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DANGOTE INDUSTRIES A LANDMARK ACHIEVEMENT INFLUENCING THE NIGERIAN ECONOMY

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ABSTRACT
This study identifies the impact of Dangote industries as a landmark achiever that has an influence on Nigerian economy. It was found that the Dangote Petroleum Refinery has reiterated its commitment to ensuring a stable and uninterrupted supply of petrol and diesel across Nigeria, positioning itself as a pivotal player in redefining Africa's downstream energy landscape. Dangote Petroleum Refinery achieved a milestone of producing 70 million litres daily, exceeding Nigeria's domestic fuel needs. The refinery has positioned itself as pivotal for enhancing Africa's self-sufficiency in petroleum products. Operations focus on stabilizing the naira, ensuring energy security, and reducing foreign dependency. A sustainable model is employed, incorporating CNG-powered trucks for efficient product distribution. As the world's energy landscape evolves, Nigeria's success in refining its own crude and exporting surplus fuel offers lessons for other resource-rich but import-dependent countries across the Global South. The Dangote Refinery is no silver bullet, but it is a powerful demonstration of what can happen when ambition, capital, and execution align in the right place at the right time. The Data for the study were obtained from Dangote significant progress across its key sectors, most notably with its refinery becoming operational and immediate plans for major expansion, along with continued growth in its cement and fertilizer businesses. Finding reveal that Dangote Petroleum Refinery is expanding its capacity from 650,000 barrels per day to 1.4 million barrels per day, making it the largest refinery in the world, surpassing India's Jamnagar Refinery
KEYWORDS: *Dangote, Industries, Landmark, Achievement Influencing, Nigerian, Economy*

INTRODUCTION

Aliko Dangote is making landmark achievements as the torchbearer of entrepreneurship in Africa, daring great odds and venturing into terrains where lions dare not tread. He is not alone. He is inspiring a new generation of contemporary and younger African entrepreneurs. Some of Dangote's milestone entrepreneurial achievements include helping Nigeria achieve self-sufficiency in cement production in less than twenty years, beginning from 2002, and establishing a petroleum refinery with the capacity to make Nigeria's fuel sufficient. Recently, he has been envisioning making Africa self-sufficient in fertiliser production within 40 months. The Dangote Group is one of Nigerian multinational industrial conglomerate, founded by Aliko Dangote. It is the largest conglomerate in West Africa and one of the largest on the African continent. The group employs more than 30,000 people, generating revenues of more than US$4.1 billion in 2017.

Some of the facts about the Dangote Refinery, using official data from Dangote Industries, include the following: The refinery covers a land area of about 2,635 hectares, about six times the size of Victoria Island. It is a 650,000-barrel-per-day (BPD) integrated refinery located in the Lekki Free Zone of Ibeju Lekki, Lagos, and it is Africa's biggest oil refinery and the world's biggest single-train facility. Its pipeline infrastructure is the longest in the world, with 1,100 kilometres to handle 3 billion standard cubic feet of gas per day. The refinery is serviced by a 435-megawatt (MW) captive power plant with the capacity to supply the total power needs of all the states covered by the Ibadan power distribution company. It has the capacity to create a market for $21 billion per annum of Nigerian crude and is designed to process both Nigerian and other crudes.

The Dangote Petroleum Refinery has announced a major production milestone, hitting a combined daily output of 70 million litres of petrol and diesel - 45 million litres of petrol and 25 million litres of diesel, surpassing Nigeria's domestic fuel demand. According to Group Chief Branding and Communications Officer, Anthony Chiejina, this achievement underscores its growing role in stabilizing local supply, strengthening the naira, and positioning Nigeria as a future exporter of refined petroleum products across Africa. Chiejina emphasized that Dangote's operations are guided by a mission to safeguard national energy security, stabilize the naira, and end the continent's dependence on

imported petroleum products. He added that local refining not only reduces foreign exchange outflows but also supports industrial growth, job creation, and macroeconomic stability.

Recent achievements for the Dangote Refinery include achieving a daily output of 70 million liters of fuel, surpassing Nigeria's domestic demand, and beginning exports of petrol, diesel, and jet fuel to various international markets. The refinery has also announced a major expansion from 650,000 to 1.4 million barrels per day by 2028, which will make it the world's largest single-train refinery and significantly boost its petrochemical and fertilizer production.

