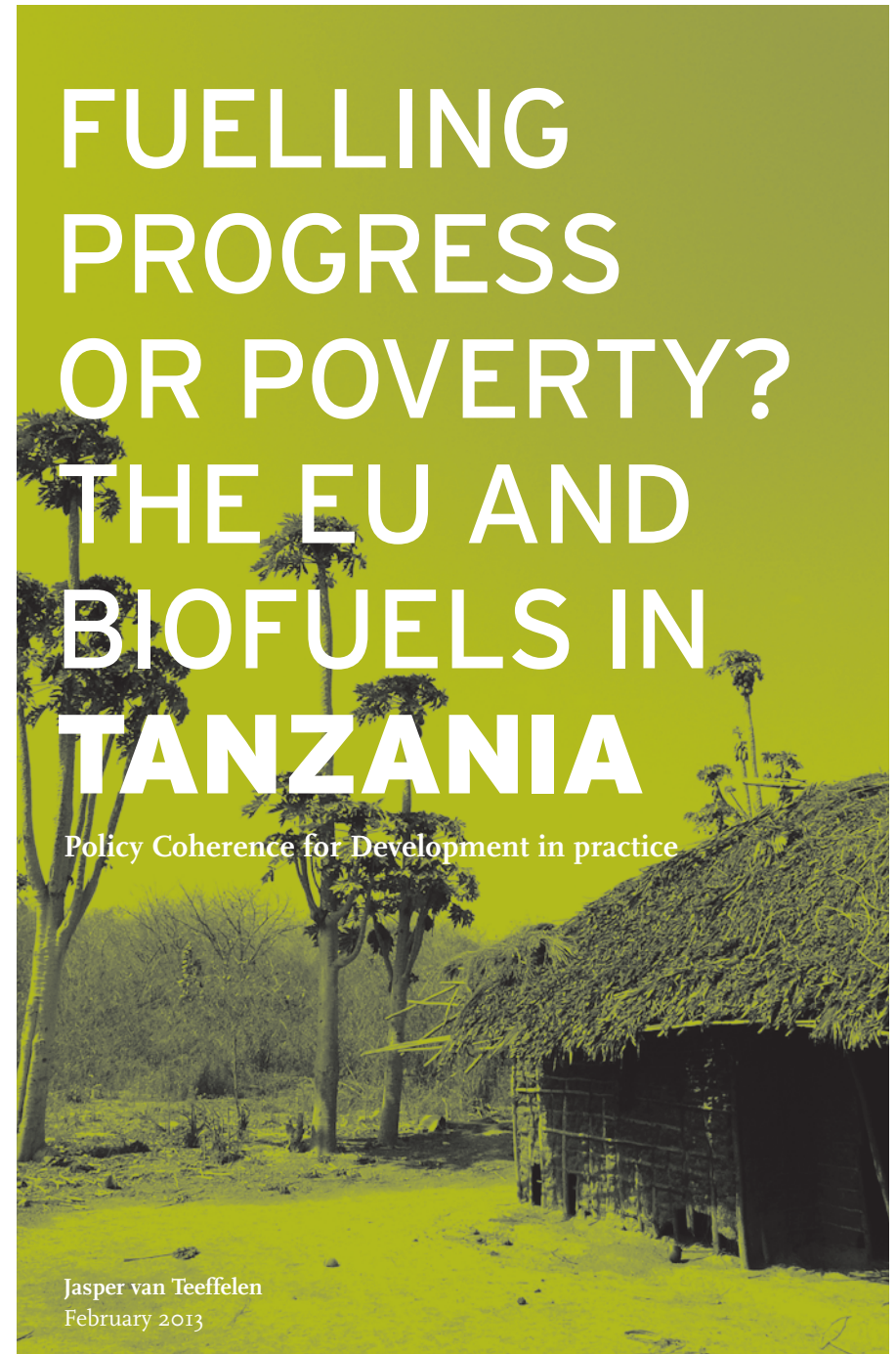




FUELLING PROGRESS OR POVERTY? THE EU AND BIOFUELS IN TANZANIA

Policy Coherence for Development in practice

Jasper van Teeffelen
February 2013



FUELLING PROGRESS OR POVERTY? THE EU AND BIOFUELS IN **TANZANIA**

Policy Coherence for Development in practice

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LIST OF ACRONYMS

ACP	African, Caribbean and Pacific
ALDE	Alliance for Liberals and Democrats for Europe
BEFS	Bio-Energy and Food Security
DC	District Council
DG	Directorate General
EC	European Commission
EEAS	European External Action Service
EIA	Environmental Impact Assessment
EMAC	Environmental Management Consultants
EU	European Union
FAO	Food and Agriculture Organisation
GHG	Greenhouse Gas
GTZ	German Organisation for Technical Cooperation
HA	Hectare
IIED	International Institute for Environment and Development
ILO	International Labour Organisation
ILUC	Indirect Land Use Change
MAFSC	Ministry of Agriculture, Food and Cooperatives
MEM	Ministry of Energy and Minerals
MEP	Member of European Parliament
MLA	Ministry of Lands
NBTF	National Biofuels Taskforce
NEMC	National Environment Management Council
NGO	Non-governmental organisation
NREAP	National Renewable Energy Action Plan
OECD	Organisation for Economic Cooperation and Development
ODA	Official Development Assistance
PCD	Policy Coherence for Development
RED	Renewable Energy Directive
SIDA	Swedish International Development Cooperation Agency
TALA	Tanzania Land Alliance
TIC	Tanzania Investment Centre
TSH	Tanzanian Shilling
UK	United Kingdom
UN	United Nations
USA	United States of America
WTO	World Trade Organisation
WWF	World Wide Fund for Nature

INITIATIVE BY THE EVERT VERMEER FOUNDATION

This study has been conducted by the Evert Vermeer Foundation (EVF) as part of the 'Fair Politics' campaign. Fair Politics has been advocating for fair and coherent policies in The Netherlands and European Union since 2002. The objective of the Fair Politics campaign is to make politicians and policymakers aware of unfair policies, provide policy recommendations and encourage revision of these policies. Fair Policies are coherent, justifiable and sustainable policies that do not hinder, but encourage the development of poorer countries. We cannot take with one hand what we give with the other.

