

DEEP WATER INTELLIGENCE

-200M

Three factories. Relief in *2029*.

-800M

Petrobras just tendered half a thousand kilometres of flexible pipe into plants already sold to 2028. Three stories on the tightest scope in the subsea chain, who pays for it, and what a second source would be worth.

-1.8KM

-3.0KM

STORY ONE · THE QUEUE

Half a thousand *kilometres*.

In January 2026 Petrobras went to market for up to 518.3 km of flexible pipe. The plants that can build it are running flat out with backlogs into 2028. The new capacity does not arrive until 2029.

On 29 January 2026 Petrobras opened a tender worth roughly \$2 billion for subsea equipment. The flexible-pipe piece is up to 518.3 km of risers and flowlines, split into two lots of 276.8 and 241.5 km, for 13 fields across the Campos and Santos basins: Albacora, Jubarte, Marlim, Marlim Sul, Roncador, Atapu, Búzios, Itapu, Mero, Mexilhão, Sapinhoá, Sépia and Tupi. Proposals went through Petronect by 13 February. One tender, larger than the two headline Petrobras flexible-pipe awards of 2024 combined.

The supply side knows it is short. NOV's flexible-pipe plant at Açú runs at or near full utilization with a backlog into 2028. For deepwater unbonded flexible pipe the qualified field is effectively three names: Baker Hughes, TechnipFMC and NOV. When the largest buyer of flexible pipe in the world tenders half a thousand kilometres into factories already sold for two years, the constraint is the plant, not the budget.

And the order book keeps filling. Petrobras has committed over \$50 billion to subsea umbilicals, risers and flowlines, and its 2026–2030 Business Plan calls for roughly 6,000 km of rigid, flexible and umbilical pipe. The January tender is one slice of that. The rest is coming.

Lead times stretch from both ends. Specialty steel and alloy raw materials for the armour layers quote past twelve months on their own, before a single carcass is wound. Slot allocation at the plant is the longer pole. Ultra-deepwater duty above 1,500 m needs 20 ksi-class designs, and only a handful of lines build them. When the bottleneck is that narrow, the price of the pipe stops being the headline and the delivery date takes over.

So the contract changes shape. Petrobras and ExxonMobil have moved to multi-year call-off agreements with qualified suppliers to lock slot allocation rather than buy pipe job by job. Capacity reservation is a clause now, not an afterthought. You are not buying metres of pipe, you are buying a place in the queue.

Capacity is finally responding. In March 2026 NOV committed \$200 million to roughly double its Açú plant, citing a backlog into 2028, and Petrobras backed the move publicly. The catch is the calendar. The new capacity comes online in late 2029. Relief is real, and it is three years out.

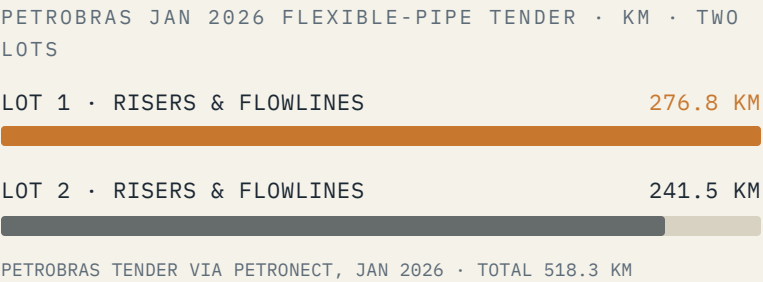
The tender closes now. The capacity lands in 2029.

The gap between demand and relief is the whole story. Petrobras tendered 518.3 km of flexible pipe in January 2026, into a supply base whose largest Brazilian plant is sold through 2028. NOV's answer, a \$200 million expansion at Açú, doubles that plant but only switches on in late 2029. For the pipe Petrobras needs before then, the queue is the queue.

Brazil's plants cannot keep up. Baker Hughes and TechnipFMC are now importing flexible pipe from their plants outside Brazil to cover Petrobras demand, and that borrowing pushes delivery dates out for their projects elsewhere in the world. A shortage in one basin becomes a delay in another.

Price follows spec. Flexible pipe runs around \$3 million per km in Asia or the Middle East. Brazilian pre-salt pipe, built for SCC-CO2 resistance and deepwater duty, runs \$5 to \$14 million per km. The premium buys the specification, and the slot. The January tender splits into two lots, the larger shown below.

You are not buying pipe. You are buying a place in the queue.



