crossing challenges, where conventional trenching is constrained by waterway conditions.
- **LNG:** As AKK feeds gas to northern power and industrial off-takers, Norwegian LNG equipment and small-scale liquefaction suppliers can explore downstream offtake infrastructure opportunities tied to pipeline commissioning.
- **Service:** Pipeline integrity, inspection, and metering service companies should approach NNPC Limited regarding operations and maintenance contracts as the AKK and OB3 pipelines move toward phased commissioning.
- **Drilling:** Norwegian directional drilling technology providers can pursue equipment supply or technical advisory roles on future HDD crossings within Nigeria's expanding midstream network.

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