Fair Politics campaigns on various policy areas, including: the Economic Partnership Agreements, fishery policies, migration policies, arms trade, raw materials and many others. On our website (www.fairpolitics.eu) these cases are presented and updated.

The Evert Vermeer Foundation is an independent political foundation affiliated to the Dutch Labour Party. Its vision originates in social-democratic thought and has international solidarity as its mission. The Evert Vermeer Foundation believes that the voice of people in developing countries should resound in Dutch and European politics. In order to put development cooperation at the top of the political agenda, the EVF advocates for fair Dutch and European politics and organises political debates and public events on international solidarity.

FOREWORD

We are no longer living in a world where governments can formulate policy in isolation, without taking into account the implications for developing countries. This publication marks the ten-year anniversary of the Evert Vermeer Foundation's work on Policy Coherence for Development. From the inception of the *Coherence Programme* to its transformation into *Fair Politics*, for a decade we have been lobbying, organising debates, striking coalitions with other organisations, and campaigning on the effects of policies of the European Union and The Netherlands in developing countries.

In those ten years we have seen great progress by the EU and The Netherlands in tackling incoherencies and ensuring that our policies do not negatively affect the poor and vulnerable in this world. The inclusion of PCD in the Treaty of Lisbon is but one of many victories for PCD. Yet, too many examples persist of policies which undermine development cooperation efforts, human rights and poverty eradication in developing countries.

To better understand the way European policies affect developing countries and, most importantly, to come to better solutions to address these impacts, the Evert Vermeer Foundation publishes research reports such as the one before you. In 2010 we first carried out an impact study, when we visited Ghana to learn about the experiences of the country with EU policies on trade, illegal logging and migration. In 2011 we visited Rwanda, to see how the EU's Raw Materials policy could be more inclusive of developing country interests and human rights. This report looks at the effects of EU biofuels policy in Tanzania.

This study examines how the EU's biofuels policy is experienced by various stakeholders in Tanzania, from rural communities, to ministry officials, to civil society organisations, to biofuel companies. The EU's support to biofuels drove European companies to start biofuel projects in Tanzania, frequently causing great problems for rural communities. The Great Biofuels Rush in Tanzania has resulted in too many broken dreams, broken promises, and broken homes. The European Union must change its biofuels policy to ensure that it is coherent with development objectives and does not threaten food security and land rights of communities in developing countries. The EU is already taking steps to ensure that its biofuels policy is more sustainable, but further action is needed.

We hope this study enables for a better understanding of the way EU biofuels policy impacts a country like Tanzania. We look forward to policymakers and politicians in the European Union taking up the recommendations presented in this report, so that European biofuels policy does not undermine our development objectives. Only then can we really *Make Development Work!*

Max van den Berg, president Evert Vermeer Foundation
Arjen Berkvens, director Evert Vermeer Foundation

EXECUTIVE SUMMARY

This research explores the impact of the European Union's biofuels policy in a developing country from a perspective of Policy Coherence for Development (PCD). To this end the research takes on a three-pronged approach: 1) establishing a causality chain between the EU's biofuels policy and impacts in Tanzania; 2) analysing these impacts for their development implications, mainly taking note of the way they affect vulnerable groups such as rural communities and women; 3) reviewing the policy efforts of both the Tanzanian government and the European Union to address these impacts. The study draws on the results of 31 semi-structured interviews with key stakeholders in Tanzania and a field visit to a biofuels project, as well as desk-based research.

The EU has committed itself to ensuring its policies do not undermine development cooperation objectives, or Policy Coherence for Development. To implement PCD the EU has established several institutional mechanisms which have thus far fallen short in tackling the many incoherencies still perpetrated by the Union. The EU's assessment of the impact of its policies on developing countries is inadequate, and mechanisms enabling developing countries to engage with the EU on PCD issues are underused. Measuring the impacts of incoherent policies is a key challenge identified by the EU for the future. This report analyses the development impact of the EU's biofuels policy in Tanzania and seeks to contribute to a better informed policy debate.

In a time of global energy insecurity and climate change, the EU embraced biofuels because of its perceived potential in reducing both CO₂ emissions and fossil fuel dependency. Scientific evidence has shown that the greenhouse gas savings of food-based biofuels are largely disappointing, and in some cases they are even more polluting than their fossil fuel counterparts. Throughout the 2000s the EU has discussed and set targets for biofuels use in transport to stimulate their adoption. This culminated in the Renewable Energy Directive (RED) where the EU set a 10% target for renewable energy in the transport sector, which would be met almost entirely through biofuels.

This ambitious target is having harmful effects on people in developing countries across the globe. Food security is threatened by rising food prices as competition for food crops as biofuel feedstock increases, while the large-scale land acquisition for biofuel production by European firms in developing countries is causing many problems for rural communities. Measures of the European Union to mitigate the development impacts of the RED are limited to a biennial reporting requirement on the social impacts.

The Renewable Energy Directive therefore conflicts with the European Union's ambitions towards Policy Coherence for Development, because it is undermining poverty eradication and food security in developing countries.

A key factor in driving European biofuels companies towards Tanzania was the EU's support for biofuels. Tanzania experienced a large number of (European) investors and

companies entering the country from 2005 onwards, interested in large-scale production of biofuels to export to the EU. Many projects planned to grow jatropha, which was then believed to be a highly profitable crop. The acquisition of land by several European companies had severe consequences for rural communities in Tanzania. Villages gave up their land without adequate compensation, enticed by the promises made by the company during shortcoming negotiation procedures. Assessment and mitigation of the project's impacts on the local environment proved insufficient. Especially significant were impacts on rural women, who rely heavily on land for farming and other purposes, such as water collection or gathering of charcoal. The case examined in this report illustrates that women have little to no say during the decision-making process over a land transaction. Virtually all companies that engaged in biofuel production in Tanzania since 2005 have either gone bankrupt, left, or changed their business model. The impacts of these bankrupt companies has been especially large, with all employees laid off and the community unable to access the now idle land.

