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Africa's Richest Person Wants to Create a Trading Firm for Its Biggest Refinery

By [Charles Kennedy](#) - Mar 05, 2024, 9:30 AM CST

Aliko Dangote, the owner of Africa's largest refinery and Africa's richest person, is looking to set up a trading firm that would handle crude supply for the new mega refinery in Nigeria, Reuters [reported](#) on Tuesday, citing multiple sources with knowledge of the plans.

The Dangote Refinery in Nigeria, Africa's biggest, began the production of fuels in January 2024, [marking the start-up](#) of the refinery that has seen years of delays.

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The Dangote refinery, which has a processing capacity of [650,000 barrels per day](#) (bpd), will meet 100% of Nigeria's demand for all refined petroleum products and will also have a surplus of each of the products for export.

The refinery project, which has cost around [\\$20 billion](#), up from initial cost estimates of between \$12 billion and \$14 billion, has seen years of delays.



Nigeria hopes the new refinery will alleviate its chronic fuel shortage that has turned Africa's biggest oil producer into a fuel importer. Nigeria, OPEC's top crude oil producer in Africa, has had to rely on fuel imports due to a lack of enough capacity at its refineries, which had to undergo refurbishment in recent years.

Now Aliko Dangote wants to try and set up a trading arm to handle trade for the huge refinery, after major oil trading houses and supermajors haven't signed any deals with Africa's richest person regarding possible loans to the refinery for the crude it would need to purchase, according to Reuters' sources.

"He is going to try and do it himself," one industry source told Reuters.

Dangote's trading firm is most likely to be based in London and is expected to be led by Radha Mohan, a former trader at Essar, per Reuters' sources.

Mohan is currently the director of International Supply and Trading at Dangote Group, after joining the company in 2021.

By Charles Kennedy for Oilprice.com

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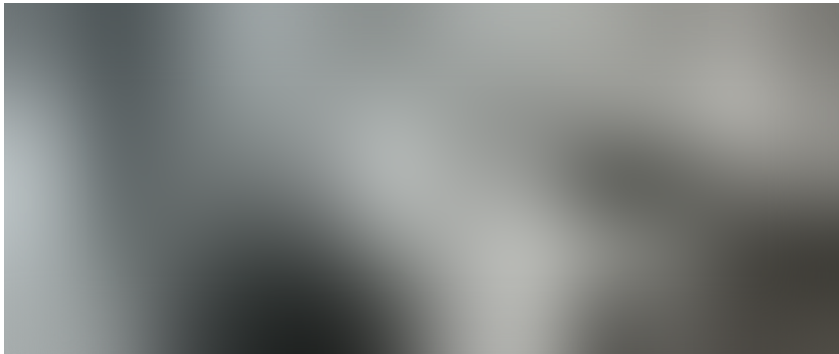
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