CONCEPTUAL FRAMEWORK

Speaking during an interview with Channels TV, Professor Ife advised the union against engaging in an unwinnable battle. Professor Ken Ife, a developmental economist, has discussed the Dangote Group in the context of its conflict with unions and the impact of the Dangote Refinery on Nigeria's economy. He criticized the PENGASSAN union for striking over the dismissal of 800 workers, arguing that a small group of employees should not be allowed to inflict significant economic harm on the entire nation. He also highlighted the potential for the refinery to reduce Nigeria's reliance on imported fuel, create jobs, and stabilize the economy.

The economist calculated the massive economic impact of the strike compared to the salaries of the affected workers. Ife, (2025) argued that the union's strike was a misguided battle, warning that the public, not the billionaire, would suffer the most. He calculated that the daily economic loss from the strike was vastly greater than the salaries of the 800 workers involved, stating that the country could not afford such losses. He suggested the union's actions could ultimately harm the very workers they claim to protect by damaging the company and potentially closing doors for future opportunities.

He stated that the refinery marks a transformative shift for Nigeria by demonstrating the difference between local production and heavy reliance on imports. He sees the refinery's startup as reinforcing the government's deregulation agenda, which aims to eliminate the non-transparent and fraudulent fuel subsidy system. He noted that the refinery is expected to reduce the government's dollar demand from the central bank and curb excesses by those importing petroleum products. He commented on a situation where marketers were boycotting the refinery's fuel and noted that Dangote's subsequent move to distribute the fuel himself through his own trucks has since eliminated fuel queues and stabilized prices. He highlighted that the $1.7 trillion private sector investment in the refinery is a more efficient approach than a government-led initiative, especially in the current economic climate.

Ife, (2025) has emphasized the need for comprehensive industrialization to create jobs and move Nigeria towards a $1 trillion economy. He has publicly supported the Raw Materials Bill, arguing it is necessary to address Nigeria's import dependency and encourage local value addition in various sectors.

Significant progress across its key sectors

The Dangote Group has made significant progress across its key sectors, most notably with its refinery becoming operational and immediate plans for major expansion, along with continued growth in its cement and fertilizer businesses. The refinery began operations in early 2024, initially producing diesel and aviation fuel, and started petrol production in September 2024. It has reached a production level of 550,000 barrels per day (bpd). The Company is undergoing an expansion to increase capacity from the current 650,000 bpd to 1.4 million bpd, which would make it the largest refinery in the world upon completion. The refinery has significantly reduced Nigeria's dependence on imported refined products, helped stabilize the national currency, and is exporting products (petrol, diesel, and jet fuel) to regional African markets and globally to places like Saudi Aramco and Europe. Dangote plans to begin its own crude oil production from its two upstream projects in the Niger Delta in the first quarter of 2025 to ensure a stable supply for the refinery. The Company plans to list between 5% and 10% of the refinery's shares on the Nigerian Exchange (NGX) within the next year.

Dangote Cement

Dangote Cement, the largest producer in Sub-Saharan Africa, has continued to expand its operations. It recently commissioned a new 3 million tonnes per annum (Mtpa) plant in Attingué, Côte d'Ivoire, bringing its total annual capacity across Africa to approximately 55 million tonnes. The Company remains a major revenue driver, with the government reportedly receiving 52% of every naira generated in taxes.

Dangote Fertilizer

The Dangote Fertilizer complex is Africa's largest granulated urea fertilizer plant, with an existing capacity of 3 million metric tons per annum (Mtpa). Due to high demand, the company plans to triple its capacity by building four more trains, targeting 9 million Mtpa, to make it the largest fertilizer plant in the world. It is actively exporting to international markets, including Brazil. The group is also starting construction on a new $2.5 billion fertilizer plant in Ethiopia.