The Government of Tanzania embraced biofuels as an engine for economic and rural development, but it initially did not establish or implement a policy framework to guide these investors and ensure sustainable development of the sector. The Government of Tanzania launched a set of policy guidelines on sustainable biofuels production in 2010, and a policy framework is to be published in 2013. The government intends to address land grabbing and direct the biofuels sector towards production for domestic energy security through smallholder farmers and outgrower schemes.

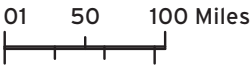
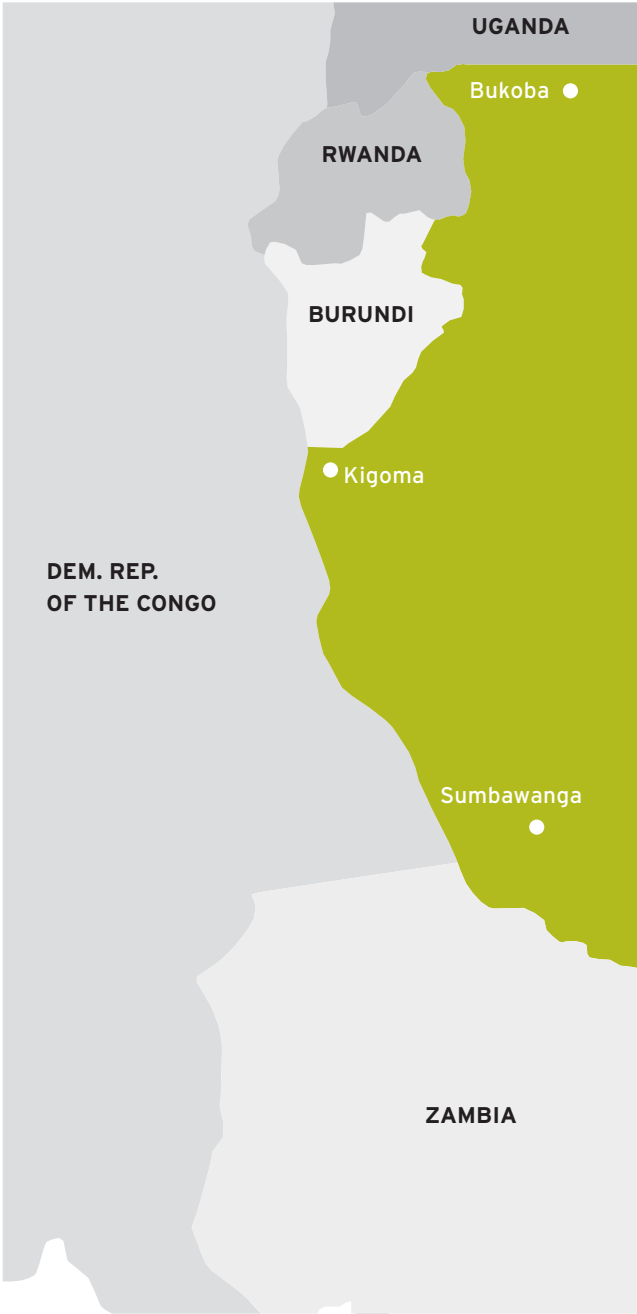
Corrective action to address the impacts of its biofuels ambitions on food security and land grabbing in countries like Tanzania is necessary. In 2012 the European Commission proposed to cap the contribution of food-based biofuels to the 10% renewable energy target at 5%, in response to new scientific evidence on Indirect Land Use Change. The EU must go further and phase out support of all food-based biofuels. Second, the EU must introduce social sustainability criteria on biofuels to address the impacts of production on communities in developing countries, and implement the UN Guiding Principles on Business and Human Rights. Finally, the EU needs to invest more in dialogue with civil society and governments in developing countries on the effects of legislation such as the Renewable Energy Directive. These recommendations are key if the EU wants to address the consequences of EU legislation on poverty eradication in developing countries.

MAP OF TANZANIA

- 1. BioShape (The Netherlands)
jatropha, 34,500 hectares,
Kilwa district
- 2. SEKAB / EcoEnergy Bagamoyo
(Sweden) sugarcane, 22,000
hectares, Bagamoyo district
- 3. SEKAB / EcoEnergy Rufiji
(Sweden) sugarcane,
200,000 - 400,000 hectares
(never realised), Rufiji district
- 4. TaTEDO (Tanzania) jatropha,
smallholder farmers, Greater
Arusha district
- 5. Diligent (The Netherlands)
jatropha, smallholder farmers,
Greater Arusha district
- 6. Sun Biofuels (United Kingdom)
jatropha, 8,211 hectares,
Kisarawe district

This map displays the biofuel projects in Tanzania discussed in this report. Locations are approximate.

Sources: Sulle & Nelson (2009); Gordon-Maclean et al. (2008) ; Havnevik et al. (2011) ; ActionAid (2009).





Agriculture in Mavuji village, Kilwa District



1. INTRODUCTION

868 million people across the globe still suffer from hunger.¹ Through its aid policies the European Union (EU) wants to make a difference in eradicating hunger and poverty. The EU however also continues to uphold policies which directly undermine these efforts. One of these is the Renewable Energy Directive (RED) and its bid to stimulate the use of biofuels in Europe. The EU's biofuel ambitions have come under much scrutiny over the past ten years because of the implications for the world's poor and climate change. The EU must reform its biofuels policy and ensure that it does *not* have a harmful impact on developing countries.

In a time of global energy insecurity and climate change, the EU must first and foremost reduce European energy demand, in addition to finding sustainable alternatives to fossil fuels. Biofuels were thought to have great potential in addressing energy security and global warming, replacing fossil fuels while simultaneously reducing CO₂ emissions. The EU has since the early 2000s set increasingly ambitious targets and incentives for biofuels. This culminated in the current 10% target for use of renewable energy in the transport sector in the 2009 Renewable Energy Directive, to be met almost entirely by biofuels. The European Union has firmly committed itself to ensuring that its policies do not undermine development cooperation objectives, or 'Policy Coherence for Development' (PCD). The EU's biofuels policy however is having harmful effects on people in developing countries across the globe by threatening food security and rural livelihoods.

