

Dangote refinery starts production, eyes full quota by year end

By <u>Elisha Bala-Gbogbo</u> 15 Jan 2024

Nigeria's Dangote oil refinery has begun producing diesel and aviation fuel, the company said over the weekend, after years of construction delays at the 650,000 barrel per day (bpd) plant.



A view of the newly-commissioned Dangote Petroleum refinery in Ibeju-Lekki, Lagos. Source: Reuters/Temilade Adelaja

The refinery, Africa's largest, was built on a peninsula on the outskirts of the commercial capital Lagos at a cost of \$20bn by the continent's richest man Aliko Dangote.

Although Nigeria is Africa's top energy producer, it has relied on imports for most of the fuel it consumes. The Dangote refinery is expected to not only make it self-sufficient but also allow it to export fuel to neighbouring West African countries, potentially transforming oil trading in the Atlantic Basin.



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Company officials said test runs could begin this week after the refinery received a sixth crude oil cargo on 8 January.

This is a big day for Nigeria. We are delighted to have reached this significant milestone," the company said in a statement posted on social media platform X.

DANGOTE PETROLEUM REFINERY STARTS PRODUCTIONDangote Petroleum Refinery has commenced production of diesel and aviation fuel.

Alhaji Aliko Dangote, elatedly thanked President Bola Ahmed Tinubu for his support and encouragement, towards the actualisation of this project. <u>pic.twitter.com/zVUDSh1Bau</u>

— Dangote Group (@DangoteGroup) January 12, 2024

The plant received one million barrels of Nigeria's Agbami crude on Monday, taking the total volume received since December to 6 million barrels. Nigeria's state-owned NNPC Ltd. is expected to supply four crude cargoes to the refinery from its February programme.

It could take months after the startup of the refinery's crude distillation unit to move from test runs to the production of high-quality fuels at full capacity, according to experts. Dangote has said it will start by refining 350,000 bpd, hoping to ramp up to full production later this year.

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