

Government wants Dangote refinery online

The Nigerian government is pushing for the Dangote refinery in Lagos to come online before its scheduled completion date of December 2019.

Minister of state for petroleum resources, Dr Ibe Kachikwu, who visited the site in Lekki Free Trade Zone said the government is ready to assist in making sure the project is completed before the scheduled date.



Minister of state for petroleum resources, Dr Ibe Kachikwu and president of Dangote Industries Limited, Aliko Dangote.

The minister, who said he was overwhelmed by the dimension of the project, explained that the present government had always believed that the private sector holds the ace in industrialisation efforts of the government, and noted that the belief has been reinforced by what Dangote Group is doing.

"It is good to say that private sector is the answer to Nigeria's problems with a project as big as this. The challenge I will give you today is that of time; I see your time for completion is 2019 December, but I am sure you will understand my greed if I tell you that the refinery component of this project should come earlier than the set date.

"I have made very firm commitment to Nigerians that I must stop the importation of petroleum products by 2019 and I am going to keep to it. It is absolutely important that we do this early and given the feat that we have achieved in terms of speed of construction and I urge you to do all within you to achieve its completion before the due date," the minister said.

Addining value to the economy

"What the minister is trying to do is the best so far for our country, his own version is that Nigeria should not think of exporting crude; you know the problem we have in Africa is that we only export raw materials, not finished goods, so he is saying that, look, we should all do this by adding value and I pray that even at 2.5m barrels, we should not export much, in terms of the crude," said Aliko Dangote, president of Dangote Group.

He explained that his group is building the world's largest single line refinery, petrochemical complex, and the world's second largest urea fertiliser plant. The refinery, according to him will have the capacity to refine 650,000 barrels of crude oil per day. The petrochemical plant will produce 780 KTPA polypropylene, 500 KTPA of polyethylene, while the fertiliser project will produce 3m metric tons per annum (mmtpa) of urea.

"In addition, we are also building the largest sub-sea pipeline infrastructure in any country in the world, with a length of 1,100km, to handle 3bn SCF of gas per day. We also plan to construct a 570MW power plant in this complex. As a matter of fact, gas from our gas pipeline will augment the natural domestic gas supply and we estimate an additional 12,000MW of power generation can be added to the grid with the additional gas from our system.

"We will be adding value to our economy as all these projects will be creating about 4,000 direct and 145,000 indirect jobs. We will also save over \$7.5bn for Nigeria annually, through import substitution and generate an additional \$5.5bn per annum through exports of the refined petroleum products, fertiliser and petrochemicals. We envisage that these projects, which would cost over \$18bn, would be completed in 2019".

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