The European Union's push for first-generation biofuels is rapidly driving up global food prices and the price of the food basket in developing countries, as the use of food crops like maize and palm oil to fuel our cars increases.² Increased competition for land and water to grow biofuels is destroying livelihoods and natural environments in developing countries across the globe. Land acquisition by biofuel companies looking to take advantage of Africa's cheap and abundant land frequently has negative consequences for rural communities across the continent.³

Tanzania is one of many developing countries which witnessed rapid development of its biofuel sector over recent years, largely driven by European companies looking to capitalise on the EU's support to biofuels. This report analyses the impact this has had on development in Tanzania, and gives concrete policy recommendations how the EU can, today, amend these impacts. Findings are based on desk-based research and a research mission to Tanzania, where key stakeholders in the biofuels sector were interviewed, such as ministries and companies.

This report can be divided into two sections. The first section (chapters 2 to 4), explains the EU's biofuels policy from a perspective of PCD. The second section examines the

1 As of 2010-2012, see <http://www.fao.org/hunger/en/>.

2 Oxfam (2012) *The Hunger Grains*, p. 14.

3 See e.g. ActionAid (2012b) *Fuel for Thought*.

way EU biofuels policy has impacted poverty eradication in Tanzania. Chapter 2 explains the methodology used in this report. The following chapters lay out the current state of play of Policy Coherence for Development in the European Union (chapter 3), and examine the EU's biofuels policy from a PCD perspective (chapter 4). The second section of the report starts with a brief look at EU-Tanzania relations and the development of the biofuels sector in the country (chapter 5). It then examines impacts of biofuels production on rural communities (chapter 6). The report concludes with an overview of the report's key findings and a set of policy recommendations.

Road leading to Mavuji village, Kilwa District



Road leading to Mavuji village, Kilwa District



2. SCOPE AND RESEARCH METHODS

The overall purpose of this research is to explore the impact of the European Union's biofuels policy in a developing country from a perspective of Policy Coherence for Development. To this end the research takes on a three-pronged approach: 1) establishing a causality chain between the EU's biofuels policy and impacts in Tanzania; 2) analysing these impacts for their development implications, mainly taking note of the way large-scale biofuel projects affect vulnerable groups, rural communities and women in particular; 3) reviewing the policy efforts of both the Tanzanian government and the European Union to address these impacts. An in-depth analysis of the impacts on environment and food security within Tanzania fall beyond the scope of this study.

A qualitative case study approach is applied, assessing the impacts of the EU biofuels policy in one specific least-developed country through desk-based research of relevant literature and semi-structured interviews with stakeholders in the country. A case study approach enables in-depth assessment of the development impacts of EU biofuels policy and allows for an appreciation of the heterogeneity and complexity of these impacts. This method also serves to highlight the perceptions and experiences of various stakeholders, e.g. affected peoples and policymakers, of these development impacts. As a case study, caution must be exercised in generalising the findings of this research, as impacts and experiences can vary from one country to the next. However, this approach allows for an analysis and illustration of broader problems in order to formulate policy recommendations which apply more generally.

The case selected for this study would need to be a least-developed EU partner country dealing with significant, possibly EU-driven, biofuels development. The United Republic of Tanzania fit these selection criteria. Previous research efforts have extensively highlighted the impacts of biofuels development in Tanzania, and the role of European companies driving the sector. This report seeks to build on these efforts while taking specific note of the role of European Union policy. The study was carried out over the period of August to November 2012, with three and a half weeks of fieldwork in Tanzania conducted in September.

The study draws on the results of 31 semi-structured interviews with key stakeholders in Tanzania and a field visit to one project, as well as desk-based research and a literature review.⁴ Representatives were interviewed from civil society and non-governmental organisations (N=14), various ministries of the Government of Tanzania (N=4) and other government institutions (N=3), EU or member state representations (N=5), as well as researchers (N=3) and representatives of biofuels companies (N=2). A field visit was made to the village of Mavuji in Kilwa district, where a Dutch large-scale biofuel project was active between 2006

4 See annex 1 for a complete overview of interviewees.

and 2009. Accommodated by a translator, interviews were conducted with community members directly affected by the biofuels project and village leaders (N=6) as well as local and regional government bodies (N=3), and a group discussion was held (N=11). Selection of community members was random though confined to one neighbourhood. These interviews are not intended to be representative, and exclusively serve to illustrate wider problems. Where community members are directly quoted their names are fictitious for the sake of confidentiality.

Sugarcane field, (not for ethanol production)
Mavuji village, Kilwa District



Sugarcane field, (not for ethanol production)
Mavuji village, Kilwa District



3. POLICY COHERENCE FOR DEVELOPMENT

Poverty eradication in developing countries has long been a priority for the European Union and its member states. Extensive aid programmes and international cooperation intend to help the less-favoured in this world escape poverty. But development cooperation does not begin and end with aid. Many of the European Union's policies affect the poor in developing countries. From the EU's agricultural policy hindering farmers in Ethiopia to Senegalese fishermen left out of work due to the Common Fisheries Policy, the effects of EU policies are felt across the globe. The EU is effectively undermining the results of the €53 billion of taxpayers' money annually spent by EU member states on development cooperation efforts.⁵ This chapter gives an overview of the way the EU has sought to implement Policy Coherence for Development within its different institutions, such as the European Commission and the European Parliament.

3.1 THE STATE OF PLAY

In 2006, the European Union enshrined its objective to take into account developing countries' interests in non-aid policy in its constitutional framework, through Article 208 of the Treaty establishing the European Union. This section will explore how the European Union has sought to translate this ambition into the day-to-day practice of policymaking. In 2009 the European Union agreed to actively promote PCD in five priority areas: food security, migration, trade and finance, climate change and human security.⁶ Over the years several institutional mechanisms have been established to implement the EU's PCD ambitions. The Directorate General (DG) for Development and Cooperation – EuropeAid (DEVCO) leads on promoting PCD in EU policies and operations.

