

The announcement made at the Africa We Build Summit 2026 in Nairobi may well go down as one of the most consequential economic decisions for East Africa in recent years. Bringing together presidents Yoweri Museveni and William Ruto, alongside Africa's foremost industrialist Aliko Dangote, the proposal to construct a 650,000-barrel-per-day oil refinery at Tanzania's port of Tanga signals a bold step towards regional self-reliance and economic integration.

For decades, East African Community (EAC) countries have remained dependent on imported refined petroleum products, mainly sourced from the Middle East. This dependence has come at a heavy cost. The region has frequently been exposed to global oil price volatility, supply disruptions and geopolitical shocks that quickly translate into higher fuel prices, inflationary pressure and constrained economic growth. The recent global tensions linked to Middle Eastern conflicts are a clear reminder of how vulnerable import-dependent economies can be.

The proposed joint refinery seeks to address this structural weakness by shifting the region from being a passive consumer to an active producer of refined petroleum products. In doing so, it promises to deliver far-reaching economic benefits, beginning with a significant reduction in the region's fuel import bill. EAC economies collectively spend billions of dollars annually importing refined petroleum, placing sustained pressure on foreign exchange reserves. A local refinery would retain much of this expenditure within the region, helping to stabilise currencies and strengthen macroeconomic fundamentals.

Beyond import substitution, the refinery represents an important leap towards value addition. Countries such as Uganda and South Sudan have long possessed

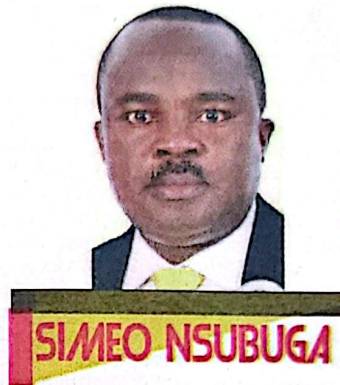
Joint oil refinery turning point for regional transformation

crude oil resources, but have lacked the infrastructure to process them domestically. As a result, much of the potential value has remained untapped. Refining crude oil within the region creates new revenue streams, from refined fuels to petrochemical by-products, and positions East Africa higher up the global value chain.

Uganda's role in this initiative is particularly central. Museveni's assurance that the country will supply up to 300,000 barrels per day through the East African Crude Oil Pipeline (EACOP) highlights the strategic linkage between upstream production and downstream processing. The pipeline, stretching approximately 1,444km from Hoima to Tanga, is not just a transport corridor, but a critical enabler of regional industrialisation. By feeding into the proposed refinery, it ensures a steady supply of crude oil while enhancing the commercial viability of both projects.

Equally important is the scale of the refinery itself. At 650,000 barrels per day, it mirrors the capacity of Dangote's landmark refinery in Nigeria, one of the largest in Africa. Such scale presents clear economies, allowing the facility to meet regional demand while potentially exporting surplus to neighbouring markets. This positions the EAC as a future energy hub, capable of influencing supply dynamics beyond its borders.

The economic ripple effects of such a project are significant. During



construction, the refinery will generate thousands of jobs, providing opportunities across engineering, construction, logistics and support services. Once operational, it will sustain a highly skilled workforce while catalysing the growth of related industries. Transport networks, storage facilities, maintenance services and petrochemical plants are likely to emerge around the refinery, creating a robust industrial ecosystem.

Dangote's commitment to finance and replicate his Nigerian refinery model adds a critical dimension to the project credibility. Large-scale infrastructure projects in Africa often struggle with financing gaps and delays. Dangote's involvement not only brings capital, but also proven expertise in executing complex industrial ventures. His pledge to

deliver the refinery within four to five years, provided there is sufficient government support, gives the initiative a realistic timeline and a strong foundation.

The regional dimension of the refinery is also noteworthy. By integrating crude oil from Uganda, Kenya, South Sudan and the DR Congo, the project embodies the spirit of collective growth. Rather than pursuing fragmented national solutions, EAC member states are embracing a shared approach that maximises efficiency and spreads benefits across borders. Ruto's vision of a refinery serving the entire region underscores the importance of economic co-operation in an increasingly interconnected world.

However, ambition alone will not guarantee success. The project will require careful co-ordination among participating governments. Issues such as policy alignment, regulatory frameworks, revenue sharing and environmental standards must be addressed with clarity and urgency. The risk of delays due to competing national interests remains real and must be managed through strong political commitment and transparent governance structures.

The choice of Tanga as the refinery location further strengthens the project's strategic outlook. As a coastal port with direct access to international shipping routes, Tanga provides an efficient gateway for both crude oil imports and refined product exports.

Its integration with the EACOP pipeline reinforces its position as a regional logistics hub, enhancing trade flows and deepening economic linkages among EAC countries.

In the broader context, the proposed refinery is a catalyst for industrial transformation. It opens the door to a range of downstream industries, including fertiliser production, plastics manufacturing and other petrochemical applications. These industries are essential for supporting agriculture, manufacturing and infrastructure development, all of which are key drivers of sustained economic growth.

Ultimately, the EAC joint oil refinery represents more than an energy project. It is a statement of intent, a declaration that East Africa is ready to harness its resources, build its own capacity and shape its economic destiny. The collaboration between regional governments and a private sector giant like Dangote demonstrates what is possible when vision is matched with partnership.

The task ahead is clear. The region must move decisively from announcement to implementation, ensuring that the promise of Tanga becomes a reality. If successfully delivered, the refinery will not only secure energy independence but also redefine East Africa's economic trajectory for decades to come.

The writer is a commissioner at the Human Rights Commission