KEY INFORMATION — THE SQUEEZE

- 518.3 km** flexible pipe tendered by Petrobras, Jan 2026 (~\$2bn subsea package), two lots of 276.8 and 241.5 km, 13 fields.
- Backlog into 2028** at NOV's Açú flexible-pipe plant, at/near full utilization.
- \$200m** NOV expansion to double Açú; new capacity online **late 2029**; Petrobras backed it.
- 3 qualified suppliers** for deepwater unbonded pipe: Baker Hughes, TechnipFMC, NOV.
- ~6,000 km** rigid/flexible/umbilical in Petrobras' 2026–2030 plan; **\$50bn+** subsea commitment.
- 12 months+** lead time on specialty steel/alloy raw materials alone.

SO WHAT — FOR THE BID TEAM

On a flexible-pipe EPCI scope, the binding number is the plant slot, not the price per metre, and that stays true until NOV's Açú capacity lands in late 2029. If your bid assumes delivery without a confirmed call-off slot with a qualified supplier, the schedule is fiction. Reserve capacity at tender stage or price it as a hard risk line. Whoever holds the slot sets the date.

BRAVO TENDER WORKSPACE

Pricing a scope around a flexible-pipe slot you don't yet hold?

We map supplier call-off windows against your tender timeline.
[bravoenergy.app/tender](#)

STORY TWO · THE MOAT

The credential is the *moat*.

Anyone with capital can build a flexible-pipe plant. Almost no one can produce the thing the incumbents have, a field record the client can call. That gap is what keeps the qualified list closed.

The paper barrier is API Specification 17J, refreshed as the 2024 edition, sitting alongside API RP 17B and the DNV qualification framework, DNV-OS-C501 and DNV-RP-A203. A new design has to clear a qualification basis, technology and threat assessment, a written qualification plan, the test programme, and a performance assessment. It is rigorous, it is expensive, and it is the easy part. A well-funded entrant can pass it.

The hard part is field history. API 17J certifies that a pipe is built to a uniform standard. It does not give you a riser that has been in the water on a named field for years without failing. Operators buy the second thing, and only time produces it. That is the moat. You cannot accelerate a track record by spending more money this year.

Petrobras layers its own gate on top. Its flexible-pipe technical specification, the I-ET-3000.00-1519-291 document on the supplier portal, holds vendors to API 17J and refuses less restrictive safety factors. A technical acceptance, a TAC, gets a product through the door for evaluation. It is not the same as a full field-supply award, and entrants who confuse the two find out after they have spent the qualification budget.

Qualifying a single design runs to several million dollars. That cost cannot be recovered on a small job. It needs a large contract with a long delivery horizon to amortise, which is exactly the kind of contract an unproven vendor is not handed. The economics of qualification require the very reference the vendor is trying to earn.

Then there is the part no specification writes down. Final approval runs through technical authorities, a small group of senior engineers who decide whether a vendor is trusted. They have spent careers with the incumbents. They carry the memory of every failure they have seen, and none of those failures came from the supplier they know best. Their incentive runs one way: approve a new vendor that later fails and it lands on them, stay with the known name and nothing does.

So the bias holds even when the commercial case for a second source is obvious. It is not corruption. It is risk sitting where careers are made, with the people least rewarded for taking it.

A TAC is a door. It is not the building.

The standards work, API 17J:2024 with RP 17B and the DNV framework, can be completed in a lab. Field history cannot. It accrues only after a client trusts you enough to put your pipe on a real field, the step the moat is built to delay. Three years of Petrobras subsea contracting show it: almost every flexible-pipe award lands on Baker Hughes or TechnipFMC, and each one compounds their lead.

TIMELINE · PETROBRAS SUBSEA & FLEXIBLE-PIPE CADENCE (UPSTREAM)

- FEB 2023**
Winner emerges in tight race for a Petrobras pre-salt subsea prize.
- SEP 2024**
Petrobras awards \$530m of subsea contracts.
- OCT 2024**
Baker Hughes wins Petrobras contract for a new riser generation (77 km, now in delivery).
- SEP 2025**
TechnipFMC wins flexible-pipe contracts: Santos gas-injection risers, Campos risers and flowlines.
- JAN 2026**
Petrobras opens ~\$2bn subsea tender; flexible-pipe lot up to 518.3 km.
- MAR 2026**
NOV commits \$200m to double Açu flexible-pipe capacity (online late 2029).

UPSTREAM / COMPANY ANNOUNCEMENTS, 2023–2026

KEY INFORMATION — THE QUALIFICATION GATE

API 17J:2024 specification for unbonded flexible pipe, with API RP 17B.

