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Namibia Petroleum Reform Bill Stalls in Parliament Walkout

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Namibia's National Assembly has been brought to a standstill after opposition lawmakers walked out of parliament, denying the chamber a quorum and blocking a vote on a landmark bill to overhaul the country's petroleum sector. The legislation would replace the 1991 Petroleum Act and establish a new Upstream Petroleum Unit placed directly under the presidency, a structural shift that has provoked sharp political disagreement between the ruling party and opposition blocs.

The walkout marks a significant setback for the government's ambitions to modernise the legal and regulatory framework governing Namibia's oil and gas industry at precisely the moment the country is preparing to capitalise on major offshore discoveries. Namibia has attracted intense international interest following high-profile finds in its Orange Basin, and the absence of an updated petroleum law creates uncertainty over licensing terms, fiscal arrangements, and the governance structures that upstream operators and their contractors will ultimately need to navigate.

The proposed Upstream Petroleum Unit, reporting directly to the presidency rather than sitting within an existing ministry or parastatal structure, is the apparent flashpoint. Opposition parties have raised concerns about the concentration of oversight authority and the implications for transparency and institutional accountability in the management of petroleum revenues. The ruling SWAPO party has not yet secured enough support to pass the bill over these objections, leaving the legislative timeline unclear.

For the international oil and gas community, the stalled reform matters because the 1991 Petroleum Act was written long before Namibia emerged as a frontier deepwater province. Operators and service companies working in or preparing to enter the Namibian market have been anticipating a modernised framework that addresses current commercial realities, including production sharing terms, local content obligations, and the administrative pathway for new block awards and development approvals. A prolonged parliamentary impasse delays that clarity and may push investment decisions further out.

The political dynamics suggest resolution is unlikely to be quick. Opposition parties appear willing to use procedural tools aggressively, and the government will need either to build a broader consensus around the bill's most contentious provisions or to accept amendments before it can secure passage. Until the legislation clears parliament and is enacted, the 1991 Act remains in force, and the regulatory environment for Namibia's fast-developing upstream sector stays in a holding pattern.

Why this matters to partners and clients of Saga

Norwegian service companies with Namibian ambitions should monitor this legislative process closely but hold off on procurement or supplier outreach tied to any anticipated regulatory changes. The bill is still at the parliamentary debate stage — no contract, FID, or tender has been triggered — so the appropriate posture is relationship-building with operators active in the Orange Basin and tracking the reform timeline through industry bodies and Namibian government channels.

PARTNER ANGLES

- **Subsea/FPSO:** Regulatory uncertainty delays FID timelines for Orange Basin developments; monitor the bill's progress to anticipate when development approvals and FPSO contracting cycles may unlock.
- **Drilling:** Licensing and work-programme obligations under any new petroleum act will directly affect exploration drilling schedules; track amendments to understand future rig demand windows.

- **Well Services:** A modernised petroleum act may introduce new local content and well-services certification requirements that Norwegian well-service firms should assess early to position competitively.
- **Pipeline:** Fiscal and governance terms in the new act will influence the commercial viability of any gas monetisation or export pipeline infrastructure connected to Orange Basin resources.

[Original source: Ecofin Agency →](#)

Saga Advisory

General: info@saga-advisory.com · saga-advisory.com

STAVANGER · CAPE TOWN