The Group is involved in major infrastructure projects, including the construction of significant concrete roads like the ongoing 35-kilometer Apapa-Oshodi-Oworonsoki-Ojota highway in Lagos. CNG Transition: Dangote has procured 4,000 CNG trucks, part of a planned 10,000-fleet rollout, which will create at least 24,000 direct jobs as part of a move to cleaner energy and efficient logistics. Aliko Dangote has stated his ambition for the Dangote Group to become a $100 billion organization by 2030, driven by these transformative projects

Dangote Refinery to Expand Capacity to 1.4 Million Barrels per Day

On October 23, 2025, Aliko Dangote, widely recognized as Africa's wealthiest individual, achieved a historic milestone by becoming the first African to amass a net worth of $30 billion, according to the Bloomberg Billionaires Index. This landmark achievement, driven by a $2.16 billion year-to-date increase in his wealth, including a recent $430 million valuation gain, underscores Dangote's unparalleled influence in African industry and his strategic vision in cement and oil refining sectors. His journey to this milestone reflects both his business acumen and the dynamic growth of his conglomerate, which continues to reshape Africa's economic landscape.

This expansion aligns with Dangote's long-term strategy to meet Africa's growing infrastructure demands. By increasing production capacity, Dangote Cement not only strengthens its market dominance but also contributes to job creation and economic development across the continent. The Attingué plant, for instance, is expected to create hundreds of direct and indirect jobs in Côte d'Ivoire, while supporting regional construction projects with high-quality, locally produced cement.

Oil Refinery: A Game-Changer for Global Markets

Equally significant is Dangote's transformative impact on the global oil industry through the Dangote Oil Refinery, which began operations in October 2023. Located in Lagos, Nigeria, the refinery initially produced 370,000 barrels per day (bpd) of diesel and jet fuel, addressing Nigeria's chronic fuel shortages and reducing reliance on imported petroleum products. In a bold move, Dangote recently announced plans to more than double the refinery's capacity to 1.4 million bpd within the next year. This ambitious expansion would position the Dangote Refinery as the world's largest single-train refinery, surpassing the 1.36 million bpd Jamnagar refinery in India, operated by Reliance Industries.

Further solidifying its financial strategy, the refinery plans to list 5% to 10% of its shares on the Nigerian Exchange (NGX) Limited by mid-2026. This move is expected to attract significant investor interest, further boosting the valuation of Dangote's empire. The refinery's success has already played a critical role in his wealth trajectory, with its operational launch in 2023 coinciding with a notable uptick in his net worth.

The refinery has so far received six million barrels of crude oil at its two SPMs located 25 kilometres from the shore. The first crude delivery was done on December 12, 2023, and the 6th cargo was delivered on January 8, 2024. The Refinery can load 2,900 trucks a day at its truck-loading gantries. The products from the Refinery will conform to Euro V specifications. The refinery design complies with the World Bank, US EPA, European emission norms, and Department of Petroleum Resources (DPR) emission/effluent norms. Employing state-of-the-art technology. Africa's leading cement manufacturer, Dangote Cement Plc has posted a strong performance in the first quarter ended March 31, 2020, with Profit before Tax (PBT) up by 11%, increasing from N78.96 billion to N88.06 billion.

According to the cement company's unaudited first-quarter report, gross profit rose by three percent, from N140.68 billion to N144.86 billion. Group net profit stood at N60.60 billion. Revenue was equally on the increase, growing from N240.16 billion to N249.18 billion, indicating an increase of 3.8%. Dangote Cement sold a total volume of 4.0Mt in Nigeria while Pan African sales accounted for 2.28MT. Chief Executive Officer, Dangote Cement, Michel Puchercos, in his comments commended the resiliency of the management and staff of the company in delivering good results despite the lockdown caused by the COVID-19 pandemic.

He said "From the beginning of the COVID-19 pandemic, we have proactively deployed all recommended measures to protect the health and well-being of our employees, customers, suppliers and communities. As such, we have implemented several rigorous protocols in all our operations across the continent. We are closely monitoring all markets according to the guidance provided by the authorities in each country. We continue to provide superior services and deliver high-quality products to our customers. 2020 started strongly, with growth across the board despite the early effects of the COVID-19 pandemic. We achieved a record-high quarterly EBITDA margin in Pan-Africa and record high quarter in Nigeria, with revenues of ₦179B and domestic volumes at 4.0Mt."