DNV-OS-C501 and **DNV-RP-A203**, the technology qualification framework used alongside the API specs.

Stages: qualification basis → technology and threat assessment → qualification plan → test programme → performance assessment.

Petrobras spec I-ET-3000.00-1519-291: holds vendors to API 17J, does not accept less restrictive safety factors.

TAC: a technical acceptance/trial, not a full field-supply award.

Several \$m to qualify one design, recoverable only against a large, long-horizon contract.

THE READ

The moat is not the standard. Anyone can pass API 17J. The moat is field history plus a technical-authority class with no incentive to qualify a newcomer. Both take years and neither responds to money.

SO WHAT — FOR THE BID TEAM

If a project's commercial case leans on a non-incumbent flexible-pipe vendor, treat the qualification timeline as the critical path, not the price. Budget for the TAC-to-field-award gap, and assume the operator's technical authority will resist. For an entrant: chase a large, long-delivery anchor contract that can carry the qualification cost. Small jobs never will.

STORY THREE · WHO PAYS, WHO GETS IN

Single source has a *price*.

Three suppliers hold the qualified base, and the new capacity is three years out. Big constant buyers pay for priority. Small operators get told to wait. A credentialled second source would change both.

The squeeze does not fall evenly. Petrobras, with a constant pipeline and \$50 billion committed to subsea hardware, gets served, but on the supplier's terms. Constant high demand against a plant sold to 2028 means the buyer competes with its own future orders and pays for priority. Capacity reservation moves into the contract precisely because the alternative is to wait behind the next big order.

Small operators are in a worse spot. A single subsea tieback needs a few kilometres of pipe, not a campaign. That volume does not interest a plant that can sell the same slot to Petrobras or ExxonMobil, so the small operator is quoted a date that misses its window, or no firm date at all. PRIO's Wahoo-to-Frade tieback in the Campos Basin is the kind of independent-led project that lives or dies on getting subsea hardware on a schedule the majors are not also chasing.

This is the commercial opening, and the 2029 capacity wall makes it wider. An operator who qualifies a second source gains leverage on price and, more importantly, on date. The prize is not a discount. It is getting pipe while the incumbents are full.

The Chinese yards have the interest, the capital, and a slowly accruing record. COOEC owns a 325-tonne vertical lay system for flexible pipe, the first operated by a Chinese company, and has installed dynamic and static flexible lines in 1,500 m water depth in the South China Sea. Hizenflex has delivered a domestic high-pressure multiphase flexible pipe into CNOOC's Wenchang field in 150 m of water and is developing designs for 1,500 to 2,500 m. The capability is real and moving up the depth curve.

The obstacles are structural, not technical. Orders are sporadic, so plant and skilled labour sit idle much of the year. Qualified engineers prefer software and EVs to heavy manufacturing, which carries no glamour and, in some cases, sits in rural locations where those engineers will not move their families and find no good schools for their children. Modernisation is underway, but it runs into a chicken-and-egg trap: you need a full field reference to win the big contract, and you only get the big contract once a client trusts you enough to run you through full qualification, not just a TAC.

Local-content rules add another turn. They can require production to localise, but building a local plant needs contract visibility a vendor without the client's trust cannot get. The same loop, one layer out.

The egg and the chicken, in 2,000 metres of water.

A Chinese entrant cannot fund its way past the moat in a single step. The qualification costs a few million per design and only pays back on a large, long contract. That contract requires a field reference. The field reference requires a client to commit before the reference exists. COOEC's 325-tonne VLS and Hizenflex's Wenchang delivery show the hardware and the first depth credentials are in place. The gap is the full field-supply award, not the engineering.

The break, when it comes, will come from the demand side. Even the incumbents' own relief is slow: NOV's Açu expansion does not switch on until late 2029. A large buyer tired of single-source dates, or a national programme using local content to force a domestic option, takes one entrant through full qualification to installation rather than stopping at a TAC. Brazil and China itself are the obvious candidates.

The first full field reference is worth more than the margin on the contract that creates it.

BRAVO EXPERTS NETWORK

Weighing a second flexible-pipe source? →

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KEY INFORMATION — THE ENTRY WINDOW

COOEC: 325-tonne vertical lay system for flexible pipe, first Chinese-owned; dynamic/static flexible lay to 1,500 m in the South China Sea.

Hizenflex: domestic high-pressure multiphase flexible pipe delivered to CNOOC Wenchang (150 m); developing 1,500–2,500 m designs.

Barriers: sporadic orders leave plant and labour idle; skilled-engineer flight to tech sectors; rural plant locations.

