GLOBAL BUSINESS REPORTS

AFRICA ENERGY 2025

Pre-Release Edition

Image courtesy of Bell Oil

First Oil, End of Oil

Greenfield and mature players chart a new course

2025 is becoming a transformational year for the oil and gas industry in Sub-Saharan Africa as significant changes, transactions and policies are at play across the continent, both in mature and greenfield energy jurisdictions. Though the importance of oil and gas production in Africa is well known, it is crucial to point out that, per International Energy Association (IEA), crude oil production in Africa declined 13% between 2000-2022, pointing to a trend replicated in mature oil markets around the world, beset by natural production declines, but also reflecting some of the specifically African challenges of security and political instability that have also contributed to this decline, from Nigeria to Libya and other jurisdictions.

A similar scenario has played in the midstream, with a 23% drop for total oil products refined in Africa.

West Africa's upstream is particularly awash with changes. In Nigeria, Indigenous companies have, in multi-billion-dollar transactions, taken ownership of onshore IOC assets in the Delta, which represents a historic moment for Nigeria and Sub-Saharan Africa's oil and gas industry. In Senegal, Ghana and Côte d'Ivoire, upstream activity is accelerating. Eni launched Baleine Phase Two in Côte d'Ivoire, tripling oil production. Jean-Marc Kloss, SLB West Africa's managing director, said: "One of the most significant projects in West Africa is Eni's Baleine development in Côte d'Ivoire, which is Africa's first net-zero upstream project. Beyond Côte d'Ivoire, SLB is involved in multiple high-profile projects across Ghana, Equatorial Guinea, Nigeria, Mauritania and Senegal."

Despite the inherent challenges in West Africa, upstream development across the region unlocks opportunities for regional midstream and downstream development, strengthening energy security in an area with high levels of energy poverty. Mohammed Mijindadi, president of GE Vernova, Nigeria & managing director, Anglo-West & Francophone Africa, said: "Senegal, for example, having recently discovered gas reserves, is enhancing energy security and establishing itself as a regional energy hub."

Natural gas projects are taking off across Sub-Saharan Africa. The resource is highly sought after in export markets and can foster domestic industrial development as a cheap, abundant source of energy. Mansur Mohammed, head of new business development Africa at Wood Mackenzie, said: "The rise of Floating LNG (FLNG) projects positions Sub-Saharan Africa as a global leader in this area. Cameroon, Congo, Senegal and Mauritania have FLNG projects, and others are developing theirs."

Global markets dictate oil and gas developments in Sub-Saharan Africa as much as local developments. Charles Lowery, country manager and director of TEST Angola, said: "The foremost challenge remains the volatility of Brent crude prices. Short-term factors such as tariffs, global trade dynamics, the US political landscape, and Chinese demand influence market conditions. This volatility places pressure on investment flows, making capital allocation highly competitive. Paradoxically, the volume of tenders TEST Angola is bidding on is higher than ever. Despite the downturn in oil prices, this environment presents new opportunities for service providers, especially in mature markets like Angola where outsourcing services has become more cost-effective than in-house execution by the IOCs."

Indeed, South Africa, Angola and Namibia continue to attract attention. Angola's upstream sector is maintaining production levels, and its regulatory entities have pushed for the onshore space to receive more attention. As natural production decline continues, further exploration work will be necessary, and small and mid-sized Independents will have to be drawn in to reinvigorate mature assets as IOCs transition to greener pastures. Those greener pastures in Africa find themselves further south, in Namibia. With a new president, the country is overhauling its oil and gas regulatory structure, as investors watch closely. Despite recent changes, discoveries continue to pick up the pace, and new players are entering the market, triggering an influx of international and African service providers into the country. The country's coastal ports, at Walvis Bay and Lüderitz, are undergoing historical transformations, as will Namibia's economy once the first oil is achieved. ■

"There is a renewed investment appetite in Nigeria. Since last year, at least two significant FIDs have been announced. The President released an executive order to reduce the cost of operations in Nigeria, cutting red tape at the NCDMB and NNPC."

Olumide Esan,
Partner and ER&I West Africa Leader, Deloitte Nigeria

Omar Farouk Ibrahim

Secretary General, African Petroleum Producers' Organization (APPO)

Can you provide an update on APPO's activities over the past 12 months?

APPO has made significant progress in addressing the three imminent challenges that the global energy transition poses to the African oil and gas industry: the challenges of funding oil and gas projects, mastering oil and gas technology and expertise, and creating energy markets within Africa.

We decided to look within to raise the funds required to pursue our energy projects, and we partnered with Afreximbank to start the Africa Energy Bank (AEB) in June 2024, with headquarters in Abuja, Nigeria. Nigeria is working to have the building ready before the end of 1Q25. Thereafter we shall announce a date for the launch of the Bank.

On technology, we have come to the conclusion that we need to pool resources together as African oil and gas producers to create centers of excellence in the various sectors of the industry across the continent. The inherited practice where each African country wants to excel in all the sectors of the industry has failed us. Each country may have juniors and middle level institutions. But the world class institutions shall be collective or regional. Very soon, we shall announce the first batch of our regional centers of excellence.

What is APPO's strategy for integrating African energy markets?

A key initiative is establishing cross border pipelines across the subregions and across the continent. Our target is to link Northern Africa with Sub-Saharan Africa by pipelines. By connecting regional infrastructure, we aim to create a fully integrated African energy market. Currently, most pipelines in Africa are designed for exports, taking resources out of Africa. By developing intra-African energy infrastructure, we can reduce costs, improve energy access, and encourage local refining and petrochemical industries.

What final message would you like to share?

APPO has made significant strides in developing innovative solutions for Africa's energy sector. We focus on looking within Africa for financing, technology, and markets. We are prioritizing infrastructure projects that will move energy from areas of surplus to areas of need. ■

Anibor Kragha

Executive Secretary, African Refiners and Distributors Association (ARDA)

Can you recap the last year for ARDA?

ARDA has focused on promoting sustainable infrastructure investments across the downstream sector, sharing industry best practices, and ensuring energy security for Africa, all while balancing the continent's energy transition ambitions. We divided our activities into hosting and participating in external events to spread our Association's key messages. In September, we hosted the Storage & Distribution and Jet Fuel Forum in Addis Ababa, Ethiopia, focusing on African energy security and world-class storage facilities. In October, we held our first-ever ARDA LPG Forum in Abidjan, Côte d'Ivoire, focused on revolutionizing LPG adoption as a cleaner cooking alternative across Africa. In November, we launched our training school initiative at ARDA's headquarters in Côte d'Ivoire, where we started training sessions focusing on technical and commercial capabilities.

What insights do you have from your members and sponsors on the sector's development?

With Africa's growing population, there is an enormous need for increased energy investments. The Dangote refinery is altering the supply chain dynamics in Africa, pushing for cleaner, low-sulfur fuels. Angola's Barra do Dande Ocean Terminal launch is a significant step forward in terms of strategic storage facilities. In Senegal, the Bargny Mineral and Bulk Carrier Port is being developed to help decongest the Port of Dakar.

How do you see the financing environment evolving for downstream projects in Africa?

The financing environment for downstream projects in Africa is becoming very exciting. There is a pressing need for refinery upgrades, petrochemicals and critical infrastructure investments.

What is your vision for the industry's future with cleaner and alternative fuels?

ARDA is pushing for AFRI6 (10 ppm Sulphur) fuel specifications by 2030. Additionally, we are advocating using LPG as a clean cooking alternative, aiming to establish a fund to support large-scale LPG projects, focusing on last-mile distribution. ■

Image courtesy of Sonangol

Refine, Baby, Refine

Downstream developments across Africa

The imbalance between Sub-Saharan Africa's crude oil exports and refined product imports is well known. In 2022, the region only accounted for 2% of oil product refinement globally. This is set to change, as mega projects in West and Southern Africa have altered the calculus on trade and shifted the flow of products more favorably in Africa's direction.

For the African Refiners and Distributors Association (ARDA), infrastructure is key to addressing historical imbalances and driving growth for the continent. Speaking at the association's annual ARDA Week in Cape Town in April, ARDA president Dr. Mustapha Abdul-Hamid called for the urgent development of an African-led finance and energy strategy. Afrocentric initiatives must take root as the world becomes increasingly polarized and competition for natural resources ratchets up. The downstream and midstream sectors will be key to delivering the energy necessary to solve Africa's energy access crisis, he insisted. The United Nations estimates that over 600 million people on the continent lack access to reliable electricity and over 900 million lack access to clean cooking facilities. Developing intra-African energy infrastructure will be critical for the population's welfare and for the environment. Anibor Kragha, ARDA's executive secretary, discussed some of the continent's most vital infrastructure developments, saying: "The Dangote refinery is altering the supply chain dynamics in Africa, pushing for cleaner, low-sulfur fuels. Angola's Barra do Dande Ocean Terminal launch is a significant step forward in terms of strategic storage facilities. In Senegal, the Bargny Mineral and Bulk Carrier Port is being developed to help decongest the Port of Dakar. We also support the CAPS project, enhancing regional infrastructure across 11 countries."

Financing is key for developing these infrastructure projects. In recent years, oil and gas projects across the up, mid, and downstream have been shunned by European and Western financiers, as net-zero and ESG politics changed corporate cultures across the West, hence the insistence by ARDA that financing initiatives must come from within Africa. Meanwhile, the Ukraine-Russia War and the election of Donald Trump have thrown into focus once more the importance of the natural resources sector, and new financiers are cropping up. Kragha from ARDA said: "The financing environment for downstream projects in Africa is becoming very exciting. There is a pressing need for refinery upgrades, petrochemicals, and critical infrastructure investments. The African Energy Bank plays a crucial role in addressing these needs, and we are part of the OPEC Africa Energy Dialogue, which seeks to build an integrated, intra-African energy market."

One crucial element to fostering intra-African trade and downstream synergies is harmonizing standards across the continent. ARDA's work on this front has been leading the way, as it organizes working groups and participates in forums such as the Storage & Distribution and Jet Fuel Forum, ARDA LPG Forum, and supports the Crude Oil Refiners Association of Nigeria (CORAN) summit, focusing on value addition and petrochemicals as well. Kragha commented on the importance of common product

> *"Many countries are prioritizing domestic gas utilization to stimulate economic growth, and gas-to-power projects are providing increasing energy access to the African population."*
>
> **Mansur Mohammed, Head of New Business Development Africa, Wood Mackenzie**

"Angola has increased storage capacity for diesel, gasoline and LPG. This infrastructure is critical for supporting future growth."

