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Tanzania orders PURA and TPDC to revive exploration

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Tanzania's Ministry of Energy has directed the Petroleum Upstream Regulatory Authority (PURA) and the Tanzania Petroleum Development Corporation (TPDC) to develop strategies to revitalise petroleum exploration and expand the country's portfolio of investable blocks. The instruction signals official concern about a sustained decline in upstream activity and a clear mandate to reverse it.

Officials pointed to a sharp contraction in active Production Sharing Agreements as the central problem: the number of PSAs has fallen from 26 to just 11, representing a significant withdrawal of exploration capital from the country. The Ministry's directive frames this not merely as a commercial shortfall but as a structural challenge requiring deliberate policy and institutional action to address the investment environment.

Among the measures under consideration is closer collaboration with Multi-Client Geophysical Companies — firms that acquire, process, and license seismic data to multiple operators simultaneously. Engaging these companies would allow Tanzania to build out its subsurface data library and lower the entry cost for prospective investors who currently face limited publicly available geological intelligence. Adding new investment blocks to the licensed acreage portfolio is also explicitly on the agenda, suggesting a forthcoming licensing round or block promotion exercise is possible, though no timeline or formal round announcement has been made. At this stage, the Ministry's instruction represents a strategic directive, not a signed agreement or tendered contract.

Tanzania holds substantial proven gas resources, and TPDC and its international partners have been working toward an LNG export project for years. However, the fall in active PSAs indicates that the broader onshore and offshore exploration estate — beyond the flagship LNG corridor — has struggled to attract and retain operators. Revitalising this wider exploration base is evidently now a government priority, likely driven by fiscal pressures and a desire to diversify the upstream from a single project dependency.

For the international energy services sector, the immediate signal is one to monitor closely rather than act upon. No blocks have been formally awarded, no contracts tendered, and no FID has been reached. The value of this development lies in its directional clarity: Tanzanian upstream authorities are being pushed to open the door wider, and the geophysical data-gathering phase — if Multi-Client partnerships materialise — would typically precede a licensing round by one to three years. Companies that build relationships with TPDC and PURA now, and that track any forthcoming block promotion events or data licensing campaigns, will be better positioned when the cycle turns.

Why this matters to partners and clients of Saga

Norwegian service companies should treat this as an early-monitoring signal rather than an actionable procurement opportunity — no contracts have been signed, no blocks formally awarded, and no tenders issued. Partners with geophysical data, seismic acquisition, or basin-evaluation capabilities should consider engaging TPDC and PURA at the relationship-building level to stay visible ahead of any potential licensing round. If a round materialises, it would open downstream opportunities across drilling, well services, and subsea for whichever operators acquire new blocks.

PARTNER ANGLES

- **Subsea/FPSO:** Monitor block award developments; a future licensing round converting to deepwater discoveries could generate subsea tie-back and FPSO demand in Tanzania's offshore basins.
- **Drilling:** A revived PSA portfolio would require new exploration wells — track TPDC's block promotion activity to position rigs and drilling services ahead of operator entry.

- **Service:** Multi-Client geophysical partnerships being considered by PURA and TPDC could open early entry points for companies offering seismic acquisition, processing, or basin-evaluation services.
- **LNG:** Wider exploration revival supports long-term feedgas diversification for Tanzania's stalled LNG export ambitions — monitor for any linkage between new block awards and the LNG project timeline.
- **Pipeline:** New onshore or nearshore block awards could eventually require gas gathering and trunk-line infrastructure — note this corridor for future pipeline-services scoping.

[Original source: TanzaniaInvest - Energy \(Tanzania\) →](#)

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