

CEO of Angola's new \$1bn Cabinda refinery sees 2024 startup

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The first phase of Angola's new 60,000 barrel-a-day Cabinda refinery is seen producing its maiden products in mid-2024, as the Ukraine war and global increase in refining projects hit costs and procurement, the plant's chief executive Tom Di Giacomo said on Tuesday, 14 March.



Source: kodda © [123RF.com](#)

The Cabinda refinery project is one of three new refineries planned for Africa's second-biggest crude oil producer aiming to reduce its dependence on importing almost all of its domestic refined product needs.

The first phase will entail building a 30,000 bpd crude unit that produces naphtha, jet fuel, diesel and heavy fuel, Di Giacomo said on the sidelines of an African refiners and distributors conference in Cape Town.

"How long will the war in Ukraine continue (as) that's already impacted our procurement because some prices have increased since the initial expenditure plans," Di Giacomo told Reuters.



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Procurement lead time

"The government of Angola wants it to be as soon as possible, however, it takes a long lead time for some of the procurement of equipment, such as pumps and compressors," he added.

Media reports quoting government officials had previously projected the start of operations to be in 2022.

Around 90% of the equity financing for the plant has been raised by UK-based investment group Gemcorp, mainly from African financial institutions such as Afreximbank, with the remaining 10% provided by Angola's state oil group Sonangol.

"Right now the banks are finalising their initial commitment of money which will be the first third of the money required," Di Giacomo said of the project costing about \$1bn.

Oil delivery

The refinery will be supplied by local Cabinda oil shipped via an offshore mooring buoy and different configurations are being considered for the second and third phases.

"We are trying to do what is best for the government of Angola, so we are trying to look at even the potential of increasing production to more than 60,000 bpd, if it's possible because we have enough land available," he said.

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