Luís Fernandes, General Manager, Petroleum Derivatives Regulatory Institute (IRDP)

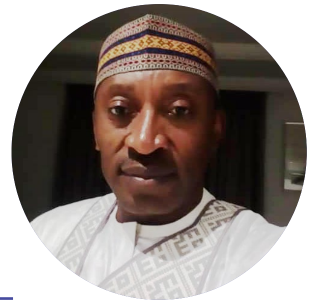
standards across Africa: "We are passionate about the future of cleaner, harmonized, low-sulfur fuels across Africa. ARDA is pushing for AFRI6 (10 ppm Sulphur) fuel specifications by 2030. We are working with regulators, such as those in the Netherlands, to ensure standards alignment across the various continents. Our vision also includes the development of deep-sea ports and import infrastructure to support cleaner fuels."

Connecting the continent: Pipeline developments

New pipeline projects will be key for a truly integrated intra-African energy market to emerge that can democratize energy access. Africa's pipelines were historically built for export, and there is a lack of trans-African pipeline networks that connect relatively rich energy markets with the demand. Thanks to the work of the Africa Petroleum Producers Organization (APPO), among other organizations, work is being done to address this deficit. One such initiative is the Central African Pipeline System (CAPS), a system that will address energy challenges in Central Africa by interconnecting countries in the region, from the DRC to Chad and Cameroon. The proposed 6,500 km network would facilitate the movement of crude and refined products between some of the most energy-starved countries on the continent. Omar Farouk Ibrahim, secretary general of APPO, commented: " By connecting regional infrastructure, we aim to create a fully integrated African energy market. Currently, most pipelines in Africa are designed for exports, taking resources out of Africa. By developing intra-African energy infrastructure, we can reduce costs, improve energy access, and encourage local refining and petrochemical industries."

In West Africa, the existing West African Gas Pipeline is a testament to what long-term regional collaboration can achieve and of the transformational nature of natural gas for industrial development. First envisioned by the Economic Community of West African States (ECOWAS) in the 1980s, the West African Gas Pipeline Company (WAPCo) is a joint venture between the private and public sectors across Nigeria, Ghana, Benin and Togo. Its shareholders include Chevron, Shell, NNPC, Takoradi Power Company and minority interests from Togo and Benin. Now operating an over 700 km, open access system that runs from Itoki, Nigeria, offshore through Benin and Togo to two delivery points in Ghana, it has been a catalyst for economic growth and development across the region. Michelle Burkett, WAPCo's managing director, said: "Most of this gas is used for power generation in Ghana, but it is also starting to expand into industrial use, such as concrete plants and refineries, supporting economic growth in Ghana, Togo and Benin."

"We are forming strategic partnerships with other Nigerian modular and conventional refineries to consolidate the local value chain and enhance regional exports."



Momoh Oyarekhua, CEO, OMSA/OPAC Refineries

Thanks to gas discoveries and development in Ghana, the pipeline can now deliver gas in both directions and supply further demand. Current technical limitations prevent the pipeline from providing its maximum load, but an existing infrastructure upgrade program means that in the medium to long term, WAPCo could become a central pillar in furthering regional infrastructure ties. WAPCo believes that as governments and industry players collaborate and deepen relations, the pipeline's full potential will be met, and expansion to Morocco could become a tangible reality. Burkett added: "We remain committed to collaborating with the African Atlantic Gas Pipeline project and support a stepwise approach to extend the pipeline from Takoradi to Côte d'Ivoire, as initially envisioned in the ECOWAS plan."

Regional Poles: West Africa

Nigeria's downstream sector has been completely overhauled thanks to the coming online of Dangote's mega refinery in Lekki. The Dangote Refinery, Africa's biggest, is a US$20 billion mega project that can process over 650,000 barrels of crude per day. Since coming online in 2024, the refinery has shaken up Nigeria's local petroleum product market, causing a price war between competing petroleum product retailers. After enduring a brutal fuel subsidy cut by the government, Nigerian consumers welcomed this price drop. It has also shown how increased refinery capacity in Africa can unlock access to high value markets. In March 2024, Reuters reported that the Dangote Refinery was actively capturing market share in the US jet fuel import market, sending six jet fuel cargoes to the US in March alone.

The refinery's operations will change the nature of petroleum product trading in West Africa, said Olivier Lassagne, CEO of Mocoh, a pan-African trading company: "This sort of project is a game-changer and will help reduce the continent's dependency on fuel imports, opening up new avenues for trading refined products. For us at Mocoh, working with local refineries like Dangote presents exciting opportunities to either supply crude oil to the refinery or source refined products locally and export them to other parts of Africa and beyond."

In Nigeria, Dangote is not the only game in town. An already established network of modular refineries is in operation, and as Indigenous companies take over IOC assets and production levels are increased, modular refiners are preparing to capture new market share and expand their refinery capacities. There are currently five private refineries in operation. Momoh Oyarekhua, CEO of OPAC Refineries and Chairman of CORAN, Nigeria's refinery association, said: "We want to ensure that each facility meets its installed capacity and plays a role in satisfying local demand and enabling export. Two NNPC refineries are also beginning to come on stream, albeit partially. The broader objective is to have Nigeria process at least 50% of its domestic crude oil. That would strengthen our energy independence and position us as a regional hub."

OPAC's objectives are to invest in capacity and work towards exporting fuel, gas, and, eventually, premium motor spirits (PMS) to the region. Oyarekhua commented that financing in Nigeria continues to be a concern and that difficulties in conducting cross-border transactions impede intra-West African trade. To address this, OPAC is developing its trade methods. Oyarekhua said: "One of our current initiatives is to create a "to-tank" solution. If an offtaker can put a financial instrument in place, we can guarantee product delivery directly from Nigeria to their storage tanks anywhere in Africa. We are refining a seamless logistics-finance-operational model."

Dangote's refinery has broader implications for the region as other midstream hubs consider how to compete and capture market share. On the Côte d'Ivoire, the Ivorian Refining Company (SIR) announced plans at ARDA Week to construct a 170,000 bpd refinery in the country, where its growing oil and gas industry, mining and industrial demand has created a lucrative downstream market for refined goods. The growth of Luxoil Distribution, an Ivorian downstream player, demonstrates this. A Hassan Toure, Luxoil's managing director, said: "Côte d'Ivoire is well-positioned to become a regional energy hub, particularly for countries like Burkina Faso, Mali, Guinea."

"We want to become one of the biggest suppliers of derivatives for the SADC region because the market is there, and there are not many refineries."

Joaquim Kiteculo, CEO, SONAREF

Angola: An emerging hub

International attention has turned to Angola due to the Lobito Corridor, an infrastructure project to connect Central African mining regions in Zambia and the DRC with the Atlantic seaboard, underlining Angola's logistics potential. The flow of goods along the Corridor will not be one-way. The DRC and Zambia's fuel-thirsty mining sectors already source great quantities of refined products from Angola. Given the mining sector's projected growth as critical minerals demand continues to grow, the need for refined petroleum products to feed this industry will increase, as will Angola's role as a key conduit for product, and with new capital projects in the pipeline, a future supplier in its own right.

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Sonangol

Refinação & Petroquímica

Africa First: Delivering our Energy Future

Refinery Projects	Location	Capacity
Luanda Refinery (Operational)	Luanda	65 Kbpd

- Expansion to 120 Kbpd:
- New Residue Fluid Catalytic Cracking Unit (RFCC)
- New Diesel Hydrotreating Unit (HDS)
- 200 KTA Petrochemical Plant
- 300 KTA Bio Refinery (for SAF production)

Expanding the Luanda Refinery capacity from **65K to 120 Kbpd** it's about meeting the needs of our domestic and regional markets. Our studies show that there is real potential in serving both domestic and regional markets, as well as exporting within the continent.

With the envisioned new refinery configuration, we aim to **increase our efficiency and reduce our carbon footprint**, ensuring quality products for our customers in line with the new environmental regulations.

As Angola continues to diversify its economy beyond crude oil exports, investments in downstream oil and gas infrastructure have become vital. One transformative opportunity lies in the addition of 200,000-ton-per-year petrochemical plant to the Luanda Refinery. This expansion would enable Angola not only to produce high-value polymers but also to catalyze a broader **industrial renaissance**. The benefits are profound — spanning economic growth, job creation, technological advancement, and the strategic valorization of Angola's abundant crude oil resources.

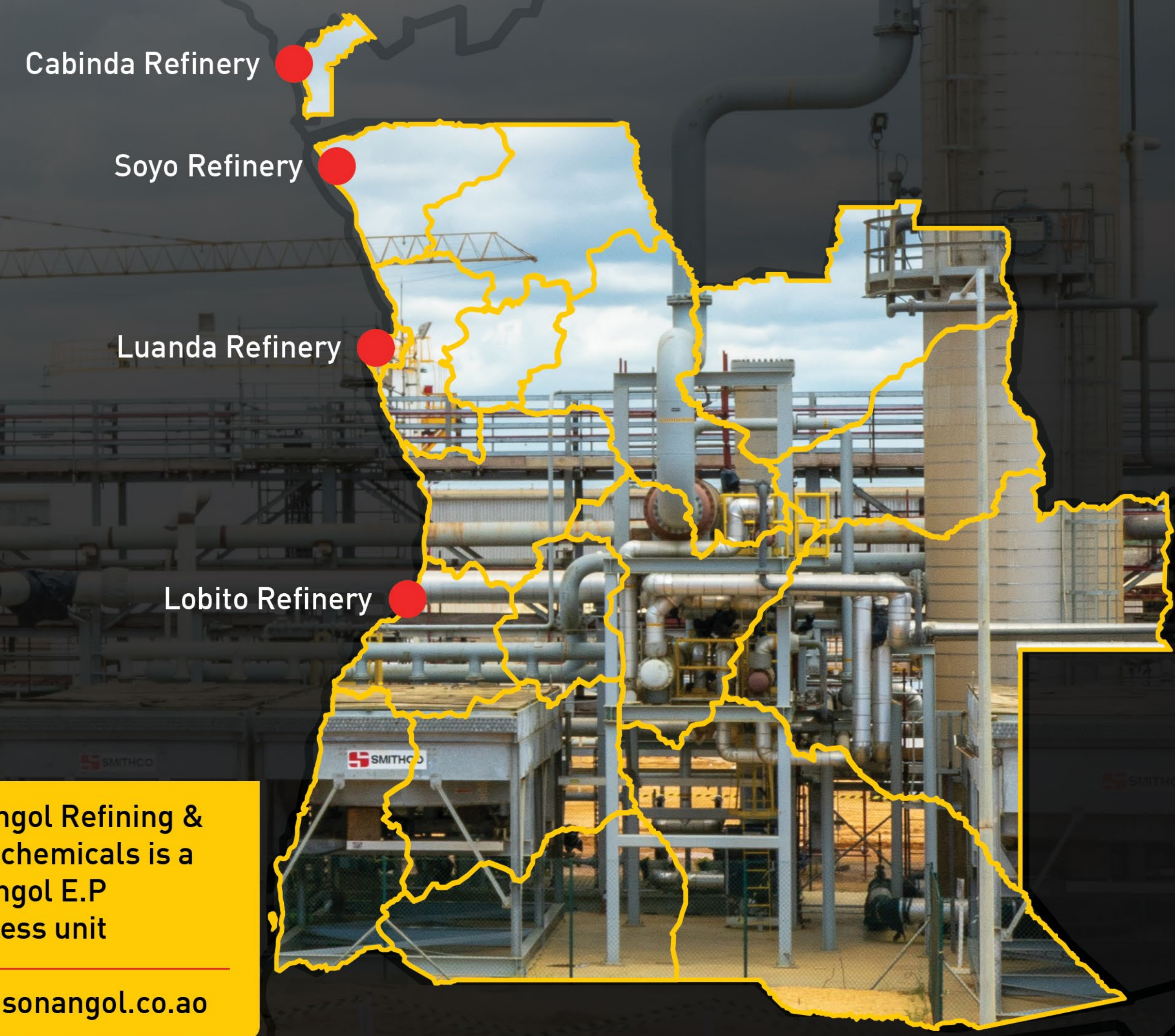
These products are essential to many industries, offering Angola access to global markets and opening the door for domestic manufacturing sectors like plastics, construction materials, and packaging to flourish.

