

TANZANIAINVEST - ENERGY (TANZANIA) · NIGERIA

Dangote picks Kenya for \$19bn refinery, eyes Tanzania power

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Dangote Group has confirmed Kenya as the location for its planned USD 19 billion oil refinery, ending speculation that Tanzania might host the facility. Separately, the Nigerian conglomerate is in active discussions with Tanzanian authorities over a 2,000-megawatt coal-fired power plant, a urea fertiliser plant, and associated port and road infrastructure investments — a package that would represent one of the largest private-sector industrial commitments to Tanzania in recent years.

The refinery confirmation for Kenya is a significant development for East African energy infrastructure. A greenfield refinery of this scale would require extensive upstream and downstream engineering, procurement, and construction activity, along with marine logistics support for crude imports and product exports. No site, operator structure, or project timeline for the Kenya refinery was specified in the available reporting, and the instrument at this stage appears to be a declaration of intent rather than a signed project agreement or financial investment decision.

The Tanzania discussions are similarly at an early stage. The coal power project, at 2,000 megawatts, would be a major addition to Tanzania's generation capacity, while the urea fertiliser plant would leverage the country's natural gas resources to produce agricultural inputs for regional markets. Port and road investments tied to these projects suggest Dangote is considering an integrated industrial cluster model, consistent with its approach in Nigeria, where the group has developed refining, petrochemical, and cement operations in parallel. Again, no contracts have been signed and no financial close has been announced — these remain negotiations.

For the Norwegian service sector, the Kenya refinery is the more directly relevant opportunity. A USD 19 billion refinery development, if it proceeds to FID, would generate substantial demand across engineering, procurement, construction, marine logistics, and potentially FPSO or offshore crude supply infrastructure depending on feedstock sourcing decisions. The Tanzania coal power and fertiliser complex is less immediately relevant to the core competencies of Norwegian oil and gas service companies, though port and marine infrastructure elements could create openings for specialist marine and offshore logistics firms.

At this point, both the Kenya refinery and the Tanzania industrial package are pre-FID and pre-contract. Norwegian companies should treat these as items for strategic monitoring rather than active procurement engagement. The Kenya refinery in particular warrants close attention as it progresses through feasibility and financing stages — early relationship-building with Dangote's project development teams and with Kenyan regulatory authorities would position Norwegian firms advantageously ahead of any formal tender or prequalification process.

Why this matters to partners and clients of Saga

Both the Kenya refinery and Tanzania industrial projects are pre-contract and pre-FID, so procurement outreach is premature. Norwegian service companies should monitor Dangote's Kenya refinery development closely and begin mapping the group's project development and procurement structures for early relationship-building. The Tanzania coal and fertiliser discussions are worth tracking for port and marine infrastructure angles, but remain speculative at this stage.

PARTNER ANGLES

- **Subsea/FPSO:** A USD 19bn refinery in Kenya may require offshore crude supply infrastructure; monitor feedstock sourcing decisions as the project develops.
- **Drilling:** If the Kenya refinery sources domestic crude, upstream well services demand could emerge — track any associated exploration or appraisal activity linked to the project.

- **Pipeline:** A refinery and urea plant of this scale will require extensive pipeline and terminal infrastructure; position for FEED and EPC opportunities once projects reach investment decision.
- **LNG:** Tanzania's urea fertiliser plant would likely draw on domestic gas resources, potentially creating LNG or gas processing infrastructure demand relevant to Norwegian process specialists.
- **Service:** Port and road infrastructure tied to the Tanzania industrial cluster could create marine logistics and offshore support vessel opportunities for Norwegian maritime service firms.

[Original source: TanzaniaInvest - Energy \(Tanzania\) →](#)

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