ENERGIES MEDIA · CAMEROON

Cameroon signs Dangote deal for 50% fuel supply

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Cameroon has entered a tripartite commercial agreement under which approximately 50% of its refined petroleum product needs will be sourced from Nigeria's Dangote Petroleum Refinery and Petrochemicals FZE over a three-year period. The agreement was signed in Lagos and involves three parties: Cameroon's state refining company Société nationale de raffinage (Sonara), Dangote Petroleum Refinery and Petrochemicals FZE, and MRS Oil & Gas Company Ltd, which will act as the trading and logistics intermediary.

The deal formalises a supply arrangement intended to partly compensate for Sonara's reduced domestic refining output. Sonara's refinery in Limbé has operated at significantly diminished capacity following a major fire in 2019, leaving Cameroon structurally dependent on imported refined products to meet domestic demand. By locking in a structured three-year supply agreement with Dangote — West Africa's largest and most recently commissioned refinery — Cameroon is seeking to stabilise access to fuel volumes and potentially reduce the cost premium associated with spot procurement from more distant suppliers.

The Dangote refinery, located in the Lekki Free Zone near Lagos, reached initial production milestones in 2024 and has positioned itself as a regional supplier capable of displacing European and Middle Eastern refined product imports across West and Central Africa. For Cameroon, sourcing from Dangote offers a shorter shipping corridor compared with traditional import routes, which could reduce freight costs and delivery lead times. MRS Oil & Gas, a downstream energy company with

established logistics infrastructure across West Africa, is expected to manage the physical movement and distribution of the product volumes under the arrangement.

The agreement is classified as a commercial supply contract rather than a government-to-government arrangement, with Sonara acting as the Cameroonian counterpart on behalf of the state's fuel supply mandate. The three-year duration provides medium-term supply visibility, though it does not preclude Cameroon from continuing to import refined products from other sources to cover the remaining approximately 50% of national requirements.

The deal also carries implications for Sonara's longer-term strategic position. With domestic refining capacity constrained and no confirmed timeline for full rehabilitation of the Limbé plant, Cameroon's dependence on imported refined products is likely to persist beyond the term of this agreement. Whether Sonara uses the supply security this contract provides as a window to progress refinery rehabilitation, attract investment in upgrading capacity, or pursue further long-term import arrangements will be a key question for Cameroon's downstream sector in coming years. The agreement is one of several supply deals Dangote has sought across the region as it scales production and targets market share previously held by European refiners.

Why this matters to partners and clients of Saga

This is a signed commercial supply agreement covering refined product imports, not an upstream or infrastructure contract — there is no immediate procurement opening for Norwegian service companies. Norwegian firms active in downstream storage, marine logistics, or terminal infrastructure should monitor whether Cameroon's sustained import dependency accelerates investment in Limbé port handling capacity or coastal storage. If Sonara's refinery rehabilitation programme advances, well services, process engineering, and mechanical integrity specialists should seek early engagement with Sonara and its technical advisers.

PARTNER ANGLES

- **Pipeline:** Cameroon's growing dependence on imported refined products may revive interest in coastal pipeline or distribution infrastructure linking Limbé terminal to inland demand centres — worth monitoring for future project mandates.
- **Subsea/FPSO:** No direct subsea angle from this deal; monitor whether Sonara refinery rehabilitation unlocks associated upstream offtake discussions that could affect Cameroonian field development timelines.
- **Drilling:** Sustained import dependency underlines the commercial case for accelerating Cameroonian domestic production — drilling service companies should track any upstream licensing or development activity Sonara or government sponsors to reduce the import gap.
- **LNG:** Cameroon's downstream supply vulnerability reinforces the value of its existing FLNG asset and may support arguments for expanding gas-to-power or LNG bunkering infrastructure; monitor government energy planning statements.
- **Service:** Marine and logistics service providers with West African coastal operations should assess whether increased Dangote-to-Cameroon product tanker flows create demand for vessel agency, mooring, or terminal management services at Limbé.

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