

First crude supply cargo en route to Nigeria's giant Dangote



The first crude feedstock for Nigeria's 650,000 b/d Dangote refinery is en route to the plant, according to market sources and tanker tracking data, indicating that fuel production at the new \$19 billion facility is finally set to start after years of delays.

The OTIS tanker loaded a 950,000 barrel cargo of Nigeria's Agbami crude on Dec. 6 and is currently flagged as en route to Lekki, the nearest land port to Dangote's offshore crude receiving terminal, according to the S&P Global MINT tanker tracking platform. It is expected to arrive later on Dec. 7 at around 1900 GMT.

The Suezmax tanker, chartered by state-owned Nigerian National Petroleum Company, is the first of Dangote's initial crude supplies as the giant new plant starts to ramp up operations, a West African oil trader said.

The privately-owned refinery was officially completed in May but has yet to make any oil products due to a lack of domestic crude feedstock.

NNPC, which owns a 20% stake in the refinery, recently agreed to supply 6 million barrels of crude oil as feedstock to the Dangote refinery in December, [company sources said Nov. 5.](#)

Operated by Chevron, Agbami is one of Nigeria's largest deepwater developments pumping about 100,000 b/d in the central Niger Delta. Agbami produces light sweet crude with a gravity of 47.9 API and a sulfur content of 0.04%, according to [Platts' Periodic Table of Oil.](#) The crude is known in the market for yielding a large proportion of naphtha and kerosene.

NNPC has chartered a number of other tankers to transport further crude shipments from Nigerian offshore fields to the refinery later this month, the oil trader said.

Market implications

Located on the outskirts of Nigeria's commercial capital Lagos, Dangote's startup has been repeatedly delayed since the project was unveiled in 2013, although most of

the key units were installed in 2019.

The crude distillation unit has been designed to process 12 crudes at one time and has been engineered to process three Nigerian crude grades -- Escravos, Bonny Light and Forcados. Once fully operational, the plant will yield 327,000 b/d of gasoline, 244,000 b/d of gasoil/diesel, 56,000 b/d of jet fuel/kerosene, as well as 290,000 mt/year of propane/LPG, according to previous Dangote presentations.

Nigeria hopes the Dangote refinery will help end its dependence on gasoline imports. Nigeria has to import about 1 million-1.25 million mt/month of gasoline to meet national demand due to the poor state of its existing refineries, all of which are currently shut for repairs.

Nigeria currently exports almost all of the crude and condensate it produces.

Dangote officials have previously told S&P Global Commodity Insights that the refinery would start operating at 370,000 b/d, producing mostly jet fuel and diesel initially.

S&P Global analysts expect the refinery will not hit full operating capacity until mid-2025, with further delays still possible. Forecasts from S&P Global suggest Nigerian gasoline production will exceed imports until the 2040s as a result of the new refinery.