With careful planning, public-private partnerships, and a focus on sustainable development, Angola has the opportunity to unlock a new era of industrial prosperity — **all beginning with this key investment at Luanda Refinery**.

Sonangol expects to achieve **22% of its strategy** with the conclusion of the first phase of the **Cabinda Oil Refinery** by the end of 2025.

This will allow the reduction of **fuel imports in 14% by 2026**, Increase employment and Improve the overall socio-economic environment.

Refinery Projects	Location	Capacity
Cabinda Refinery	Cabinda	60 Kbpd
Soyo Refinery	Zaire	100 Kbpd
Lobito Refinery	Benguela	200 Kbpd
		360 Kpbd



Sonangol Refining & Petrochemicals is a Sonangol E.P business unit

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Sonangol Refining and Petrochemical Company (Sonaref) has big dreams for Angola's role as a premium midstream supplier in the broader Southern African Development Community (SADC) region. The company's pipeline of projects is impressive; in addition to its expansion project for Luanda, the refinery set to double capacity to 120,000 bpd, there are projects ongoing for refineries in Soyo, Lobito and Cabinda. All in all, these new refineries would bring online an additional 425,000 bpd of refining capacity in Angola, turning the country into a central processing player in the region. Discussing the progress of the Cabinda Refinery, a 60,000 bpd project, Joaquim Kiteculo, Sonaref's CEO, said: "We expect to complete all the work by May 2025, commission the utility process in June, and produce the first batch of derivatives in the first week of July. After we get the first batch, we will have the inauguration ceremony by mid-July and then go commercial by the end of July."

In addition to refined products, Sonaref wants to upgrade the Luanda refinery to a working petrochemical unit, reducing the country's reliance on imported plastic products. The synergies between a new refinery and the Lobito Corridor are clear, though Sonaref is keen to stress that independent of the Lobito Corridor's development, its refinery is commercially viable. So far, Sonaref has invested US$1.5 billion in Lobito and is mobilizing international investors for another US$4.8 billion necessary to realize the project. Thanks to a hydroelectric power base, Angola has an opportunity to export fuel and enter the premium price markets, according to Kiteculo. Regarding regional supply prospects, Kiteculo said: "South Africa is a 300,000 bpd market in derivatives, and they expect to consume around 450,000 bpd by 2028. The DRC is a big mining area with much demand for diesel. In the future, we want to be a significant supplier of derivatives, mainly diesel, for the region."

"A key part of our strategy involves expanding our lubricant brand into neighboring countries such as the DRC, Zambia and Namibia, as well as developing new service stations within the Namibian market."

Caetano Pinto, CFO, Pumangol

Angola's domestic downstream market is significant and growing. Sector growth in mining and agriculture is fueling demand for refined products, and downstream operators are expanding their retail and B2B footprint to accommodate. Pumangol is a downstream operator in Angola with B2C and B2B business lines; the company also operates the TCPL terminal in Luanda Bay, Angola's second-largest fuel storage facility. Caetano Pinto, CFO of Pumangol, said: "Ongoing developments such as the Cabinda refinery currently under construction and the proposed Lobito refinery present promising prospects for increasing domestic fuel production. If these projects come to fruition, we are well positioned to support the distribution of locally refined products thanks to our existing national storage and logistics infrastructure." ■

Image by Fabian at Adobe Stock

Financing Africa's Energy Landscape

"Angola offers numerous opportunities across the agriculture, mining and oil and gas sectors. However, success requires understanding the local context, building trust and being willing to navigate challenges collaboratively."

Hugo Teles, CEO, Banco BIC

"We launched our technology venture called Musa, named after Mansa Musa. It is revolutionary because it brings credit to the most important SMEs on the continent, credit they cannot get from traditional banks due to the regulation and configuration of the banking system across Africa."

Ejike Egbuagu, Group CEO, Moneda Invest Africa

"AFC's ethos is about accelerated economic growth and industrialization. If there is no value add, it does not meet our investment criteria. When we look at opportunities, it is about identifying the development options to bolster production and harness the reserves still in the ground to enhance energy supply."

Taiwo Okwor, VP, Investments, Africa Finance Corporation (AFC)

"By combining equity boosts with ring-fenced finance products, we can help clients leverage their equity three to five times —far more than the standard one-to-one ratio seen in conventional lending."

Connie-Marlene Theyse, Head of Enterprise Banking, FNB Namibia

"Several countries —Mozambique, Tanzania, Namibia, and Côte d'Ivoire— have made significant gas discoveries recently. The central question is not whether the gas is present but how quickly countries can commercialize it for domestic use or export."

Paul Eardley-Taylor, Gas Sector Lead, Standard Bank Group

"In its Ten Year Strategy (2024-2033), the Bank pledges to continue supporting Africa's net zero transition during which transition natural gas is a relevant resource for the continent's industrialisation, particularly for harder to abate industrial sectors."

Fred Kabanda, Division Manager, Extractives, African Development Bank (AfDB)

Insights across Africa's Energy Value Chain

"GE Vernova is supplying gas turbines for a 300 MW combined-cycle power plant near Dakar, marking the country's first gas-to-power project."

Mohammed Mijindadi,
Managing Director Anglo-West & Francophone Africa, GE Vernova Gas Power

"One of the most significant projects in West Africa is Eni's Baleine development in Côte d'Ivoire, which is Africa's first net-zero upstream project. SLB played a critical role by deploying advanced drilling technologies that improved efficiency while reducing environmental impact."

Jean-Marc Kloss, Managing Director, West Africa, SLB

"When Ghana discovered its oil and gas resources offshore Takoradi, we partnered with the Ghana National Petroleum Company to enable transportation of natural gas from Takoradi to Tema, reversing flow in this segment of the pipeline."

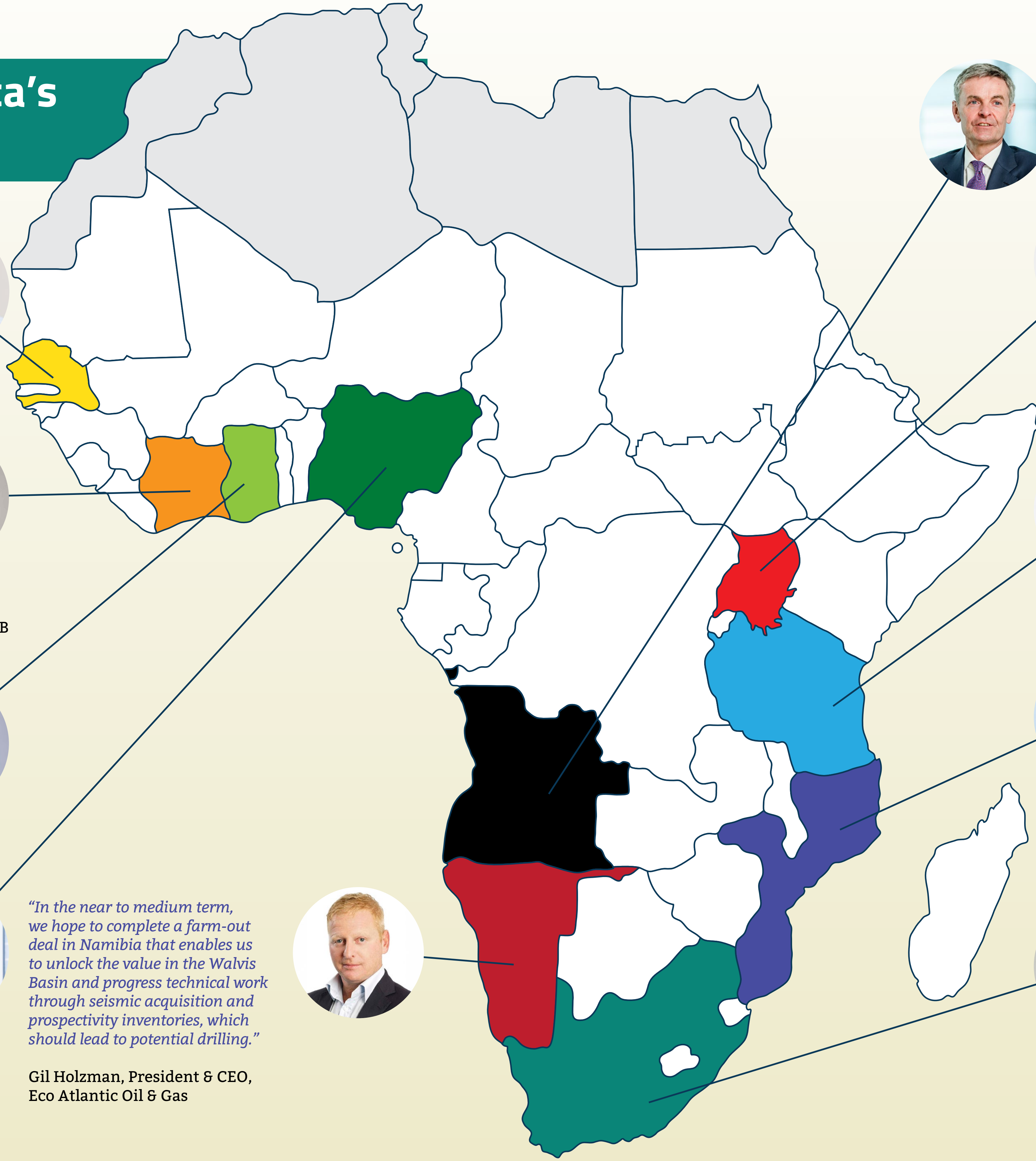
Michelle Burkett, Managing Director,
West African Gas Pipeline Company (WAPCo)

"Chevron's future outlook includes a strong focus on operational excellence, continued investment in deepwater, shallow water and swamp, advancements in lowering carbon intensity, and improving base business, with a keen focus on efficiency and innovation."