THE EUROPEAN PARLIAMENT

With the increased strengthening of the European Parliament's mandate in EU policy-making, it has also sought to take its responsibility in furthering PCD. After passing a resolution on PCD in 2010, the European Parliament created the position of a Standing Rapporteur for Policy Coherence for Development. The Standing Rapporteur is tasked with the promotion of PCD within the European Parliament and its many committees. A mandate of 2 years is concluded with a Parliamentary report on PCD, the first of which was adopted by Parliament in September 2012. The term of the first Standing Rapporteur, Member of European Parliament (MEP) Birgit Schnieper-Jastram of the EPP group passed in 2012 and she is succeeded by Charles Goerens, MEP for the ALDE group.

⁵ Concord (2012) *Aid Watch Report 2012*.

⁶ The 12 policy areas established in 2005: trade, environment and climate change, human security, agriculture, bilateral fisheries agreements, social policies (employment), migration, research / innovation, information technologies, transport and energy.

A Standing Rapporteur on PCD on behalf of the African, Caribbean and Pacific (ACP) countries was also conceived by the European Parliament in 2010, to be appointed by the Joint Parliamentary Assembly.⁷ To date no ACP standing rapporteur has been appointed.

THE EUROPEAN COMMISSION

As the leading institution in implementing Policy Coherence for Development within the European Union, the European Commission has installed several institutional mechanisms to ensure PCD in its policy-making.

Impact assessment

The European Commission is required to carry out impact assessments to anticipate the potential effects of its policy proposals. These are released at the same time as the policy proposal and are i.a. required to assess the impacts of the policy on developing countries. Research shows that these impact assessments rarely take note of or assess development impacts (in 2011, only 7 out of 164 impact assessments looked at development impacts).⁸ Furthermore, the Impact Assessment Board tasked with carrying out these assessments lacks a development expert.⁹ In terms of addressing PCD issues, this policy instrument has therefore so far largely been ineffective.

Policy-making

Several mechanisms exist to inform the EU policy-making process on the implications for development cooperation objectives. In selected Directorate-Generals as well as in the European External Action Service (EEAS), the European Commission (EC) has selected so-called PCD focal points. During the policy-making process, the different services involved in the European Commission hold 'inter-service consultations'. These enable the DG for Development Cooperation to raise development concerns on different policies at various stages. In 2010 the Commission published a Work Programme on PCD, which lays out the Commission's commitments and policy efforts towards PCD over a dedicated period.¹⁰

Progress reports

In 2007, the European Commission started publishing a biennial progress report on furthering Policy Coherence for Development. The report is based on a questionnaire sent to member states and the European Parliament. As of 2012 three reports have been published (in 2007, 2009 and 2011). The contents and ambitions of the report vary. Where the 2009 report was accompanied by a EC Communication and thoroughly discussed in European Parliament, the 2011 report was given little attention and was published as a staff working document without an accompanying Communication. In response to the report the Council of the European Union did adopt a set of separate Council Conclusions on PCD in 2012.

7 European Parliament (2010) *Report on the EU Policy Coherence for Development and Official Development Assistance plus concept*. PE438.501v03-00.

8 Concord Denmark (2011) *European Commission Impact Assessments disregard developing countries*.

9 Concord (2011) *Spotlight on EU Policy Coherence for Development*.

10 European Commission (2010) *Policy Coherence for Development Work Programme 2010-2013*. SEC(2010) 421 final.

THE EUROPEAN COUNCIL OF MINISTERS

In May of 2012, European ministers of Foreign Affairs through the Council of the European Union adopted a set of conclusions on Policy Coherence for Development, setting out the way forward for PCD in the European Union.¹¹ One of the key recommendations in these Conclusions is to move towards more evidence-based PCD. Quantitatively and qualitatively measuring impacts of non-aid policy and establishing indicators on PCD progress are crucial in moving towards a better understanding of the costs of incoherence.

Evidence-based PCD

As part of this movement towards evidence-based PCD, the EU will increasingly look at and engage in dialogue with stakeholders on the effects of its policies in developing countries. This is not a new commitment: back in 2007, the European Commission already acknowledged the importance of dialogue with developing countries on PCD.¹² Some measures exist which are intended to promote cooperation between developing countries and the EU on issues pertaining to PCD.

Article 12 of the Cotonou Agreement, the framework for EU and ACP relations dating back to 2000, explicitly references PCD. In it, the European Union commits itself to regularly inform the Secretariat of the ACP Group¹³ of planned proposals relevant to ACP countries and enables the secretariat to raise concerns in writing or by requesting a consultation. This mechanism is grossly underused.¹⁴

THE EUROPEAN EXTERNAL ACTION SERVICE

The Council affirms that the inception of the European External Action Service, the EU's foreign affairs and diplomatic service, creates new opportunities for the EU in terms of PCD. The Council stresses the need to include PCD in direct dialogues with partner country governments, establishing dialogue not only with developing country governments but also other relevant stakeholders such as civil society organisations, in order to better assess policy impacts. The EU Delegation, the body representing the EU in countries outside the 27 member states, are to play a "crucial role in this regard".¹⁵

3.2 THE WAY FORWARD

In spite of all the work by the European Commission and the European Parliament, incoherent policies still persist. The EU must continue to reserve adequate resources and make the tough political decisions necessary to ensure that PCD becomes more than an abstract concept. PCD needs to remain high on the agenda of both the European Commission and the Parliament to realise change.

¹¹ See Council of the European Union (2012) *Council Conclusions on Policy Coherence for Development*.

¹² European Commission (2007) *Renewable Energy Roadmap*. COM (2006) 848 final.

¹³ An organisation composed of the 79 ACP signatories to the Cotonou Agreement, headquartered in Brussels and tasked with coordination of ACP activities in light of the ACP-EC Cotonou partnership agreement.

¹⁴ Concord (2011).

¹⁵ Council of the European Union (2012).

Assessment of the impact of EU policy needs to be more sensitive to implications for developing countries. Increased awareness on PCD within the Commission's internal structures is important in this regard. So is the role of the European External Action Service, which has the potential to move the PCD agenda forward through its direct relations with developing countries. The EEAS can be crucial in engendering structural dialogue with developing countries on policies which may impact them, through the EU Delegations. This can help signal potential negative outcomes and assist in proposing policy changes or mitigation measures. At the least, it could promote an equal partnership, where developing country governments are informed on EU policy, capable of signalling incoherencies and enabling redressal.

