

The Politics of Dangote Refinery and Nigerian Masses

by Idris Umar Feta

The news of Dangote refinery came as succour to Nigerians and other African countries, as this would mean no more importation of crude products like premium motor spirit, thereby ensuring availability and lower pump price and simultaneously generating thousands of employments. During the last hours of the previous administration, the refinery was commissioned, and Nigerians are eagerly waiting for products to flood the market especially with removal of long embattled fuel subsidy. Dangote Refinery is an oil refinery owned by Aliko Dangote. Dangote, Africa's wealthiest man, unveiled early plans for building the refinery in September 2013, when he announced that he had secured about \$3.3 billion for financing for the project. At the time, the refinery was estimated to cost about \$9 billion, of which \$3 billion would be invested by the Dangote Group and the remainder via commercial loans and begin construction in 2016. Pundits believed that if the project comes to life and start running full scale operation, it would expectedly have the capacity to process about 650,000 barrels per day of crude oil, making it the largest single-train refinery in the world. With a greater capacity than the total output of Nigeria's moribund existing refining infrastructure, the Dangote Refinery will be able to meet the country's entire domestic fuel demand, as well as export refined products, strengthening our economy.

At full production, the facility's 650,000 barrels of crude oil daily shall be transported via pipelines from oil fields in the Niger Delta, where natural gas will also be sourced to supply the fertilizer factory and be used in electrical generation for the refinery complex. However, after occurrence of some unforeseen impediments, construction of the refinery did not begin until 2016 with excavation and infrastructure preparation, and the planned completion was pushed further to late 2018. Unfortunately, major structural constructions only began in July 2017, and Dangote again estimated that the refinery would be mechanically complete in late 2019 and commissioned in early 2020. The plan was announced, and the inauguration was expected to take place at the end of the first quarter of 2023. According to the Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA), the Dangote refinery is reported to be 95 to 97 percent completed as of November 2021. Though according to Reuters, citing sources familiar with the project, construction was likely to take at least twice as long as Dangote publicly stated, with partial refining capability not

likely to be achieved until 2022. The refinery was expected to start operations by July 2023 according to the state oil company, which has a 20 percent stake in the project. Finally, the Dangote refinery was commissioned by the former President Muhammadu Buhari on 22 May 2023 and Nigerians were told that the refinery will commence production in July. Due to significance of the occasion, about six Presidents were in attendance, the president of Ghana, Nana Akufo-Addo, Faure Gnassingbé of Togo, Mahamat Déby of Chad, Macky Sall of Senegal and former president Niger Mohamed Bazoum and President Paul Kagame of Rwanda, was present virtually for his goodwill messages. The irony is, the refinery has not commenced production as scheduled, leaving earlier excited Nigerians puzzled about the decision to commission a multi-million-dollar project, was it done out of good fate or could it have been all politics preying on the hope of the masses? Some have speculated that the decision was an attempt to gain a political advantage, giving the 2023 elections but these speculators may have gotten it wrong as the event was held only about a week to commencement of a new administration thus, elections were not the motivating factor.

Amazingly, the Nigerian National Petroleum Company Limited (NNPCL) has issued a license to the Chairman of Dangote Group Aliko Dangote, to import petroleum products, weeks after Dangote Refinery was commissioned for the same purpose, what then was the essence of the event for "commissioning of Dangote Refinery"? Would this move not dash the hope Nigerians into thin air? The hope of Nigerians and neighboring African countries was that the commissioning of the refinery would finally put an end to the persistent fuel scarcity that has been plaguing the country for decades. The refinery was expected to increase domestic fuel production, leading to greater availability and reduced dependence on imported petroleum products. This development was anticipated to not only alleviate the hardships caused by fuel scarcity but also contribute to the overall economic growth and stability in the region. Not to jinx the largest single-train refinery worldwide, but the whole commissioning may have been a hoax to score the last administration bonus points especially because it was rated below average by many Nigerians. We still hopefully wait and see when the Dangote refinery will fully be functional to serve the purpose it was intended for, according to the legendary reggae icon Bob Marley, "Only Time Will Tell"