

AFRICA OIL+GAS REPORT · KENYA

Legal Challenges Threaten Dangote's Planned \$16 Billion Kenya Refinery

Saga deep read · 02 October 2026 · Score 55

Construction activities linked to Dangote Industries' planned \$16 billion refinery in Lamu, Kenya, are facing disruption due to legal challenges, according to a statement from the African Energy Chamber (AEC). The AEC has come out strongly against what it characterises as 'lawfare' — the use of legal proceedings to obstruct or delay major industrial development projects on the continent.

The AEC's position is unambiguous: Africa must build, not block. The Chamber's intervention signals growing concern among pan-African energy advocacy bodies that litigation is becoming a tool to stall large-scale refining and infrastructure investment at a time when the continent urgently needs domestic processing capacity. Kenya, like many Sub-Saharan African nations, remains heavily dependent on imported refined petroleum products, making downstream infrastructure of this scale strategically significant for energy security and regional economic development.

The Lamu location is noteworthy given the port town's existing role as an anchor for Kenya's broader Lamu Port-South Sudan-Ethiopia Transport (LAPSSET) corridor — a multi-modal infrastructure development designed to open up East Africa's interior. A refinery of this scale, if completed, would represent one of the largest downstream investments in East Africa and would have significant supply-chain and logistics implications for the broader region.

At \$16 billion, the proposed refinery would rival Dangote's flagship Lagos facility in Nigeria in terms of capital intensity, underscoring the ambition behind the project. However, the article does not specify the current stage of construction, the nature of

the legal challenges, or which parties are bringing them. What is clear is that the AEC views the disruption as damaging not only to this specific project but to investor confidence in African large-scale energy infrastructure more broadly.

For the Norwegian energy services community tracking Sub-Saharan Africa opportunities, the situation warrants close monitoring. Large refinery projects of this complexity generate substantial demand across engineering, procurement, and construction value chains — including process equipment supply, storage and terminal infrastructure, marine logistics, and pipeline connectivity. The outcome of the legal dispute will be a material indicator of Kenya's regulatory and judicial environment for major energy investments, and by extension, its attractiveness as a hub for international service company engagement in East Africa.

Why this matters to partners and clients of Saga

Norwegian service companies should monitor this situation carefully before committing resources, as the legal uncertainty introduces timeline and counterparty risk that could delay procurement and contracting cycles. If the legal challenges are resolved favourably and construction resumes at scale, a \$16 billion refinery project would create entry points for companies with expertise in marine terminal logistics, pipeline infrastructure, and process plant services. Partners should engage through Kenyan EPC networks and the AEC to stay informed on project status and bidding windows.

PARTNER ANGLES

- **Pipeline:** A refinery of this scale will require feedstock import and product export pipeline infrastructure, representing potential project scope for pipeline engineering and installation specialists.
- **Subsea/FPSO:** Depending on offshore crude supply arrangements for the refinery, marine offloading and subsea tie-in expertise may become relevant as the project matures.
- **Service:** EPC and project management service firms should track the legal resolution closely to position for early-stage procurement and technical advisory roles.
- **LNG:** Refinery fuel supply and energy integration at a Lamu site may create demand for LNG or gas infrastructure advisory services given Kenya's evolving gas landscape.



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