Jim Swartz, Chairman and Managing Director,
Chevron Nigeria and Mid-Africa Business Unit

"In the near to medium term, we hope to complete a farm-out deal in Namibia that enables us to unlock the value in the Walvis Basin and progress technical work through seismic acquisition and prospectivity inventories, which should lead to potential drilling."

Gil Holzman, President & CEO,
Eco Atlantic Oil & Gas



"A significant focus for us has been on the onshore Kwanza basin. Recently, we announced that we had signed the licenses for KON19 and KON15"

Paul McDade, CEO, Afentra

"Tanzania and Uganda are emerging hubs for future growth, especially with major infrastructure projects like EACOP underway. Building on our strong track record in Angola, we have stepped into these markets with enthusiasm, submitting tenders and securing land near Tilenga to establish a local base."

Ana Nobre, CCO, Prometim

"We are expanding into East Africa, focusing initially on Tanzania. We handle a wide range of petroleum products, including gasoline, gas oil, jet fuel, and others, with regular shipments supplying fuel and exporting African products globally."

Olivier Lassagne, CEO, Mocoh

"Companies that were previously demobilizing are now mobilizing. Total is hiring, Exxon recently closed tenders valued at US$1.2 billion, and Technip closed a tender worth US$300-400 million. Flight capacity to Afungi has doubled from May 1st, indicating a strong market recovery."

Chivambo Mamadhusen, CEO, Grupo Videre

"In South Africa, there is a significant acceleration in Independent Power Producer (IPP) projects, especially where IPPs are contracting directly with private off-takers. The WSP Renewables and Power Procurement business units that are advising private off-takers have doubled in revenue and headcount in the past two years."

Martin Mkhabela, Director, Energy, WSP in Africa


PLATFORM PETROLEUM LIMITED


24 YEARS OF PETROLEUM, THE PLATFORM WAY!

Platform Petroleum Limited is the Operator of Egbaoma field in PML 18 located in Delta State. It is one of the twenty-four (24) marginal fields farmed out to indigenous oil companies during the 2004 Marginal field bid round. The asset is held in Joint Venture (JV) ownership with NewCross Petroleum Limited.

As Operator, Platform manages day-to-day operations and initiates and executes growth targets by optimizing production and sustenance for the field by exploration, appraisal, and development of upsides to the Egbaoma Discovery.

Platform Petroleum Limited has already taken advantage of the gas revolution in our domestic space as our gas commercialization investment has yielded positive financial, regulatory, and environmental results with more than 98% of our produced gas currently commercialized. We recently acquired interest in Pillar Oil, PNG Gas and four additional fields. We offer over 300 years of cumulative oil and gas experience among our board members and leadership.

Since our carbon credit achievement in 2021 which was consequent upon our successful effort in our Gas Commercialization drive, we hope to continue to minimize environmental impact by using available technologies.

Address: Greystone Tower, 7 Idowo Taylor Street, Victoria Island, Lagos, Nigeria **Tel:** +2342013302750

info@platformpet.com www.platformpet.com


Image courtesy of Platform Petroleum

Renewing Nigeria's Upstream

Divestment deals boost confidence

On March 13th, 2025, a historic deal for Nigeria's oil and gas industry was finalized, as Shell completed the sale of the Shell Petroleum Development Company of Nigeria Limited (SPC) to the Renaissance group, thanks to a stamp of approval from Nigeria's federal government. Renaissance, a consortium of Nigerian E&P players, includes ND Western, Aradel Holdings, FIRST Exploration, Petroleum Development Company, the Waltersmith Group, and Petrolin. The US$1.3 billion acquisition has historical significance, given Shell's role as Nigeria's first E&P company, and as part of a broader trend of IOC divestments, the sale now puts Indigenous Nigerian companies in a leading position compared to many African hydrocarbon jurisdictions. The scale of the acquisition, the assets in question, and the potential windfall and risks involved mark a transformational moment for Nigeria's oil and gas story.

In addition to Shell's historic sale, other IOCs have been selling their stakes in Nigerian onshore assets and handing them over to homegrown players. In December 2024, Seplat completed the US$1.2 billion acquisition of four oil mining licenses from Exxon Mobil, doubling its 2P reserve figures overnight to 908 million boe and, according to S&P Global, making Seplat the largest domestic production company in Nigeria, producing some 122,400 boe/d. Equally so, Equinor, Norway's oil and gas champion, finalized its Nigerian divestment in December 2024, handing over the baton to Chappal Energies in a deal reportedly valued at US$1.2 billion, which, according to Equinor's press release, consists of a purchase price of US$710 million and the remainder in contingent payments.

On a smaller scale, nevertheless significant and indicative of a broader trend in Nigeria, other companies have also been buying up stakes in Nigerian E&P as their international partners pull out. Savannah Energy, a London-based energy producer in Nigeria with deep gas expertise, completed the acquisition of SIPEC, Sinopec's E&P company in Nigeria, for US$35 million. Pade Durotoye, managing director Nigeria at Savannah Energy, commented: "We now have complete operational control over the asset, allowing us to maximize its value and operational efficiency. In this regard, we are undertaking an up to 18-month expansion program, anticipated to increase gross oil production at Stubb Creek from an average of 2,700 bopd in 2024 to 4,700 bopd."

While IOCs have been divesting their onshore assets in Nigeria, this does not mean they have completely withdrawn from the country. Indeed, Shell made a Final Investment Decision (FID) on the Bonga North deepwater project in Nigeria in December 2024, a US$5 billion expression of confidence in the prospects and long-term viability of offshore activity in Nigeria. Similarly, on the gas side, TotalEnergies made a US$550 million FID on its Ubeta gas field development project at OML 58. According to Total's estimates, production will begin in 2027, with a plateau of 300 million cubic feet per day, and will supply NLNG. Divestments have focused IOC energies on deep offshore and highly technical projects, with less exposure to the risks associated with Nigeria's onshore.

In the last year, Chevron Nigeria discovered a new oil field in the Meji NW-1 well in PML 49, Nigeria's third-largest producer. According to Jim Swartz, chairman of Chevron Nigeria, stated: "Nigeria's offshore potential is substantial, with significant deepwater oil and gas development opportunities. Chevron's recent stake acquisition in OPL 215 highlights its commitment to expanding its offshore presence. Offshore development is crucial for Nigeria and vital for maintaining and increasing Nigeria's oil production capacity, contributing significantly to the country's economy and energy security."

There is an additional opportunity in the Nigerian onshore, which lies in the marginal field space. Commenting on the IOC divestment trend and focus on deepwater exploration, John Anim, CEO of Platform Petroleum, a pioneering marginal field operator that currently operates five assets, said: "Within those divested assets by the IOCs, many fields are lying fallow. Egbaoma field, discovered by Shell in 1977, exemplifies this trend—undeveloped for 30 years until our 2007 production launch."

The company has been investing in drilling campaigns and above-surface gas infrastructure. In August 2024, it completed drilling for a new well at the flagship Egbaoma field, boosting production by 1,500

> *"With Nigeria targeting over 2 MMbpd, significant opportunities exist for infrastructure development. Moreover, gas development becomes even more critical to the energy transition as oil extraction advances."*
>
> **Chigozie Dimgba, Managing Director, Polaris Integrated GeoSolutions Limited (PIGL)**

bopd. Anim added: "We have planned to drill one more well in that compartment in the first quarter of 2026. From now until around this time next year, we will be spending over US$40 million on CapEx, which is self-funded through Egbaoma revenues."

Thanks to the flurry of transactions, service providers are gearing up to meet heightened demand from their upstream clients. Bolutife Odusanya, managing director and CEO of TREXM Holdings said: "Nigeria's rig count is set to nearly double, which will lead to greater demand for drilling and production chemicals. Refineries are beginning operations, creating opportunities for us to supply catalysts and other essential chemicals."

What is obvious to anybody working in the Nigerian upstream is that 2025 has been a year for the business to be done, and companies across the spectrum, from marginal field operators to mid-sized independent and major IOCs, are all looking to boost production. This follows a rough couple of years during which investor uncertainty over stalled transactions, namely those mentioned above, in addition to unpopular and politically unsettling economic reforms set about by the government, namely the currency float and suspension of fuel subsidies, made Nigeria a complex and potentially unstable jurisdiction to invest in. Nevertheless, fortunes have turned, and as Durotoye pointed out: "The mood has shifted positively, as we have seen the government approve several key transactions recently. This progress has brought hope that similar developments will continue unfolding."

In oil and gas, timing is everything. Multi-billion dollar investments require long-term thinking and positive signals from the state. It is, therefore, no coincidence that as the state has finally approved such historic deals, Tinubu's government has made another significant move concerning the leadership and direction of NNPC (Nigerian National Petroleum Company) and Nigeria's NOC (National Oil Company). In a dramatic announcement on the early morning of April 2nd, 2025, President Tinubu issued an order to replace Mele Kyari, NNPC's Group CEO since 2019, with Bayo Ojulari, former managing director of Shell Nigeria Exploration and Production Company (SNEPCo). The appointment has been welcomed across the oil and gas industry, as has the newly appointed Board of Directors for the NNPC, which includes industry veterans such as Austin Avuru, co-founder and former CEO of Seplat, David Ige, GasInvest CEO and gas sector champion. The leadership changes come from announcements reported by Reuters in March 2025 that NNPC was on the cusp of an IPO, a highly anticipated moment, which has been awaited for years since the company's reorganization in 2021.