The Council has identified measuring PCD and a stronger role of the EEAS as key ways forward for PCD. What is sure is that commitment and political will are needed to truly move PCD forward and combat incoherencies. The following chapters showcase one such incoherence of the EU in its biofuels policy.

BioShape sawmill, Mavuji village, Kilwa District



BioShape project site, Mavuji village, Kilwa District



4. BIOFUELS AND THE EUROPEAN UNION

Two of the greatest global challenges in the 21st century are global warming and energy security. Biofuels have been embraced by EU policymakers as part of the solution to these challenges, while also supporting rural development in member states. Scientific evidence has already demonstrated that greenhouse gas emissions savings of biofuels are not as high as initially expected and in some cases they are even more polluting than fossil fuels.¹⁶ This chapter describes the EU's biofuels policy and the way the EU has sought to address the impacts on developing countries. The following section will first briefly explain what biofuels are.

4.1 BIOFUELS

FIRST-GENERATION BIOFUELS

First-generation biofuels are biofuels produced from crops grown on land, particularly food crops such as sugarcane but also non-food crops like jatropha. It is possible to produce fuel from many different kinds of agricultural crops, such as rapeseed, palm oil, or soy beans. Two kinds of first-generation biofuels can be produced: ethanol and biodiesel.

Ethanol

As early as 1908, at the verge of the industrial revolution, Henry Ford envisioned his Model T car running on ethanol.¹⁷ Ethanol is an alcohol which can be produced from sugar and is used as a substitute for petrol to fuel combustion engines. Large-scale ethanol production for biofuels most often draws from sugarcane, maize and other cereals.¹⁸

Biodiesel

At the 1900 World Fair in Paris a French company presented one of the first diesel engines that ran entirely on peanut oil to a crowd featuring among others Mr. Rudolf Diesel.¹⁹ Today diesel engines are increasingly running on diesel produced with oil pressed from, for instance, rapeseed. Feedstock is today diverse, with oil palm, soy beans and rapeseed as some of the most frequently used commodities.

SECOND AND THIRD GENERATION BIOFUELS

Beyond these first-generation biofuels, fuel can also be drawn from non-food crop feedstock. The so-called second-generation biofuels can be produced from agricultural residues and by-products, or grass and tree crops. Third-generation biofuels are mainly

16 European Commission (2012) *Proposal amending Directive 98/70/EC and Directive 2009/28/EC*. COM (2012) 595 final.

17 Rosillo-Calle, F. & Johnson, Francis X. (2010). Introduction. In: Rosillo-Calle, F. & Johnson, Francis X. *Food versus Fuel. An informed introduction to biofuels*. Zed Books, London.

18 Cortez, L. & Leal, M. R. (2010) Why biofuels are important. In: Rosillo-Calle, F. & Johnson, Francis X. *Food versus Fuel. An informed introduction to biofuels*. Zed Books, London, p. 60.

19 Knothe, G. (2005) The history of vegetable oil-based diesel fuels. In: Knothe, G., van Gerpen, J. & Krahel, J. (ed.) *The Biodiesel Handbook*. AOCS Press, Illinois, pp. 12-24.

produced from algae. Less land and water intensive than their first-generation counterparts, these biofuels promise to have high greenhouse gas savings, while not competing with food production. Production costs are however much higher than first-generation biofuels, hampering their adoption as the fuel of the future. Large-scale commercial production is currently still limited and not sufficient to meet international demand.²⁰ Research however indicates that future prospects for commercial production are bright.²¹

BOX 1: JATROPHA

Jatropha curcas is a plant species originally from Latin America, traditionally used in Africa and Asia as a natural hedge. The oil seed's rise to prominence as a 'wonder crop' and fuel feedstock is a more recent phenomenon. The "hyped sustainability claims" of jatropha are based mainly on its ability to grow on marginal and degraded lands.²² It would therefore not compete with food production or lay claim on ecosystems or carbon stocks. However, like any other crop, it thrives best on arable land.²³ As of 2009, lack of knowledge on the crop made yields "poorly predictable", and large-scale jatropha plantations are considered experimental and risky (e.g. being vulnerable to disease infestations).²⁴

4.2 THE EU BIOFUELS POLICY AND THE RENEWABLE ENERGY DIRECTIVE

As a response to the booming oil prices towards the end of the 1990s, the European Union published a Green Paper in 2000 setting out its policy framework to address energy security and renewable energy. The Green Paper *Towards a European strategy for the security of energy supply* introduced a 20% substitution target for alternative fuels in the road transport sector by 2020.²⁵ In 2003 the *Directive on the promotion of the use of biofuels and other renewable fuels for transport* was adopted, introducing a biofuels blending target for gasoline and diesel market in Europe, with 2% blending in 2005, and 5.75% by 2010.²⁶ The biofuels target was viewed as "the simplest way of promoting large-scale biofuel penetration in the long term" and "requires no modification of existing vehicles and it takes advantage of the existing distribution system with practically no additional cost."²⁷ The economic spin-offs in terms of rural economic development from biofuel production for farmers in Europe played a key role in the EU decision-making process.²⁸

20 World Bank (2010) *Second Generation Biofuels. Economics and Policies*. Policy Research Working Paper 5406.

21 Reuters (2012) *Second generation biofuels on cusp of breakthrough: DSM*.

Via: <http://www.reuters.com/article/2011/10/19/us-interview-second-generation-biofuel-o-idUSTRE79I48X2011019>

22 Achten, W.M.J. et al. (2009) Jatropha: From global hype to local opportunity, *Journal of Arid Environments*, p. 1.

23 & 24 Ibid.

25 European Commission (2000) *Towards a European Strategy for the security of energy supply*. Green Paper. COM (2000) 769 final.

26 Directive 2009/28/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC.

27 European Commission (2001) Proposal for a directive of the European Parliament and of the Council on the promotion of the use of biofuels for transport, COM(2001) 547 final, p. 7

28 Sharman, A. & Holmes, J. (2010) *Evidence-based policy or policy-based evidence gathering? Biofuels, the EU and the 10% target*. *Environmental Policy and Governance*, v. 20, p. 314.