In April, Dangote Cement successfully raised ₦100B series 1 Bond from the Nigerian Debt Capital Market despite the current challenging environment. This illustrates investors' continuous confidence in Dangote Cement's strategy. This landmark transaction is the largest ever bond issuance by a corporate issuer in Nigeria. It allows us to further broaden our sources of funding by accessing long-term debt at competitive costs from the capital market" he added. Dangote Cement recorded volume growth in 6 of 9 operations; strong volume growth in Congo and Sierra Leone Detailed breakdown of the results indicated that with Pan-African sales volume at 2.28 MT, it contributed 36.2% of Group volumes. There was strong volume growth in Ethiopia, Senegal, Cameroon, Ghana, Sierra Leone and Congo. Plans are concluded to further deploy clinker and cement export strategy across West and Central Africa. Dangote Cement Plc is Sub-Saharan Africa's largest cement producer with an installed capacity of 45.6Mta capacity across 10 African countries and operates a fully integrated "quarry-to-customer" business with activities covering manufacturing, sales and distribution of cement.

The Group has a production capacity of 29.3Mta in its home market, Nigeria. It has three cement plants in Nigeria, Obajana plant in Kogi State, with 13.3Mta of capacity across four lines; Ibese plant in Ogun State has four cement lines with a combined installed capacity of 12Mta and Gboko plant in Benue State has 4Mta. Through recent investments, Dangote Cement has eliminated Nigeria's dependence on imported cement and has transformed the nation into an exporter of cement serving neighboring countries. In addition, Dangote Cement has operations in Cameroon (1.5Mta clinker grinding), Congo (1.5Mta), Ghana (1.5Mta import), Ethiopia (2.5Mta), Senegal (1.5Mta), Sierra Leone (0.5Mta import), South Africa (2.8Mta), Tanzania (3.0Mta), and Zambia (1.5Mta).

Dangote Cement has a long-term credit rating pf AA+ by GCR and Aa2.ng by Moody's due to its market leading position, significant operational scale and strong financial profile evidenced by the Company's robust operating and net profit margins relative to regional and global peers, adequate working capital, satisfactory cash flow and low leverage.

EMPIRICAL REVIEW

According to Solomon Ekanem (2025) The Dangote Petroleum Refinery has reiterated its commitment to ensuring a stable and uninterrupted supply of petrol and diesel across Nigeria, positioning itself as a pivotal player in redefining Africa's downstream energy landscape. Dangote Petroleum Refinery achieved a milestone of producing 70 million litres daily, exceeding Nigeria's domestic fuel needs. The refinery has positioned itself as pivotal for enhancing Africa's self-sufficiency in petroleum products. Operations focus on stabilizing the naira, ensuring energy security, and reducing foreign dependency. A sustainable model is employed, incorporating CNG-powered trucks for efficient product distribution. According to Group Chief Branding and Communications Officer, Anthony Chiejina,aid that the achievement underscores its growing role in stabilizing local supply, strengthening the naira, and positioning Nigeria as a future exporter of refined petroleum products across Africa.

Chiejina, (2025) emphasized that Dangote's operations are guided by a mission to safeguard national energy security, stabilize the naira, and end the continent's dependence on imported petroleum products. He added that local refining not only reduces foreign exchange outflows but also supports industrial growth, job creation, and macroeconomic stability.

President of Dangote Industries Limited, Aliko Dangote, assured that fuel prices will remain stable through the year-end, reaffirming his commitment to steady supply and fair pricing. Analysts note that if sustained, the refinery's production could transform Africa's energy ecosystem making Nigeria a net exporter of refined fuel for the first time in decades. Beyond refining, the company is developing a nationwide distribution network supported by a fleet of Compressed Natural Gas (CNG) powered trucks to cut costs, reduce emissions, and improve efficiency. The initiative highlights Dangote's commitment to cleaner, more sustainable logistics. Industry experts note that the integrated

model combining large-scale refining, efficient distribution, and CNG transport could stabilize Nigeria's fuel supply, lower consumer prices, and transform the country into a leading exporter of refined petroleum products across Africa. The new President and Chairman of the Board of Directors of the African Export-Import Bank, George Elombi, disclosed that Africa's richest man, Aliko Dangote, is seeking an additional $5bn to expand his refinery in Lagos. Speaking during his inaugural address at Afreximbank's investiture ceremony in Cairo, Elombi said Dangote personally informed him of the plan earlier in the day, adding that the bank would explore all possible avenues to raise the funds.