"Nigeria is at a crucial turning point. While the country faces significant challenges, recent policy changes have been positive."

Guillaume Niarfeix, Managing Director - West Africa, SPIE Global Services Energy

The changes taking place at NNPC do not stop at the board level. Workforce Group, a human resources specialist company, has been working with the NNPC over the past year, helping the company transition from a bureaucratic entity to a commercially orientated E&P company. Foluso Aribisala, Workforce's managing partner and CEO, said: "Setting ambitious targets has intensified internal pressure to accelerate transition. NNPC is a large, complex organization, and turning such an entity around takes time. Any cultural transformation is a process, not an event. There is strong leadership commitment and pressure from the top, but the challenge lies in cascading that urgency across the entire organization."

The significance of these changes will become apparent only once production figures improve. According to Dijemi Bassir, CEO of Ofserv, a consulting and contracting service company, Nigeria's decline in oil production has been misunderstood. Bassir elaborated: "Before the new government in 2023, the narrative was that oil theft was the main reason for production decline, without paying enough attention to natural decline. Depending on the field, production will decline naturally by 10-15% each year, maybe more. Upstream business is about continuous investment in new and existing wells to maintain the baseline."

Boosting production is crucial for several stakeholders. For the newly operating Nigerian owners of former IOC investments, sweating those assets will be critical to fulfill the financial obligations set forth in their acquisition agreements or to pay off the debts accrued in financing these acquisitions. For the Nigerian government, whose principal revenue source is the industry, boosting production is also key. As the Tinubu government settles in for the rest of its term, it has outlined the importance of increasing production for its revenues and ability to generate work, education, and infrastructure for Nigeria.

In late 2024, the Nigerian Upstream Petroleum Regulatory Commission (NUPRC), following President Tinubu's directions, launched the One Million Barrels Per Day production initiative. The initiative was followed by announcements for a 2025 oil licensing bid round.

Chichi Emenike, managing director of Neconde Energy, summarized how oil and gas underpins Nigeria's fortunes, stating: "The government is also highly invested in improving production, given that oil remains the state's primary source of revenue. Budget planning, foreign exchange projections, and economic stability are directly tied to the sector's performance. There is a clear motivation to recover lost ground."

Neconde Energy, a JV owner of OML-42, a former Shell asset, has prioritized infrastructure investments and optimization programs to boost production on-site. According to Emenike, when interviewed last year, the company was producing in the 35,000 bopd range and has managed to grow its figures into the 40-45,000 bopd range, a significant step up. Short-term interventions are the name of the game, said Emenike. Like some of his bigger E&P peers with newly acquired assets, Neconde has been pursuing the low-hanging fruits first to boost production figures. Emenike continued: " Many operators prioritize short-term projects that can deliver quick results without requiring massive capital investments. For example, some of the production gains we achieved last year resulted from relatively straightforward interventions—sectional replacements, flowline integrity enhancements, and other operational optimizations."

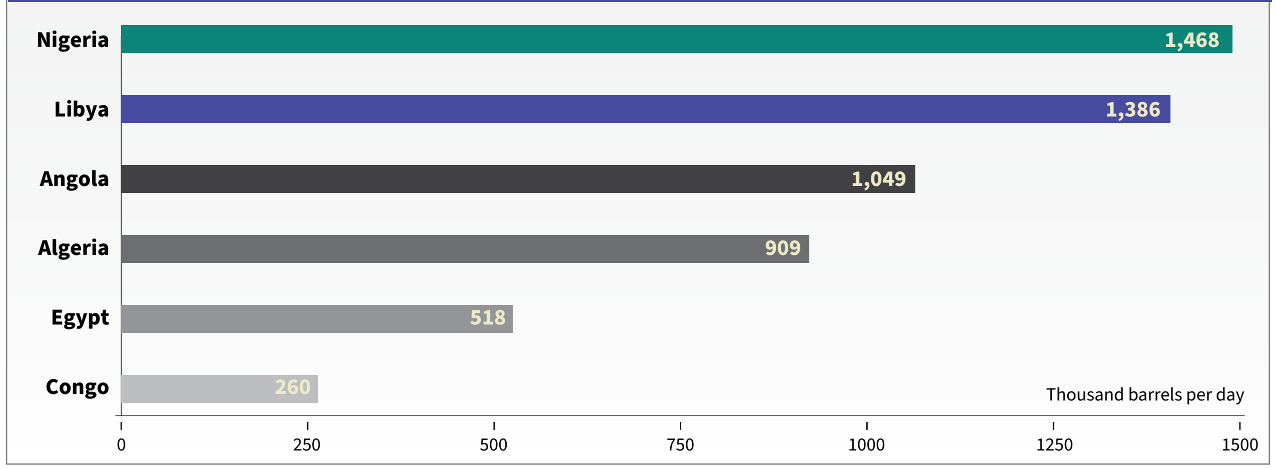
Gas for growth

Nigeria's government continues to promote gas as a central pillar of its energy strategy. The "Decade of Gas" initiative, launched in 2021, aims to increase gas use by 2030 significantly. Even as the leading energy stories for Nigeria in 2025 revolve around oil and IOC transitions, gas developments continue to take place and pick up pace. The most significant gas investment in years took place in December 2024, with Total's US$550 million FID for the Ubeta gas field development. Gas can no longer be ignored among mid-sized and smaller Nigerian E&P players. A policy cocktail of commercial penalties and incentives through the gas flaring commercialization program and an intense national program on gas for national development coming from the Presidency has made commercial actors across up, mid, and downstream set their sights on gas as a valuable commodity for export, and a catalyst for national prosperity.

Recent leadership changes at NNPC, including the appointment of David Ige to the Board of Directors, point to the government's ongoing commitment to gas commercialization and development, as Ige was one of the architects of Nigeria's Gas Master Plan. The sense of direction is positive, according to Deloitte Nigeria. Discussing how the government's strategy was positively impacting gas development, Olumide Esan, partner and energy & chemicals leader at Deloitte Nigeria said: "There has been stability in the exchange rate, which is crucial. I am more optimistic now about monetizing Nigeria's gas reserves. There is increasing interest in FLNG and domestic LNG. The government encourages gas use, recognizing that Nigeria and Africa are energy poor."

To unlock the industry, further regulatory changes will be necessary. Abdulmajeed Abolaji, senior associate of energy and project finance at Dentons ACAS-Law, a law firm for oil and gas in Nigeria, said: "The industry is looking for a more liberalized gas pricing framework, as we are starting to see in the power sector.

Top Oil Producers in Africa, Q1 2025



Source: OPEC, ANPG, MEES

Without precise pricing mechanisms, long-term investment in gas infrastructure remains difficult."

Among those Nigerian upstream players devoting greater resources to gas is SunTrust Atlantic Energies. Starting as an oil-focused marginal field operator in 2003, the company has since diversified into gas and pipelines, as well as crude processing and facility development. Drilling campaigns at their Umusadege field two years ago, according to Ugo Okafor, SunTrust's CEO, confirmed a potential gas and condensate opportunity for the company there. Becoming an integrated energy company is a complex process, and the company has contracted experts to understand how Umusadege's gas potential can be monetized. Discussing this gas development, Okafor stated: "We have options. There is the AGPC hub for the OB3 pipeline. FrazEnergy offers a mini-LNG plant solution where they would come to Umusadege and process our gas, and we have signed an MOU. Axxela also has a large gas processing plant nearby. We are pursuing the LNG option now but will likely have enough gas for multiple options."

Exploration will be key if Nigeria wants to become a gas-exporting powerhouse and power a domestic industrial renaissance. It already has 200 tcf of proven gas reserves. Discussing the scale of the gas challenge for Nigeria, Johnbosco Uche, president of the Nigerian Association of Petroleum Explorationists (NAPE) commented: "To meet the country's electricity demands of around 40,000 MW, we require approximately 8 bcf/d, considering that 200 mmcf is needed to generate 1,000 MW. This requirement increases significantly when including export demands. However, our reserve replacement ratio is below the required threshold, indicating that we are not discovering enough gas to meet future needs. There is an urgent need to explore deeper and utilize advanced technology to efficiently discover and develop additional gas reserves."

For Nigeria to tackle this challenge, it will need an army of qualified engineers. There is no labor scarcity in the country, but qualified manpower is rare. The Oil and Gas Trainers Association of Nigeria (OGTAN) has been promoting youth mentorship programs to transfer knowledge from older generations to current students and is also venturing into gas certification programs. It recently received approval to offer CNG Conversion qualifications by the National Board for Technical Education (NBTE). Mazi Sam Azoka Onyechi, president of OGTAN, said: "We are developing training programs specific to gas and are already collaborating with industry stakeholders to ensure that the skills we teach align with international standards."

The scale of the gas problem for Nigeria's power industry is undeniable, and the scarcity of available gas resources for power and industry has pitted the two critical sectors as competitors for years. One major issue impacting the gas industry in recent years has been a lack of financial liquidity, the result of a payment backlog accrued by power sector customers, which inhibited the ability of gas players to invest their earnings in further infrastructure upgrades and widen the availability of commercial gas. Though liquidity concerns are improving, the issue remains scale, namely the power industry's thirst for gas, which is overshadowing industrial demand. Pade Durotoye, managing director of Nigeria for Savannah Energy, said: "Many of Nigeria's power plants require up to 100 MMscfpd, while the many small-scale industrial users consume only around 2.5 MMscfpd. As long as the power sector's needs are so great, it will likely continue dominating governmental decision-making."

Durotoye added that the demand for gas was so high in the industrial sector that industrial customers were establishing new operations based on verbal agreements with gas suppliers. This demand has driven investments into new capacity and infrastructure for Tetracore Energy Group, a gas distributor based in Lagos. The company has doubled its daily gas distribution capacity in the past year, increasing from 50-60 MMscf to more than 120 MMscf. Tetracore also reported improved liquidity and payment schedules from the power sector, allowing companies to reinvest. The size of Nigeria's gas reserves and the relative economies of scale created within the country are allowing Nigerian players to venture abroad. Tetracore is one of those companies. Pursuing opportunities in Equatorial Guinea, Gambia and Tanzania, the company recently began constructing a CNG facility in Tema, Ghana. Oladayo said: "Our facility in Ghana is expected to become operational by 2025, and we have already signed agreements with off-takers transitioning to more affordable gas options."