THE RENEWABLE ENERGY DIRECTIVE

The *Directive on the Promotion of Renewable Energy Sources* or, more commonly, the Renewable Energy Directive (RED), first proposed by the Commission in 2007, was adopted in 2009 by the European Council and European Parliament. The RED established a legally binding 20% renewable energy target for 2020, and introduced a 10% mandatory target for renewable energy in the transport sector. While this target applies to all renewable energy, first-generation biofuels were expected to make up 88% of the contribution to this target as projected by member states in their National Renewable Energy Action Plans (NREAP).²⁹ Member states and the EU use policy incentives such as direct subsidisation and tax exemptions to make progress towards the EU's biofuels targets.³⁰

Together with the RED, the EU adopted the Fuel Quality Directive (FQD), which aims to reduce greenhouse gas emissions from fuel. All fuels (petrol, diesel and biofuels used in road transport, as well as gasoil used in non-road-mobile machinery) must reduce their greenhouse gas emissions by 6% in 2020.³¹ Biofuels were set to play a key role in meeting this target.

SUSTAINABILITY CRITERIA

Biofuels which are to fall under the RED target must comply with a number of sustainability criteria. In the Renewable Energy Directive these are set out as follows:

- 1) Greenhouse gas emission savings (GHG) should be at least 35%.³²**
- 2) Biofuels cannot be produced from raw materials obtained from land with high biodiversity value.**
- 3) Biofuels cannot be produced from raw materials obtained from land with high carbon stock.**
- 4) Peatlands cannot be converted unless it can be demonstrated that it does not involve draining previously undrained soil.**

Compliance is ensured by certification through one of several EC approved voluntary certification schemes. The European Commission excludes social sustainability standards from these criteria, because these may “raise issues in relation to international law”, as unjustified trade barriers.³³ Some voluntary schemes do take into account social criteria, such as labour standards.³⁴

29 Bowyer, C. (2010) *Anticipated indirect land use change associated with expanded use of biofuels and bioliquids in the EU – an analysis of the National Renewable Energy Action Plans*. Institute for European Environmental Policy.

30 See Oxfam (2012) *The Hunger Grains*.

31 Directive 2009/30/EC.

32 GHG savings must be 50% in 2017, and 60% for biofuels produced from 2017 onwards.

33 European Commission (2008c) *Annex to the impact assessment*. SEC (2008) 85, p. 128.

34 E.g. Roundtable on Sustainable Biofuels (RSB).

Instead, concerns over the social impacts of the RED are translated into a reporting requirement:

“The Commission shall, every two years, report to the European Parliament and the Council on the impact on social sustainability in the Community and in third countries of increased demand for biofuel, on the impact of Community biofuel policy on the availability of foodstuffs at affordable prices, in particular for people living in developing countries, and wider development issues. Reports shall address the respect of land-use rights.”³⁵

The report must state whether member states and third countries that constitute a significant source of raw material for biofuels consumed within the European Union have ratified and implemented a number of International Labour Organisation (ILO) conventions. The Commission also asserts that corrective action may be taken, in particular when production has a significant impact on food prices.

**“...THESE APPROACHES
INSUFFICIENTLY ADDRESS THE
SOCIO-ENVIRONMENTAL IMPACTS
OF AGGREGATE LAND CONCEN-
TRATION—A TREND TO WHICH
AGROFUEL DEVELOPMENTS
APPEAR TO BE CONTRIBUTING
IN MANY PARTS OF THE WORLD.”
—OLIVIER DE SCHUTTER, UNITED
NATIONS SPECIAL RAPPORTEUR
ON THE RIGHT TO FOOD, ON
SUSTAINABILITY CRITERIA***

³⁵ Directive 2009/28/EC, p. 38.

* Olivier de Schutter (2012) Q & A: What are the impacts of agrofuels on the right to food?

Via: http://www.srfood.org/images/stories/pdf/otherdocuments/20121016_agrofuels_qa2.pdf [last accessed 19-12-2012].

4.3 INDIRECT LAND USE CHANGE

On October 17th, 2012, the European Commission presented a proposal to amend the Renewable Energy Directive to take into account the effects of Indirect Land Use Change (ILUC). One of the policy measures included in the proposal is a limit to the contribution that food-based biofuels make towards the 10% renewable energy target by capping their contribution towards the target at 5%. The Commission also proposes that the EU no longer subsidise food-based biofuels and biofuels which do not lead to significant greenhouse gas emissions beyond 2020. These measures are taken in response to new scientific evidence on the greenhouse gas emission savings of biofuels, which turn out disappointing when taking into account Indirect Land Use Change.

As food crops like maize are used to produce biofuels, additional cropland elsewhere is necessary to grow food crops to continue to meet global food demand. To make way for these new farms, forest and land is cleared, which leads to reduction of carbon stocks (stored in e.g. rainforest). The Commission concludes that “emissions from ILUC can vary substantially between feedstock and can negate some or all of the GHG savings of individual biofuels relative to the fossil fuels they replace”.³⁶ Especially since “almost the entire biofuel production in 2020 is expected to come from crops grown on land that could be used to satisfy food and feed markets”, according to the Commission.³⁷

The RED and its sustainability criteria do not take this indirect land use change into account when calculating the climate change benefits of biofuels. Instead, the proposal requests the Commission to “review the impact of ILUC on greenhouse gas emissions, and, if appropriate, propose ways to minimise it whilst respecting existing investments made in biofuels production”.³⁸ The EC also does not prohibit inclusion of first-generation biofuels counting towards the Fuel Quality Directive’s 6% reduction target in greenhouse gas emissions of all fuels.

4.4 BIOFUELS AND POLICY COHERENCE FOR DEVELOPMENT

The Renewable Energy Directive has a strong external policy dimension. It is estimated that 41.5% of EU biofuel demand will be met through foreign, non-EU supply.³⁹ The EU recognises the impact the directive may have on developing countries, as (possible) suppliers of biofuels to the EU, and identifies both challenges and opportunities.