"Alhaji Dangote indicated that he will be coming for an additional $5bn to expand the refinery. We have agreed to look for the money wherever it is, in Afreximbank, in your individual accounts. We believe it has to be done. "If it is done, it will double his production and cut prices by 50 per cent, maybe for Nigeria and for all the countries along this West African coast. This will be a significant change," he told the gathering. The $20bn Dangote Refinery was largely financed by Afreximbank and has been described as a game changer in Nigeria's energy landscape.

Elombi said the expansion, if completed, would transform fuel supply in the sub-region and bring down costs in a way that would ripple across West African economies. In his speech, Elombi also praised his predecessor, Professor Benedict Oramah, whose tenure saw the bank's assets rise more than eightfold to $43.5bn in a decade, revenues climb to $3.24bn, and shareholders' funds increase from $1bn to $7.5bn. He pledged to build on these achievements and outlined his vision for the bank, including support for value addition in strategic minerals, deeper implementation of the African Continental Free Trade Area, investments in trade-enabling infrastructure, and the use of digital technology to strengthen integration. Elombi warned, however, of growing external hostility to Africa's multilateral financial institutions, which he described as coordinated attacks on African sovereignty.

According to him, Afreximbank's mandate is to change the structure of Africa's trade by financing production and processing, not to remain a narrow commodity financier. "How can Africa trade unless it produces? And how can it produce without transforming the very structure of its trade? This structural transformation is not mission drift; it is mission delivery," he said. Elombi added that Afreximbank's shareholders had set him the target of growing the bank's balance sheet to $250bn within 10 years, while some African leaders had challenged him to aim for $350bn. He said this ambition would be pursued with sound risk management, stressing that every dollar on the bank's balance sheet must translate into real impact across the continent. Dangote added that Elombi's "drive, boldness, commitment, and steady disposition" were suited to steering a new chapter for the lender. He stressed that the president's focus on the protection of African trade and production was critical for the continent's economic security, particularly in creating opportunities for its expanding youth population.

The industrialist also linked Afreximbank's trajectory to broader continental ambitions, saying, "At the WTO, our Vision 2030 Strategic Plan projects that we will be a $100bn organisation in the next five years. "However, having you now at the leadership of this great institution, I am sure our targets will be met much sooner based on our existing great partnership," he said. Dangote pledged the support of the Dangote Group to the bank under its new leadership, stating, "You have my personal support and assurances that, as Dangote Group, we shall be by your side as you lead this new success of our future plan."

PUNCH Online in August 2025 reported that Afreximbank signed a $1.35bn financing facility in favour of Dangote Industries Limited. In a statement from the Continental Bank, it was revealed that the facility is part of a larger $4bn syndicated financing arrangement for Dangote Industries Limited, in which Afreximbank acted as the Mandated Lead Arranger for the syndication. This financing, one of the largest syndicated loans in recent African financial markets, would refinance capital expended on constructing the Dangote Petroleum Refinery and Petrochemicals Complex, the world's largest single-train refinery with a capacity of 650,000 barrels per day. The financing alleviates initial operational expenditures and enhances DIL's balance sheet, supporting its continued growth trajectory. Afreximbank contributed $1.35bn, the largest share among participating banks, underscoring its commitment to large-scale infrastructure that advances Africa's industrialisation, energy security, and intra-African trade.

The Ogun State Chamber of Commerce, Industry, Mines, and Agriculture (OGUNCCIMA) has praised the monumental contributions of Dangote Refinery to Nigeria's economy and its role in revitalizing the private sector. This flagship industrial project has not only reshaped the country's energy landscape but has also created opportunities for private enterprises and driven sustainable economic growth. Speaking on behalf of OGUNCCIMA, it is President

Lion Niyi Oshiyemi, lauded the refinery's achievements, emphasizing its transformative impact on key economic sectors. "The Dangote Refinery is a game-changer for Nigeria's economy. With a capacity to refine 650,000 barrels of crude oil daily, it has reduced Nigeria's reliance on imported petroleum products, conserved foreign exchange, and fortified our energy security. This milestone reinforces the critical role the private sector plays in national development," he stated.