Additionally, the company is venturing into transportation. A critical facet of Nigeria's gas transformation has been adopting gas solutions for transport, including Auto-CNG, which Tetracore is tapping into. Oladayo Williams, program executive at Tetracore Energy Group, said: "Over the past year, Tetracore has invested over US$60 million in expanding our industrial gas supply portfolio. This is part of our strategy to meet the growing demand and secure long-term contracts with large industrial players."

CNG is the backbone of Nigeria's domestic gas strategy. The government of Nigeria has launched a Presidential CNG Initiative,

"We now explore and develop fields as integrated assets, targeting gas and oil simultaneously. This presents huge opportunities for the onshore and shallow water players."

John Anim, CEO,
Platform Petroleum

and private industry players are looking to supply affordable gas to remote and underserved parts of the country, which are starved of energy. In northern Nigerian states, energy deficits are particularly pronounced, and one company, A4E Energy, has embarked on a project to remedy this. Currently, A4E is constructing a 3 MMscf CNG facility in Ajokuta, Kogi State, which, once functional, according to Anthony Isodje, managing director, will address the gas supply deficit north of Kogi up to Kaduna. Isodje explained: "Currently, only one CNG facility serves this region, making it difficult for the government to achieve its economic growth objectives. Industries cannot operate on diesel or petrol sustainably; they require a more affordable and reliable fuel source."

Nigeria's booming population and industrial ambitions make gas commercialization and expansion extremely attractive. The country's very survival could hinge on its ability to exploit its gas reserves as a means of export and a key to unlocking domestic development. The NUPRC's figures suggest gas demand is trending towards a compound annual growth rate of 16.6% by 2030, resulting in a 3 bnscf shortfall in supply daily.

Service providers

Companies across the spectrum are falling into line and aligning their strategic objectives with the government's vision to increase crude oil production in the coming year. Whether it is maintenance, security, infrastructure upgrades, or other interventions, the Nigerian service industry is keen to work and expects a deluge of contracts now that the IOC handover has been completed. At the same time, some companies, accustomed to IOC contract work, will be pivoting their service offerings to gain more exposure to offshore operations and continue working with the supermajors. Kenneth Okeiyi, CEO of Eunisell, discussed this transition: "Companies have been expecting that the new owners will embark on a wave of maintenance, upgrade and construction works, looking to pump production figures in the short term, or 'sweating' their newly acquired assets. On the other hand, some are skeptical."

Eraskorp is positive that there will be an increased workflow as the E&P sector ramps up production. The company also works on pipeline asset integrity and security and has been sounding the alarm on the risks associated with gas pipeline integrity. Maxwell Oko, Eraskorp's CEO, said: "Our experience on the gas side is alarming. During a recent inspection of a condensate pipeline, we

found over 100 illegal tapping points where condensate was illegally tapped from live lines. This is extremely dangerous. The government must immediately extend the security measures applied to crude pipelines to condensate and gas pipeline infrastructure."Pipeline integrity and security is a critical issue for Nigeria's oil and gas industry, which has a chronic history of pipeline disasters. In March of 2025, a series of explosions rocked the Trans-Niger Pipeline in Rivers State, a crucial conduit for crude oil with a capacity of 450,000 bpd, now owned by Renaissance, the new owner of Shell's onshore assets. The same state has since been placed under a State of Emergency ordered by President Tinubu, who suspended the state's governor and legislative arm. Oil and gas remain at the center of Nigeria's politics, and the transition to Indigenous operators might further complicate the relationship between oil and politics.

Political risk is always around the corner in West Africa. Cheta Nwanze, founder of SBM Intelligence, said: "The biggest risk Nigeria faces is the political temptation to reverse hard-won economic reforms for electoral gains. By this time next year, the country will be in full campaign mode, which could lead politicians to make populist decisions that undermine economic stability."

Regarding the private sector, pipeline security is crucial to protect profits and attract further investments upstream, so Nigerian service providers have historically focused on solutions to improve security and integrity across the country's vast pipeline network. Among the newest providers of solutions for this problem is Revoseal, part of the Bicens group of companies led by Morris Idiovwa, CEO. Revoseal has entered into an exclusive partnership with Carbontech, a South African OEM that manufactures advanced composite solutions to restore damaged assets to their original design strength without requiring shutdowns. This partnership applies to the Nigerian and other West African markets. Idiovwa, Revoseal's CEO, said: "Around 70 to 80% of Nigeria's energy infrastructure is aged and damaged due to corrosion and sabotage. Our primary responsibility is to restore these damaged assets to their original design strength."

Despite these challenges, it is undeniable that Nigeria's service provider ecosystem is in full swing, and more and more local companies can provide high-end engineering, manufacturing, and maintenance work, setting Nigeria apart from many other African oil and gas countries. Kayode Thomas, CEO of Bell Oil and Gas, explained how crucial the work of the Nigerian Content and Development Monitoring Board (NCDMB) has been to position Nigeria in the place it is now: "Before the Local Content Act, local companies struggled to gain traction in the industry. However, since the act was signed into law, the NCDMB has been instrumental in ensuring that local companies can compete and that their efforts are recognized and supported."

Indeed, engineering works on Nigeria's pipelines in 2024 and 2025 have proliferated. The US$3 billion Ajaokuta–Kaduna–Kano (AKK) Gas Pipeline is nearing the final construction phases. Oilserv, one of Nigeria's pre-eminent oilfield services companies, is nearing completion of its segment of the AKK, a 303 km x 40-inch diameter pipeline, according to Cheta Okwuosa, Oilserv's group GM commercial and business development. Oilserv also won a significant pipeline construction project with TotalEnergies for the Ubeta gas field development and several local projects for Shell.

As the IOCs continue their shift offshore, Oilserv is adapting. Okwuosa said: "We expect significant investments from IOCs, particularly in deep offshore projects, as they aim to supply gas for LNG expansion. That is why we are focusing on partnerships to enter the offshore sector… We have partnered with Van Oord and are looking for other partners with deep offshore experience."

"Government intervention is needed to establish better long-term project financing. The NCDMB has been providing some support, but its funding capacity needs to be expanded to allow more businesses to compete effectively."

Maxwell Oko, Founder and CEO, Eraskorp

The offshore's lucrative yet specialized market has always been the target of Global Process & Pipeline Services Limited (GPPSL), a specialist in pipeline and facility pre-commissioning, maintenance, vessel cleaning, tank cleaning, hydro testing, pigging, and nitrogen services. As other local providers scramble for contracts with Indigenous operators, GPPSL remains focused on the offshore and is looking outside Nigeria for opportunities. Obi Uzu, GPPSL's managing director, explained: "We deliberately focused on a sector with high technical expectations and low local competition. Deepwater operations have fewer local competitors, better revenue opportunities, and fewer security and social issues than onshore operations."

For SPIE Global Services Energy, the French EPCIC giant with over 47 years of history operating in Nigeria, the IOC transition will profoundly affect business in Nigeria. SPIE's business was built on IOC contracts, and it is adapting to changes in the industry. Nigeria also serves as a base for other West African operations, which have been a key source of growth and diversification. SPIE's resilience in Nigeria has been thanks to its decentralized global business model. Guillaume Niarfeix, managing director - West Africa, explained: "We offer comprehensive solutions, from maintenance contracts with measurable outcomes, to turnkey commissioning projects. Another key differentiator is our investment in training and skill development. We have established a world-class training center in Port Harcourt, which is certified to OPITO Level 2 standards. This facility is unique in Africa and serves our internal workforce, clients, and local community members."

From their inception, many homegrown Nigerian service companies have been forced to become exceedingly innovative and resilient, a by-product of the industry's challenging nature. Therefore, while some companies are scrambling to adapt to the new reality, others, like Polaris Integrated GeoSolutions Limited (PIGL), have a track record of working with local as well as international companies. The company, headquartered in Port Harcourt, offers solutions, including site characterization, geomatics, geospatial analysis, marine geophysical surveys, remote sensing, and geotechnical investigations. It also has a construction and engineering division, which provides pipeline front-end engineering support, fabrication, civil works, and pipeline construction services. Typical of many service providers in the country, PIGL has expanded its service offering into higher value services over time. Chigozie Dimgba, PIGL's managing director, said: "Our ability to provide tailored solutions to indigenous oil companies and marginal field operators sets us apart. Unlike IOCs with structured QA/QC supervision, local firms require high-quality services at optimized costs. We ensure they maximize value without compromising on global industry standards." ■


Image courtesy of Afentra

Angola's Upstream Diversification

Interest in the onshore grows

Angola is a historic pillar of Africa's oil and gas industry and Sub-Saharan Africa's second-largest producer after Nigeria. Wood Mackenzie data suggest average daily production hovered around 1.15 MMbd in 2024, a healthy figure that's been in steady decline since the 2015 peak of 1.88 MMbd. IOCs, including TotalEnergies, ExxonMobil, Chevron and Azule Energy (the BP-Eni JV) continue to dominate production offshore. However, as the Angolan upstream continues to mature and its natural decline continues, Angolan regulators recognize that the nature of the industry must change. Smaller players must be encouraged, new exploration campaigns and onshore production fields must be promoted, and value must be retained in the country if the country is to benefit from a relatively smaller industry. Gas has also increased in importance. The Angola LNG project is set for expansion as gas supply availability increases. In December 2024, Chevron unlocked an additional 80 MMscf of gas from a Sanha field at Block 0.

The Angolan government has been keen to attract new players to the country, and the National Oil, Gas, and Biofuels Agency (ANPG) has signaled its intentions to launch new oil block bidding rounds in 2025. At CERA Week in Houston this year, ANPG declared that over US$60 billion in investment commitments for oil and gas had been secured in the coming years. Angola's goal was to maintain oil production figures, attract new investments, and diversify the nature of the industry. The regulator announced intentions in September 2024 to improve its geological database for the onshore Kwanza basin, a sign of its desire to take steps necessary to attract and persuade foreign investors to commit to Angolan exploration and production campaigns. More recently, in April 2025, the ANPG signed a Memorandum of Understanding (MOU) with ReconAfrica, the exploration pioneer in Namibia. The MOU involves a joint exploration project in Angola in the Etosha-Okavango basin. The company's press statement said that recent regulatory changes in Angola had made it an attractive destination for ReconAfrica to explore. This MOU followed an ANPG agreement with Xuan Thien Group (XTG), a Vietnamese energy company, in March 2025 to research and explore the same region.

