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Egypt's Refining Sector

A LOOK AT MODERNIZATION AND EXPANSION

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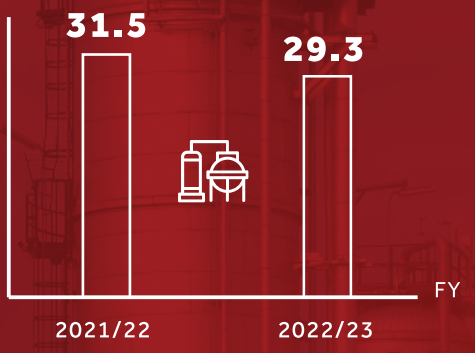
Key Takeaways

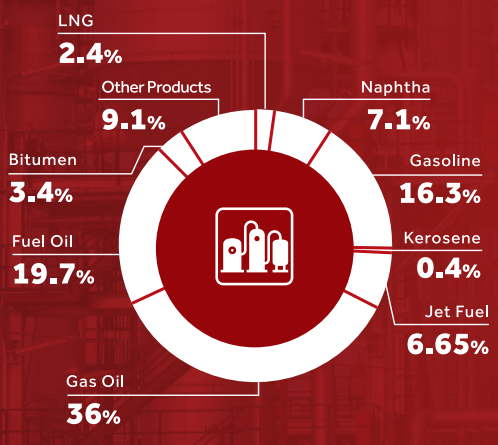
Extant Egyptian Refineries

11

Egypt's Total Refineries Production (mmt)



Average Share of Production in FYs (2021/22-2022/23)



Investments of the Completed Refining Projects in 2023

$7.3 billion

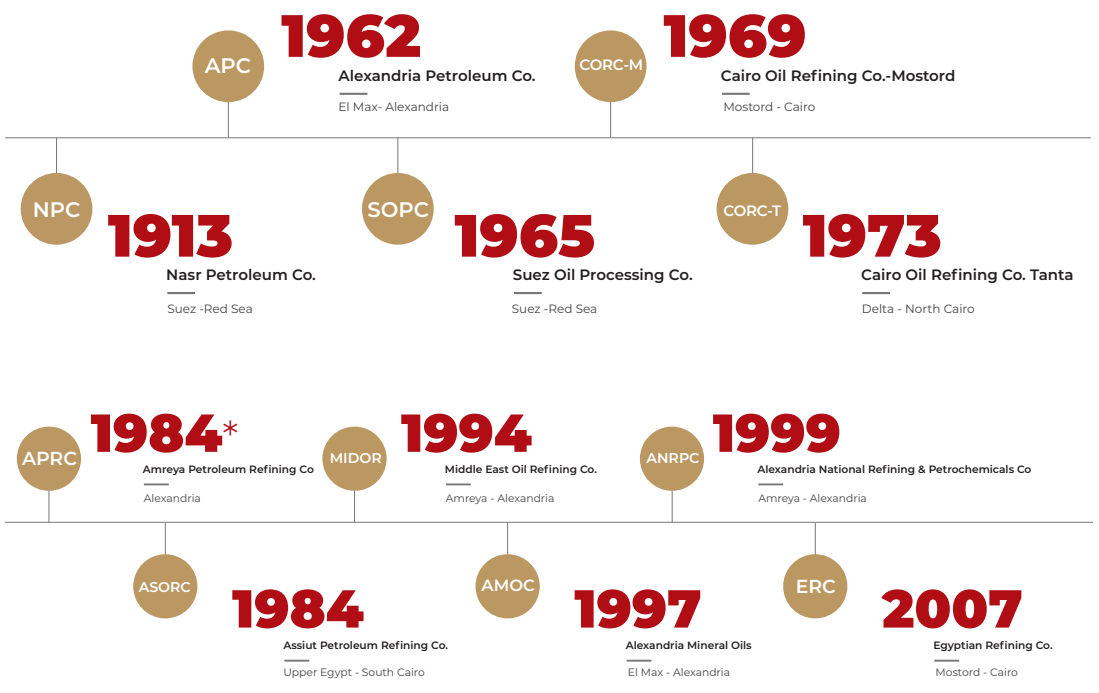
Egypt strives to develop and modernize its oil refineries by completing projects to meet and secure local market needs and reduce the import bill. The oil and gas sector's modernization project encompasses a pillar that targets improving the downstream performance and increasing energy efficiency. This is achieved through implementing several expansion and development refining projects with a capacity of 6.2 million tons per year (mmt/y) by the end of 2023, according to the Ministry of Petroleum and Mineral Resources (MoPMR).

Moreover, Egypt had the largest refining capacity in Africa in 2022, accounting for roughly 25% of the continent's total capacity, according to the 2023 Statistical Review for World Energy Report. To maintain this leadership position, the sector plans to continue investment in upgrading refinery infrastructure and implementing expansion projects.