The impact of Dangote Refinery on the private sector is profound. By creating thousands of direct and indirect jobs, the refinery has stimulated economic activities across multiple industries. From manufacturing to logistics, the project has provided businesses with opportunities to grow and innovate. "The refinery's operations have created employment for Nigerians at all levels while fostering technology transfer and skills acquisition. This has strengthened local businesses and equipped them with the tools to compete in domestic and global markets," Oshiyemi noted. The emphasis on local content has been a cornerstone of Dangote Refinery's strategy. By sourcing materials locally and partnering with indigenous companies, the refinery has supported the growth of Nigerian enterprises and encouraged investments in infrastructure, engineering, and technology.

The ripple effects of the Dangote Refinery extend beyond the energy sector. Its presence has catalyzed industrialization by attracting investments in related sectors such as petrochemicals, manufacturing, and transportation. This multiplier effect has significantly expanded Nigeria's industrial base and enhanced the nation's economic competitiveness. OGUNCCIMA also highlighted the refinery's contributions to addressing Nigeria's balance of trade challenges. By producing refined petroleum products domestically, the refinery has reduced the need for costly imports while positioning Nigeria as a potential exporter of refined products within the African continent.

The impact of Dangote Refinery goes beyond Nigeria's borders, as it addresses Africa's critical energy deficits and trade imbalances. By meeting the energy demands of neighboring countries and promoting intra-African trade, the refinery aligns with the objectives of the African Continental Free Trade Area (AfCFTA). "This refinery is a shining example of what can be achieved through visionary leadership and investment in strategic sectors. It demonstrates Africa's potential to compete globally and foster regional integration," Oshiyemi remarked. In addition to its economic contributions, Dangote Refinery has maintained a strong commitment to corporate social responsibility. The Dangote Group's investments in education, healthcare, and infrastructure have improved the quality of life for many Nigerians and strengthened community resilience.

"Dangote Refinery exemplifies the role of private sector enterprises in driving social progress alongside economic development. Its initiatives in healthcare and education are building a brighter future for Nigerians," Oshiyemi added. OGUNCCIMA urged stakeholders across public and private sectors to emulate the Dangote Refinery's innovative approach to development. By fostering partnerships and investing in transformative projects, Nigeria can achieve sustainable economic growth and reduce its reliance on external resources.

"This refinery stands as a model for what is possible when the private sector leads with vision and commitment. We call on all stakeholders to collaborate and replicate such success stories to build a resilient, self-reliant, and prosperous Nigeria," Oshiyemi concluded. It would be recalled that Dangote Refinery recently slashed the price of its petrol to N970 per litre to oil marketers, while assuring that further reduction is still possible in a foreseeable future. Dangote Group was recognised under the Visible Impact Award for Resilience & Entrepreneurship; Dangote Cement won the Sectorial Excellence Award in the Chemical and Non-Metallic Products category, while the 650,000bpd capacity world's largest single train refinery, Dangote Refinery won the Groundbreaking Investment award.

Basking in the euphoria of the recognitions, Dangote Industries Limited's Vice-President, Oil and Gas, Mr. Devakumar Edwin, who was on ground to receive the awards described them as reflecting the values of Dangote Group and its subsidiaries as top employers of labour showing resilience in the face of tough business operating environment. He said the award would only spur the management of Dangote to continue in the trajectory of the fine best global best practices in business with more investments in the task of rejuvenating the nation's economy. In the same vein, Minister of Industry, Trade and Investments, Dr. Jumoke Oduwole and her counterpart in Aviation and Aerospace Development, Mr. Festus Keyamo (SAN) were recipients of the "Visible Impact in Public Service Award." This year's awards, dubbed "Defying the odds", NECA said, is geared towards promoting and encouraging best practices in Corporate Performance, People Management and Industrial Relations practices amongst employers in Nigeria. This, it explained, is in a bid to celebrate outstanding contributions of enterprise to national development,

noting that the award provided a platform for celebrating the resilience, doggedness and outstanding performance of employers in Nigeria. In his welcome address, President of NECA, Dr. Ifeanyi Eric Okoye, noted that the award ceremony was to celebrate the excellence, resilience, innovation and unwavering commitment demonstrated by businesses across the various sectors of the Nigerian economy in 2024.