Chicken-and-egg: full field reference needed to win the large contract that funds qualification.

Window: incumbent relief (NOV Açu) not online until late 2029.

THE READ

The entry window opens from the buyer side. Watch for a large operator or a local-content programme that takes a Chinese flexible-pipe vendor past a TAC and through to full field installation. That award, not any qualification certificate, is the signal the duopoly has cracked.

SO WHAT — FOR THE BID TEAM

If you are an operator, qualifying a second flexible-pipe source is leverage on date as much as price, and the cost of qualification is small against one missed first-oil window. If you are pricing into a single-source market, assume the incumbents hold pricing power until a credentialed alternative installs on a named field. Track who funds that first reference. They reset the curve.

MARKET BRIEFS

In brief.

Selected intelligence from the offshore construction market. Sourced and curated for the bid and commercial desk.

TENDERS & CONTRACTING

BRAZIL · PETROBRAS · 19 MAY 2026

Petrobras launched a pipeline tender to export gas from the Sergipe-Alagoas FPSOs. Brazilian subsea demand is broadening beyond the pre-salt heartland, and every new front competes for the same constrained flexible-pipe and installation capacity.

UK · BP · 18 JUN 2026

BP lined up a contractor for decommissioning west of Shetland. The North Sea late-life workload is firming into a steady decommissioning pipeline, pulling vessel and engineering capacity that would otherwise chase greenfield subsea scope.

AFRICA · ENI / JGC · 08 JUN 2026

JGC confirmed involvement in a \$5 billion contract for Eni's FLNG project. Large gas-monetisation awards are landing again, and the EPC majors taking them tie up fabrication and project-management capacity for years.

VESSELS & ASSETS

ITALY · SAIPEM · 14 JUN 2026

A jacket sailed away from Saipem's fabrication yard, a visible EPCI milestone in a full order book. Yard throughput is the quiet constraint behind every offshore schedule, the same way plant slots gate flexible pipe.

US GULF · BP / SLB ONESUBSEA · 08 JUN 2026

BP tapped SLB OneSubsea for a Thunder Horse workover. Subsea intervention demand in the deepwater Gulf is keeping specialist service providers busy alongside the newbuild and tieback wave.

CORPORATE & MARKETS

BRAZIL · PETROBRAS · 18 JUN 2026

Petrobras is re-evaluating the Jupiter gas accumulation with a "fresh set of eyes." Any move to develop Jupiter would add yet more pre-salt subsea hardware to a demand pipeline the supply base is already struggling to serve.

ANGOLA · EQUINOR · 16 JUN 2026

Equinor entered a block in the heart of the Congo basin, deepening its West Africa exploration position. Operators are rebuilding deepwater portfolios, the leading edge of the next wave of subsea demand.

NIGERIA · ENI · 08 JUN 2026

Eni is weighing responses from FPSO suppliers keen to provide a vessel for a Nigeria development. Floating-production capacity is competing for the same engineering and yard slots as the rest of the offshore build cycle.

DOSSIER

The China *option*.

The hardware and the first depth credentials exist. What the Chinese flexible-pipe push lacks is the one thing the moat is built to withhold: a full field reference.

What it is	An emerging Chinese flexible-pipe and flexible-lay capability, led on the installation side by COOEC and on the product side by domestic makers including Hizenflex .
Installation asset	325-tonne vertical lay system , first operated by a Chinese company. Dynamic and static flexible lay logged to 1,500 m in the South China Sea.
Product credential	Hizenflex domestic high-pressure multiphase flexible pipe delivered to CNOOC Wenchang in 150 m; developing 1,500–2,500 m designs.
The barrier	Field history. API 17J can be passed. A years-long record on a named field cannot be bought, and the technical-authority class has no incentive to grant the first one.
The trap	Qualification costs millions and pays back only on a large, long contract, which requires a reference the vendor does not yet have.
Watch	The first full field-supply award, beyond a TAC, to a Chinese flexible-pipe vendor. Most likely from a large constant buyer or a local-content programme.

"The hardware is the easy part. The thing they cannot manufacture is a client who has already trusted them."

The interest is there, the capital is there, and the depth credentials are climbing. What stays out of reach is the full field reference, because earning it requires a client to commit before the reference exists. With incumbent relief held back to late 2029, the buyer-side pressure to open a second source only grows. The break will come from an operator tired of single-source dates, or a national programme using local content to force the issue. When it lands, the value is not the margin on that contract. It is every contract after it.

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Need a read on flexible-pipe qualification risk?



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Insights straight from the field, not the sidelines. We tell you
what your competitors won't.

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