This report outlines the significance of Egypt's refining sector, including existing refineries, their operations, and the major refined products. It also highlights the key ongoing projects.

EXISTING REFINERIES

Egypt plays a key role in petroleum refining, with 11 refineries. Egypt's refining industry is almost concentrated in Alexandria, Suez, and Cairo. Refineries produce different petroleum products such as liquified petroleum gas (LPG), Gas Oil, Fuel Oil, Lube Oil, Solvents, Kerosene, Gasoline, Bitumens, Naphtha, and waxes; all of which play essential roles in various industrial applications and transportation fuels.



*Established in 1911 as the Egyptian English Oil Wells Co. In 1964 the company was nationalized and renamed to Al-Nasr Petroleum Co. Later, in 1984, the Amreya Refining Plant was then separated from the Nasr Petroleum Co. and named APRC.

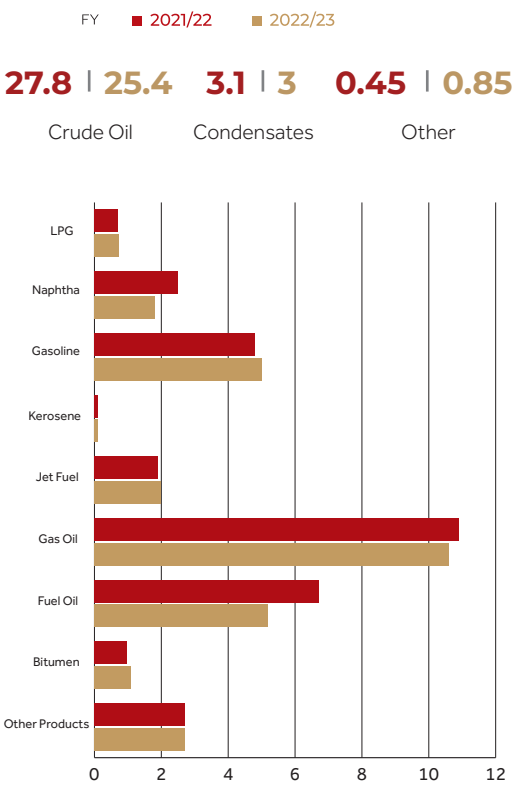
REFINERIES OPERATIONS

In fiscal years (FYs) 2021/22 and 2022/23, Egypt's refineries achieved strong production results. Meanwhile, Egypt's average refinery production amounted to 30.4 million tons (mmt). Crude oil is the primary feed in the two FYs, according to the Egyptian General Petroleum Corporation (EGPC).

Among a range of petroleum products, gas oil held the biggest share, consistently accounting for around 35% of the total production volume over the two FYs, according to the EGPC.

Total Refineries Production

Feed (mmt)



REFINING PROJECTS

Completed Projects in 2023

The sector has completed several refinery projects, through adding new complexes and production units. These projects aim to produce high-quality petroleum products to secure local market needs and reduce imports.

Total Investment

$7.3 billion

Major Projects

ANOPC
Diesel Production Complex

SOPC
Refinery Expansions

ASORC
Establish a New CDU

Completing CDU Project at NPC*

Capacity

1.2 mmt/y

Cost

EGP **3.3** billion

*Starting the Trial Operations in January 2024

Major Ongoing Projects

The sector is also currently developing a number of promising refining projects aimed at maximizing the value added that will have a positive impact on the sector's activities and the national economy.

Project	Refinery	Capacity (mmt)	Investment Cost ($ billion)
Expansions	MIDOR	Boosting the plant's capacity by **60%**	**2.3**
Assiut Petrol & Diesel Production Complex	ANOPC	**2.5**	**1.2**
High Octane Petrol Production Unit		**0.8**	**0.45**
Hydrogen Cracking Complex & Petrol Production	Red Sea National Refining & Petro-chemicals Co.	**2.5**	**2.5**
Coking Complex, Including Establishing a New VRU of Gases	SOPC	**1.5**	**0.58**
Paving Asphalt Production Unit		**0.396**	**0.079**
Aromatics Extraction	APC	-	**0.022**
Gas Recovery Project to Produce Butane VRU	NPC	-	-

Egypt's refineries play a crucial role in developing the country's economy by processing crude oil and producing a number of high-quality petroleum products, in order to achieve higher production levels.

In this regard, the government set a strategy to maximize feed production in different regions in Egypt, which leads to an increase in refined products.

Consequently, initiatives were launched in the petroleum industry aimed to contribute to the decarbonization of the refining sector in the country, by harnessing solar energy for electricity generation. This involved the utilization of advanced technologies in collaboration with leading specialized firms, through employing solar cell systems to power production wells. This is also supported by the progress of various refinery projects that are making significant advancements.

The Egyptian refineries persist in making a substantial contribution to the energy sector as well as the economy's overall development. In line with ongoing investments and modernization efforts, the future appears bright for Egypt's refining industry, promising further growth and development.

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