S03 – OIL, GAS & REFINING

Modular Heavy Fuel Oil (HFO) Mini-Refinery for Thermal Power Plants, 5,000 Barrels per Day



Sponsored by **Istithmar West Africa** (IWA)
Private sponsor · Proposal to the Ministry of Petroleum

ESTIMATED PROJECT COST	LOCATION	FINANCING SOUGHT	CAPACITY
EUR 119.98 million	**Site to be determined, as close as possible to crude oil supply and the national power grid**	**PPP, BOT, or loan**	**5,000 barrels per day, modular and expandable**

Implementation period: 18 months after approval of the environmental impact assessment. All monetary figures are in EUR. Converted estimates are indicative and rounded; source estimates may use different valuation bases.

Investment opportunity

The Gouroubanda (100 MW), Goudel (89 MW), and Zinder (23 MW) power plants have strengthened Niger's electricity independence. Goudel and Zinder run on Nigerien crude oil at a stabilized price. Gouroubanda, designed for heavy fuel oil (HFO), must either burn more expensive diesel, which contributes to NIGELEC's deficit, or import HFO, exposing it to international prices and logistical risks: SORAZ does not produce HFO.

A small modular refinery supplied with Agadem crude would address this constraint by producing HFO 180 cSt locally to meet power plant requirements. The projected HFO yield is approximately 65%; the unit would also produce diesel (17%) and kerosene (14%, convertible to Jet A1 with a dedicated module), broadening the range of domestically produced petroleum products.

AT A GLANCE

PROJECT SPONSOR	Istithmar West Africa (IWA)
TARGET POPULATION	NIGELEC and thermal power plants (including Gouroubanda, 100 MW); SONIDEP and petroleum product distributors
REFERENCE	Project sheet submitted by the sponsor

PROJECT STATUS

- ✓ **Preliminary studies (FEED)** : Conducted in 2022–2023 by VFUELS: technical feasibility of producing HFO 180 cSt from Agadem crude confirmed
- – **Memorandum of understanding with the Ministry of Petroleum** : To be signed
- – **Site** : To be selected jointly
- – **Crude oil supply** : CNPC agreement in principle to be obtained

Objectives

Supply thermal power plants with HFO produced in Niger at a lower cost than diesel and strengthen national energy sovereignty

- Produce HFO locally to meet thermal power plant specifications

- Reduce plant fuel costs and NIGELEC's deficit
- Reduce reliance on HFO imports and logistical uncertainties
- Broaden Niger's range of refined products (diesel, kerosene, and optional Jet A1)

Components

1. Additional studies: technical and financial proposal, environmental impact assessment, and geotechnical, topographic, and logistics studies
2. 5,000-barrel-per-day modular atmospheric distillation unit
3. Storage and dispatch of refined products
4. Optional module to convert kerosene into Jet A1

Expected outcomes

- Thermal power plants supplied with HFO produced in Niger
- Lower plant fuel costs and NIGELEC deficit
- Reduced HFO imports and associated logistical risks
- Capacity can be expanded to track HFO consumption

Partnerships sought

Technical partners

VFUELS (preliminary FEED studies, 2022–2023)

Financial partners

To be identified based on the selected structure: PPP, BOT, or loan

Government role

Ministry of Petroleum: memorandum of understanding with the sponsor, site selection, and crude supply agreement with CNPC

Risks and mitigation

RISK	PLANNED MITIGATION
Crude oil supply	CNPC agreement in principle for 5,000 barrels per day from Agadem, including 2,000 already delivered for Goudel and Zinder, leaving an additional 3,000 barrels per day.
Sales outlets	Memoranda of understanding with prospective buyers (NIGELEC, SONIDEP, HOLDEN NIGER) before the business plan and financing search.
Site selection and logistics	Joint site selection (transport costs, environment, road and power access); sponsor experience transporting crude by tanker truck from SORAZ.

INVESTOR CONTACT

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INVESTOR INTRODUCTIONS

ANPIPS is the single point of contact: it connects investors with the project sponsor and arranges B2B meetings at F2IN 2026.