He said the Awards' theme, "Defying the Odds," reflected the indomitable spirit of the Nigerian enterprises that had consistently risen to the challenges posed by the dynamic and demanding local and global economic landscape. Said he, "This annual ceremony is a testament to remarkable progress made by organisations that share our vision of a thriving private sector as the bedrock of national development. Over the years, the NECA's Excellence Award has become a hallmark of prestige highlighting organisations that exemplify best practices in corporate governance, industrial relations and environmental sustainability.

The project will save billions in foreign exchange, reduce import dependence, and bolster Nigeria's energy security. The expansion phase will create 65,000 jobs during construction and open vast opportunities for local industries. The move underscores Africa's ability to build and manage world-class infrastructure and reinforces regional self-sufficiency. Polypropylene production will increase from 900,000 metric tonnes to 2.4 million metric tonnes per annum, further enriching the production of linear alkyl benzene a key ingredient for the production of detergent, and additional production of base oils. The refinery will upgrade to Euro VI fuel standards, achieving top-tier global environmental benchmarks. Expansion includes power generation capacity growth, ensuring complete operational self-reliance.

Over 85% of the workforce will be Nigerian, with major investment in skills and technology transfer. Within one year, 10% of Dangote Refinery & Petrochemical shares will be listed on the Nigerian Stock Exchange, promoting broad ownership and transparency. Dangote assured Nigerians of steady fuel supply during the ember months, despite global oil price spikes, ensuring a festive season free from fuel queues and price hikes. Dangote called on holders of the other 30 refinery licenses to join the mission of making Nigeria the refining hub of Africa, stating: "When Africa builds its own capacity, it builds its own destiny."

The Petroleum Industry Act (PIA) 2021

The Petroleum Industry Act (PIA) 2021 itself does not directly impose a specific "customer tariff" or "levy" on consumers for Premium Motor Spirit (PMS) and diesel at the point of sale. Instead, it provides a legal, governance, regulatory, and fiscal framework for the industry, which includes other levies that indirectly affect final prices. The primary levies and financial obligations under the PIA that can influence the final price of PMS and diesel are:

Midstream and Downstream Gas Infrastructure Fund (MDGIF) Levy: The Act mandates a **0.5% levy** on the **wholesale price** of all petroleum products (including PMS and diesel) and natural gas sold in Nigeria. This fund is intended to make equity investments in gas infrastructure projects. This cost is borne by operators in the sector and is a factor in the final price to the consumer.

Import Duties: While not directly part of the core PIA fiscal framework, the government has at times introduced import duties on imported PMS and diesel, which would increase the final cost to the consumer. For instance, a recent proposal for a 15% ad valorem import duty on both PMS and diesel was announced, but its implementation has since been suspended due to concerns about the economic impact on consumers.

Deregulation and Market Forces: A major aspect of the PIA and subsequent government policy is the full deregulation of the downstream sector. The removal of fuel subsidies means that the prices of PMS and diesel are now primarily determined by market forces, including the cost of crude oil and refining, rather than being fixed by the government.

In summary, the PIA primarily sets the stage for a deregulated market and imposes specific levies on the wholesale operations side (like the 0.5% MDGIF levy), which are ultimately passed down the value chain to the final consumer within a market-driven pricing structure.

Economist Ken Ife has raised serious concerns over Nigeria's continued reliance on imports and the systemic failures within its oil and gas sector, describing the country as lacking economic independence. During an interview with ARISE NEWS on Friday, Ife said, "You know we got independence in 1960, and up till now we cannot claim that we

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have got economic independence. We have political independence. ”Speaking on the persistent challenges in implementing the Petroleum Industry Act (PIA), Ife noted that regulatory bodies like the Nigerian Petroleum Development and Regulatory Authority (NPDRA) have fallen short of their mandates.

According to Ife, the agency has failed to provide critical data on fuel consumption, leaving the country vulnerable to market distortions. Evidence of regulatory shortcomings emerged when border closures led to a 30–35 percent drop in fuel availability and price surges in coastal countries up to Senegal.

He said, “We have continued to see import dependency drive this economy into near extinction. And we have PIA that took almost 20 years to bring in. And then implementation of the PIA becomes even a greater problem. We have an NPDRA that has to be more professionalised in the work that they do. Because what happens is that within the provisions of the PIA, section 71A and B and section 72, the provisions are there on public service obligation. They should have made their regulations, because, PIA allows to make regulations.