"Today, there is considerable appetite for investment from various sources, including trading companies increasingly active in financing acquisitions."

Ulanga Gaspar Martins,
Chairman and CEO,
Poliedro

However, the primary priority for the Angolan government in the short term is for Angola to retain its 1 million bpd plus daily production figures. One way to achieve this objective is by attracting independent players who are resurgent in Africa and specialists in unlocking value from mature assets with a long history and post-peak production. Pioneering this charge into Angola's mature asset base is Afentra, the London-based independent company comprised of former Tullow Oil executives with a long history working in mature North Sea fields and exploration campaigns across Africa. The past year has seen Afentra consolidate itself in Angola in its third deal in-country. It completed a value accretive deal with Azule Energy to position itself with a 30% stake in Block 3/05, a shallow water field operated by Sonangol, which recently awarded a five-year maintenance contract to SPIE Global Services Energy.

In Angola, having Sonangol as the partner operator is unusual, though Afentra has made the most of it. Discussing the steps taken by the company to ensure the assets continued and improved productivity, Paul McDade, CEO of Afentra, said: "We are preparing to bring in a rig in 2026 to conduct workovers and infill drilling in the existing fields. In addition, we are focused on several development projects. Combining all these efforts, we aim to increase production from over 20,000 to 40,000 bpd."

Afentra's work is not limited to the offshore, and the company is making serious efforts in the onshore Kwanza basin. It recently signed licenses for KON19 and KON15, working alongside ACREP and Sonangol. Afentra's attention turned to the onshore given the Kwanza basin's history as a proven, working hydrocarbon system, having produced up to 15,000 bpd in the 1960s and 1970s, though the Angolan civil war disrupted the industry. Afentra will make use of FTG (Full Tensor Gradiometry) technology, and is planning seismic surveys in 2026 for the onshore. Discussing how Afentra's collaboration with ANPG had made an onshore play possible, McDade said: "ANPG has been a key partner in supporting our work in the Kwanza Basin, especially in our use of FTG. Through their efforts, they have created a commercial environment that allows us to make substantial investments."

Other companies are beginning to take note. With Afentra in the Kwanza basin and ReconAfrica planning to explore in the south, it is clear that the ANPG is serious about diversifying Angola's oil and gas industry. In January 2025, Oando, a Nigerian energy player, successfully bid for KON-13 in the onshore Kwanza basin. Oando will lead as the block's operator with a 45% interest, alongside Effimax and Sonangol. Equally recently, Red Sky Energy, an Australian company , has turned to Angola. The company signed a deal in December 2024 and was awarded a 35% interest in Block 6/24, just offshore Luanda, in partnership with ACREP and Sonangol. Discussing the company's deal in Angola, Andrew Knox, Red Sky Energy's managing director, said: "It is a relatively small field but has significant upside. The block is about 4,930 km², with about 1,465 km²of 3D and 1,531 km2 of 2D seismic. It has one discovery, the Cegonha well, with heavy oil at 18 API, but this can be produced."

To attract nimble players like Red Sky Energy, who can pick and choose between energy jurisdictions worldwide, the ANPG has to establish an attractive fiscal and regulatory framework to complement Angola's natural geological gifts. Knox mentioned that Australian financiers are particularly sensitive to strong governance and fiscal regimes. The company could tap into a financial base with a history in African mining jurisdictions that might naturally make the crossover to oil and gas. In regards to Red Sky Energy's experience working alongside the ANPG and what attracted the company to Angola, Knox said: "We focused in on Angola for several reasons; the country is highly prospective for hydrocarbons and still has 1.1 mbblspd of production, the fiscal terms are attractive as the government has recognized the need to be competitive and has also in recent years addressed governance with the split out of ANPG as the regulator and an independent vetting process."

Homegrown companies look to operate

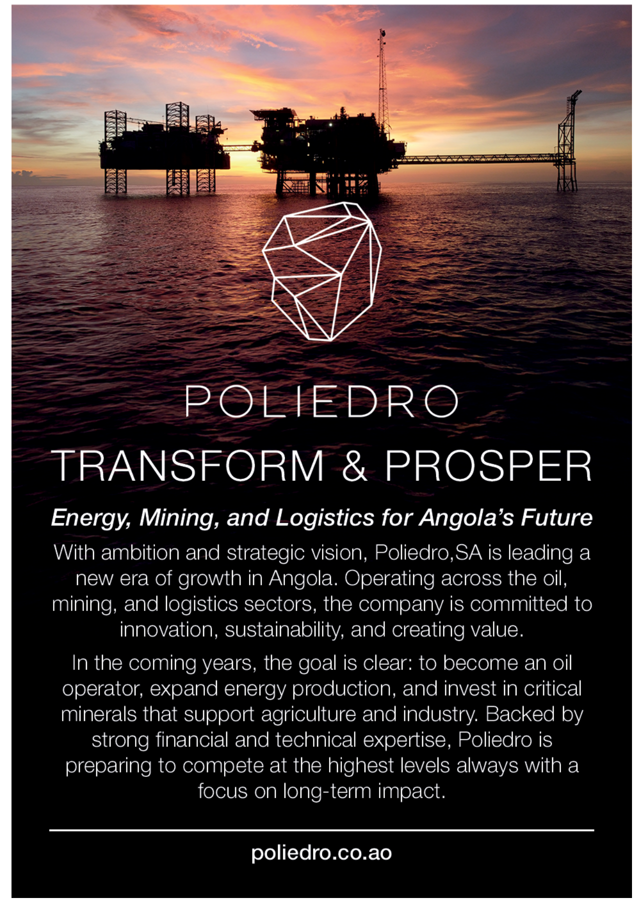
Making the onshore play a reality in Angola also opened up the possibility for a new type of operator to emerge; the homegrown kind. Though Etu Energias remains the standout example, with hefty financial support from the AFC to the tune of US$60 million acquiring Galp assets, offshore operations remain out of reach for most, given the technical and financial requirements at hand. Other notable examples include ACREP.

Onshore operations are a different story. With over 50 onshore blocks available, the ANPG has made clear it wants companies to start producing. Nevertheless, capital remains an issue. EY Angola has been working closely with local companies in the energy space, some of which are looking to make the leap into operatorship. Discussing their challenges, André Afonso, assurance partner at EY Angola, said: "The most significant challenge for Angolan companies entering the operator space is access to financing. Banks are often reluctant to extend credit to local companies, influenced by an outdated perception of limited transparency, although this view is gradually improving."

Local banking institutions, which face challenges in funding major IOC and international company projects, could find an opportunity as more local players venture into the operating space. Afonso added: "ANPG has shown openness and flexibility in addressing this challenge by working with potential investors to design sustainable project frameworks. As long as companies maintain transparency and present viable proposals aligned with Angola's goal of maintaining production levels, the regulator has demonstrated a willingness to support and incentivize their participation."

Poliedro is one such company that is interested in operatorship. Established in 2004, it is a local content success case built on its experience across the three sectors it operates: mining, logistics and oil and gas. As international companies adjust and optimize their Angolan exposure due to natural production declines, Poliedro is gearing up to seize the initiative. The company's vision for 2030 is to become an oil block operator, and to pursue this end, it brought on Tchitalene de Almeida, executive director, to outline its roadmap towards operatorship. Almeida commented: "On the oil side, we are beginning to witness the portfolio reorganizations we had anticipated, and we are actively participating in bidding processes for assets, including Block 14 and several others expected to be offered soon."

With that vision in mind, Ulanga Gaspar Martins, Poliedro's chairman, commented that financing and technical capacity are the two biggest obstacles faced by the company. On the financing side, however, Martins added that the investment appetites are



shifting, and there is a renewed interest in natural resources plays, and trading companies are actively supporting acquisitions within the space. For Martins, the main challenge is technical. He said: "The technical side is more complex, as we must recruit and retain highly skilled professionals and offer competitive packages to maintain operational excellence when the majors exit."

Regulatory challenges also exist. Geraldine Geraldo, executive director of Corcel, said: "The regulatory framework was designed for majors and large-scale oil and gas operations. The market, including the regulatory framework, will eventually have to be tailored to increase investment in the onshore."

Corcel is an AIM-listed company with three onshore blocks in Angola: Angola KON-11 (20%, non-operated), KON-12 (25%, non-operated), and KON-16 (55%, operated). Geraldo also commented on some operational challenges related to onshore work: "From an operational perspective, there is a limited offering of goods and services for the onshore."

Springboard to Namibia; Angola goes global

Azule Energy, the Angolan entity and bp-Eni JV, made news last year with its farm-in at PEL 85 in Namibia, an oil block operated by Rhino Resources. This move, not untypical for supermajors eyeing up the greenfield jurisdiction, has drawn attention to another trend: growing Angolan interests in Namibia. The two countries have a shared history, borders, and local languages. In addition, the cultural ties are strong, and Namibia has long been a destination for Angolan students looking to sharpen their English speaking skills. With the nascent oil and gas industry now taking root, however, Namibians will be looking more to their northern neighbor with its established production, service provider ecosystem, and local content laws, as a source of education. Many Angolan companies we spoke to during our round of interviews agreed that Namibia can be the future and will internationalize previously local Angolan players.

The Angola O&G Service Companies Association (AECIPA) signed an MOU in 2023 with the Namibian Association of Offshore Oil and Gas Service Providers, further strengthening the collaboration between the two countries and allowing for increased knowledge and commercial transfer between established service providers in Angola and up and coming ones in Namibia. Bráulio de Brito, AECIPA's chairman, commented: "We see Namibian companies and the Government itself, seeking support, advice, and guidance on their way forward so that they learn from our experiences."

In a roundabout way, an Angolan company that can operate in Namibia will become more competitive in the tendering process in their own country. There is a credibility factor at play, as local Angolan players often compete with international service companies that have established Master Service Agreements (MSAs) with IOCs around the world and thus have an advantage when bidding for work due to prior experience working together in other jurisdictions.

Octomar, the country's leading independent diving and marine services company, has had this experience. Though the company had a record-breaking 2024, ending with four parallel operations for the first time and over 120 diving personnel working offshore in the last quarter of 2024, Ricardo de Amaral, Octomar's general manager, still says there is a stigma attached to Angolan companies and their competency: "Our biggest challenge is increasing our market share. Of course, payment delays are a challenge, but our

"In Namibia, we are focusing on soft skills, training, agency leadership, and support services that are not so heavily reliant on equipment."