“So it is the agency that has to make that regulation that has to go through all this process of making sure that there is enough regulation to deal with PSO obligation and to deal with DCO, the domestic trade obligation. They have done nothing. All we have there is that we have an organisation that is behaving like a trader’s union. So the traders have actually taken over NPDRA. And that is the symptom. What we are now seeing is their failure to deliver on their mandate. They have not told this country how much fuel is being consumed.

“We also know that when we shut down the borders, the thing dropped by about 30 to 35 percent. Countries along the coast, up to Senegal, prices have to go up. So all of these are just shortcomings of NPDRA. And nobody else should be blamed for this.”

He called for immediate professionalisation of NPDRA and full implementation of PIA regulations to restore accountability and strengthen Nigeria’s energy sector, framing the current import dependency as a symptom of deeper structural and governance issues.

METHODOLOGY

The study descriptive research design used The Data for the study were obtained from Dangote significant progress across its key sectors, most notably with its refinery becoming operational and immediate plans for major expansion, along with continued growth in its cement and fertilizer businesses. Finding reveal that Dangote Petroleum Refinery is expanding its capacity from 650,000 barrels per day to 1.4 million barrels per day, making it the largest refinery in the world, surpassing India’s Jamnagar Refinery. Aliko Dangote expressed deep appreciation to President Bola Ahmed Tinubu and the Federal Government for policies such as Nigeria’s First, Naira-for-Crude, and One-Stop Shop which have strengthened industrialisation. The Federal Government played a key role in mediating recent refinery disruptions caused by union activities and sabotage attempts. The expansion aligns with President Tinubu’s vision for Nigeria to emerge as a major global supplier of petroleum products.

Firm	Sector
Dangote Sugar	Consumer goods
Dangote Pasta	Consumer goods
National Salt Company (NASCON)	Consumer goods
Dangote Classic Seasoning	Consumer goods
Dangote Oil and Gas	Business support
Dansa Foods	Agro-allied
Dangote Transportation	Logistics
Dangote Agro-sacks	Business support
Greenview Development	Port management
Savannah Sugar	Agro-allied
MHF Properties	Property development

The group has also diversified into oil and gas-related ventures, establishing a 3 million tonnes fertilizer plant, petroleum refinery capable of refining 650,000 barrels of oil and a petrochemical operation. Dangote Refinery was inaugurated in May 2023, and will be the largest single train refinery in the world at full capacity.

CONCLUSION

The success story of Dangote offers inspiring proof that entrepreneurship can thrive despite adversity. His businesses have created countless jobs and made significant contributions to Nigeria's economy. By turning challenges into opportunities, embracing patience and a diversification strategy, and continually reinvesting, Dangote built an enduring legacy. For anyone dreaming of building a legacy, even without connections or wealth, his story shows it is possible. Dangote has proved that the laws of the country are meant to protect its citizens (including Dangote group). The Dangote Refinery expansion will boost Nigeria's refining capacity and reduce dependence on imported fuel. The project will create jobs, drive industrialisation, and strengthen Africa's long-term economic independence, The Dangote Refinery expansion is a defining milestone for Nigeria and Africa. Billionaire businessman, Furthermore, by exporting surplus refined products to neighbouring West African nations, the refinery has created a new stream of foreign exchange earnings, contributing to a rare surplus in Nigeria's balance of payments in early 2025. This strategic initiative by Dangote represents a significant step forward in enhancing the economic landscape of West Africa and Africa as a whole by reducing reliance on the import of petrochemical products.

RECOMMENDATION

Aliko Dangote should reconsider his decision and explore opportunities within the steel industry. The revitalization of our steel sector relies heavily on the private sector, therefore Dangote's involvement could be pivotal in rejuvenating this industry. It is essential to establish a functional steel sector for Nigeria to achieve its industrialization goals effectively. Industrialization is the way out of our Economic crisis. We need more Dangotes in other sectors of the Economy. Aliko Dangote has the vision and the passion, Government should support to make this project a huge success for Nigeria, Africa and the World at large. Dangote should have a platform that accepts SME companies interested to build in oil and gas.

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