Jurelmo Lopes,
CEO,
Mainsol

biggest obstacle is gaining new business in the Angolan market. It is very distressing when, after 25 years of operating in Angola, there are still questions about whether an Angolan company can execute contracts of specific dimensions despite all our certifications and track records."

To shatter this perception at home and pursue new opportunities, the company has been busy casting its eyes across some of Africa's most dynamic energy hotspots. Through a web of subsidiaries in Mozambique (MOcto), Namibia (NOcto), and Côte d'Ivoire (CIOcto), Octomar is actively bidding for contracts with IOCs across the continent. In Côte d'Ivoire , it contributed diving services to installing the country's first FPSO for Eni, and is currently pre-qualifying to participate for new tenders with Eni Coral in Mozambique, and formed a JV in Namibia with a subsea services provider, establishing a base in Walvis Bay. Discussing Octomar's long-term vision, de Amaral said: "In addition to Angola, we aim to secure a long-term contract in one of the countries where we recently established entities—whether in Côte d'Ivoire , Namibia, or Mozambique—ensuring two strategic anchors for the company's expansion."

Similarly, Prometim, a maintenance and services provider, continues to expand its footprint across Africa. The company is ramping up operations in the Republic of Congo, a natural step for many companies with a strong presence in Cabinda, the Angolan exclave. Ana Nobre, the company's CCO, said: "Congo is becoming a key focus for us as new LNG projects reshape its energy landscape. The country is shifting from oil to gas production, driving demand for maintenance, commissioning, and decommissioning services — areas where we bring strong expertise."

Prometim's objectives are not limited to Angola and Congo, however. Nobre added, "In 2024, we completed all the necessary documentation and registration processes in Tanzania, Uganda, and Namibia, and we're now finalizing the same in Mozambique. We aim to build a strong foundation, ready as activity ramps up."

As the oil and gas sector boots up in Namibia and local content laws kick in, one commodity will be on everyone's minds: skilled Namibian labor. In this sense, Angolan companies have much to contribute, as training for Namibian workers will be key for the country to unlock any value from the industry fully. Victory Oil and Energy is an Angolan-based company that has identified this opportunity. The company already offers training solutions and has a training center in Angola. Ola Adebowale, Victory Oil and Energy's CEO, said: "Our training services are gaining traction, thanks to investments in training centers in Namibia and Angola and strategic partnerships. We are broadening our scope to include project management and engineering services." Adebowale added: "Namibia's capacity building will involve collaboration between private companies, the government and universities. These three elements must work together to achieve this. To accomplish our goals, we must connect all three dots."

Local content evolution

Angola's local service provider sector continues to evolve and, as the country's upstream grows more mature and new onshore opportunities are pursued, the space for local players will continue to grow. Nevertheless, the technically challenging nature of Angola's offshore sector and long touted payment and local currency issues continue to impose a glass ceiling on local players, which many hope to smash. On the other hand, some international companies have successfully adapted their business to suit local content requirements. Mainsol, an Angolan drilling and well services provider founded in 2015, is a great example. Thanks to a partnership with Baker Hughes, the company is constructing a liquid mud plant in Soyo that will transform its business. Nevertheless, surviving 10 years in the industry has not been easy, according to Jurelmo Lopes, CEO, and challenges persist. He said, "International companies mostly get paid in strong foreign currency but will try to ensure that local companies are paid in local currency. So, for equipment imported in foreign currency, you have to pay to exchange Kwanzas into foreign currency first. There is also the risk of the lag time between payment terms."

Papyrus, a homegrown industrial maintenance and painting company, has experienced similar difficulties and challenges in securing contracts with international companies. The key to its success has been international partnerships with PPG and Layer, which it now wants to transform into deeper relationships. The synergies in local partnerships will only grow as local content regulations strengthen. Luc Antoine M'Boua, CEO of Papyrus, said: "A significant aspiration is to secure a substantial offshore contract and invest in establishing our paint production plant in Angola. We import paints, but we want to transition to local production and develop a more integrated service and product offering." ■

"Angola follows a trajectory similar to the Gulf of Mexico and the North Sea. The future lies with mid-sized companies and independent operators in mature African markets such as Gabon, Nigeria and Angola."

Charles Lowery,
General Director,
TEST Angola

Nearly, Namibia!

Namibia's upstream nears production

Namibia is on everyone's minds. A greenfield opportunity amidst a sea of mature oil markets in Sub-Saharan Africa. New exploration work, farm-ins and regulatory changes have set a fast pace over the past year. It is becoming clear that this industry will be transformational for the country, evidenced by the amount of regulatory changes and announcements that have been observed recently. In March 2025, Namibia's first-ever female president, Netumbo Nandi-Ndaitwah, was sworn in. The SWAPO party that she leads, which has governed Namibia since independence, is steadily losing democratic support, potentially putting a political risk premium on the country's oil and gas industry. As such, the new president has made bold moves; President Nandi-Ndaitwah dismissed the entire cabinet on her inauguration, except the Minister of Defense, and has announced a regulatory shake-up for the oil and gas industry, shifting jurisdiction for the sector from the Ministry of Mines and Energy to the Presidential Office.

At the Namibia International Energy Conference (NIEC) in April, Rhino Resources, one of the leading exploration companies operating in the Orange Basin, announced a significant light oil discovery at Petroleum Exploration License (PEL) 85, in Block 2914A, the same block that Azule Energy, A BP-Eni JV, farmed into in December 2024 with a 42.5% non-operating interest. In addition to Rhino's announcement, the conference was a call to attract investors to Namibia's prolific Orange Basin and its sub-basins. Maggy Shino, Namibia's Petroleum Commissioner, re-affirmed the country's commitment to becoming a producer, or achieving its first oil, by 2030, and outlined the various milestones achieved by the country during the past year. Dr Marcio Mello, renowned Brazilian geologist and head of the Namibia Energy Corporation, announced that the Orange Basin is a multi-billion barrel system and that the Walvis and Lüderitz sub-basins, which form part of the same wider basin, cannot be ignored.

International attention is growing as discoveries and announcements are made. In addition to Azule Energy's farm-in announcement, QatarEnergy, the gulf major, enlarged its Namibia position in late 2024, taking a 27.5% interest for Block 2813B in PEL 0090, joining Chevron subsidiary Harmattan Energy Limited. This move bolsters QatarEnergy's other regional interests, including the TotalEnergies Venus project on the South African side.

Race to first oil

The most anticipated event for Namibia's oil and gas industry is TotalEnergies FID on its Venus Discovery in the Orange Basin. The ultra-deepwater project, which TotalEnergies expects to produce some 150,000 bpd in addition to 550 million scf of gas daily, will be developed by over 40 subsea wells and an FPSO system. The company has suggested that FID could come in 2026, though there is a fiscal caveat: Total needs to drive costs below US$20 per barrel. As such, budgetary terms are on everyone's minds. In the immediate aftermath of the NIEC, Patrick Pouyanne, TotalEnrgies' CEO, visited Namibia to meet with the country's new President, Netumbo Nandi-Ndaitwah. The Venus project dominated discussions, as Pouyanne stressed the technical challenges involved in bringing the ultra-deepwater project online and some of the fiscal incentives necessary to turn Venus into reality.

On the ground, moves are being made to prepare the country for the first oil. The formerly sleepy fishing town of Lüderitz is now wide awake. A partnership between FlyNamibia and TotalEnergies signed in late 2024 has reinstated weekday flights between Eros Airport in Windhoek and Lüderitz Airport. This is a clear sign that the company anticipates increased volumes of personnel flying into Windhoek and heading to the coastal city as the Port of Lüderitz prepares to be expanded and better service oil and gas projects offshore.

"Many Angolan companies are expanding or exploring opportunities that Namibia has to offer. It has been very dynamic, with lots of companies wanting to go to Namibia."

Bráulio de Brito, Chairman, AECIPA

Total is not the only company approaching first oil. Other contenders include Rhino Resources and BW Energy. As mentioned, Rhino Resources' light oil discovery at PEL 85 has advanced its plans, and BW Energy is developing its Kudu gas discovery in the northern Orange basin. BW Energy has sanctioned the drilling of an appraisal well targeting the Kharas Prospect north-west on the Kudu formation in late 2025. Martin Mkhabela, director of energy at WSP in Africa, said: "Namibia is seeing a surge of activity and excitement following recent oil discoveries. As exploration data becomes available, it is clear that many of the oil discoveries exhibit significant quantities of associated gas. This has sparked interest from gas and LNG traders, and several projects have been conceptualized, including gas pipelines to South Africa and small-scale LNG developments."

Eco Atlantic Oil and Gas has spearheaded exploration efforts across the various Namibia and South Africa basins and has also made significant strides. Gil Holzman, Eco Atlantic's CEO, said: "We are on an active farm-out effort, and we see more and more interest coming from the major companies already active in Namibia in expanding their footprint out of the Orange Basin into additional sub-basins in Namibia."

The company is undergoing a drilling campaign at Block 3B/4B on the South African side, anticipating big discoveries. It is also looking

"Namibia's strong maritime heritage ensures a skilled workforce with a good standard of education, making recruitment easier."

Ricardo do Amaral, General Manager, Octomar

to complete new farm-out deals in Namibia to unlock further value in the Walvis Basin. Assessing Namibia's readiness for first oil, Holzman added: "For a non-producing country, Namibia is probably one of the best-equipped countries to become a producing country."

Finding local content champions

On local content, this government and previous ones want the oil and gas industry to deliver tangible benefits for the broader population. Namibia struggles with high unemployment rates, and the hope is that with a sensible policy prescription, value will be added at home, which can generate much-needed jobs. Discussing Namibia's infrastructure, Holzman from Eco Atlantic said: "From the experience gained in fishing, mining, and manufacturing, Walvis Bay and Lüderitz, with few modifications and investment, should be equipped to service the industry."

At FNB Namibia, the country's biggest commercial bank, identifying how to foster that local supply chain has become a priority. Connie-Marlene Theyse, head of enterprise banking at FNB Namibia, said: "We are mapping Namibia's existing oil and gas ecosystem and identifying where it represents opportunities for our clients. Many of our clients in industries such as logistics, warehousing, engineering, waste management, hospitality and chemical supply —historically focused on agriculture, construction, fisheries, and mining—are now extending their services into oil and gas."

Recognizing the opportunity in the Namibian oil and gas SME space as local content laws are implemented, Moneda Invest Africa, a Nigerian financier, has entered the market, as FNB's partner. ■

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