36 European Commission (2012). *Proposal amending Directive 98/70/EC and Directive 2009/28/EC*. COM (2012) 595 final.

37 Ibid., p. 7.

38 Ibid., p. 3.

39 German, L. & Schoneveld, G. (2011) *Social sustainability of EU-approved voluntary schemes for biofuels: Implications for rural livelihoods*. Working Paper 75. CIFOR: Bogor, Indonesia.

OPPORTUNITIES FOR POVERTY REDUCTION

The EU notes the benefits that increased European biofuels demand could present for developing countries which are strongly dependent on agriculture.⁴⁰ In terms of the RED, the Commission lists as key opportunities for developing countries i.a. technology transfer (through development of innovative technologies for renewable energy), agricultural trade and production, and the use of sustainably produced biofuels.⁴¹ International demand for biofuels could furthermore catalyse development of a domestic biofuels market, benefiting energy security and rural development as well as the trade balance (reduced oil imports, increased foreign investment). In one communication the Commission mentions using EU development policy to create “coherent Biofuels Assistance Packages” and support biofuel development in countries where this provides an option in terms of poverty reduction.⁴² To gain feedback on the draft of the Commission’s proposal for the RED, the EU approached several developing countries.⁴³ However, this was done late and on short notice, as exemplified by the fact that the policy proposal was already presented by the Commission right after comments from Mozambique were submitted.⁴⁴ This type of dialogue is essential in gaining a better understanding of the way the RED could have been more supportive of developing country interests and poverty eradication.

RISKS FOR POVERTY REDUCTION

In spite of the EU’s intentions to turn biofuels into an opportunity for developing countries, its support to first-generation biofuels has severe negative implications for these countries. In the Renewable Energy Directive, the EU already notes the potential impacts of the directive on food prices and land rights in developing countries, and arranges for a reporting mechanism to monitor these impacts. The next two paragraphs explain how the Renewable Energy Directive is threatening food security and land rights in developing countries.

Food security

Research shows that the European Union’s Renewable Energy Directive is driving up food prices by encouraging the shift of crop cultivation from food production towards fuel production. As the use of food crops as fuel feedstock grows, demand for these crops grows. This increased demand causes price levels and price volatility to increase. Second, competition over the resources to grow these crops rises as well. Claim is increasingly laid on the land, soil, nutrients and water which could also be used to grow crops for food production.⁴⁵ The Institute for European Environmental Policy has reviewed different food price prediction models.⁴⁶ These models predict that food prices will increase as a result of EU biofuels demand. The exact predictions range from 8-22% for oilseed prices, 1-22% for maize, and 1-21% for sugar, while some vegetable oil prices could even rise up to 36%.

40 European Commission (2006) *An EU Strategy for Biofuels*; European Commission (2008a) *Policy Coherence for Development - Climate Change/Energy/Biofuels, Migration and Research*. SEC (2008) 434/2.

41 Ibid.

42 European Commission (2006) *An EU Strategy for Biofuels*.

43 Brazil, South Africa, Mozambique, Malaysia and Indonesia.

44 Di Lucia, L. (2010) External governance and the EU policy for sustainable biofuels: the case of Mozambique. *Energy Policy* 38, pp. 7395-7403.

45 ActionAid (2012b) *Fuel for Thought*.

46 Ibid.

Land grabbing

Sub-Saharan Africa is expected to experience an increase of over 36% in land cultivation due to biofuel expansion.⁴⁷ Large-scale biofuel projects can drive land titles away from local communities into the hands of investors and corporations, as has been witnessed in countries such as Kenya and Ghana.⁴⁸ Many African countries are however “ill-equipped and ill-prepared to deal with the sudden influx of interest” from foreign investors.⁴⁹ Governments, desperate for investment, welcome and accommodate the companies through flexible tax regimes and other policy measures.⁵⁰ The 2012 European Report on Development points out: “the livelihoods of rural dwellers are seldom fully incorporated into cost-benefit analyses or market mechanisms” concerning land use.⁵¹ Local communities are often poorly involved in the decision-making process regarding a land deal, as a result of shortcomings in terms of policy and legislation or poor enforcement.⁵² In many cases the compensation for displaced peoples is not enough to access new land or suitably replace their livelihood.⁵³

SUB-SAHARAN AFRICA IS EXPECTED TO EXPERIENCE AN INCREASE OF OVER 36% IN LAND CULTIVATION DUE TO BIOFUEL EXPANSION.*

Many large-scale land acquisitions for biofuel feedstock plantations in developing countries can then be classified as ‘land grabs’. The International Land Coalition, a coalition of international NGOs, classifies land grabs as land deals which are:

“(i) in violation of human rights, particularly the equal rights of women; (ii) not based on free, prior and informed consent of the affected land-users; (iii) not based on a thorough

* The 2011/2012 European Report on Development, *Confronting Scarcity: Managing Water, Energy and Land for Inclusive and Sustainable Growth*, p. 72.

47 The 2011/2012 European Report on Development, *Confronting Scarcity:*

Managing Water, Energy and Land for Inclusive and Sustainable Growth, p. 72.

48 ActionAid (2012b), p. 24; Hughes et al. (2011) *Focus on Land in Africa Brief: Ghana*. Via: http://www.wri.org/property-rights-africa/wriTest_Ghana/lessons/lesson2/documents/Ghana_Brief2_Landesa.pdf [accessed 29-11-2012].

49 Deininger, K. & Byerlee, D. (2011) *Rising global interest in farmland. Can it yield sustainable and equitable benefits?* The World Bank 125.

50 Cotula, L. et al. (2009) *Land grab or development opportunity?*

Agricultural investment and international land deals in Africa. IIED/FAO/IFAD, p. 79.

51 The 2011/2012 European Report on Development, *Confronting Scarcity:*

Managing Water, Energy and Land for Inclusive and Sustainable Growth, p. 87.

52 Cotula, L. et al. (2009), p. 74.

53 Ibid., p. 92.

assessment, or are in disregard of social, economic and environmental impacts, including the way they are gendered; (iv) not based on transparent contracts that specify clear and binding commitments about activities, employment and benefits sharing, and; (v) not based on effective democratic planning, independent oversight and meaningful participation.”⁵⁴

Corporate Social Responsibility

The European Commission has warned that development of a new sector such as biofuels in developing countries could “exacerbate land tenure tensions, in general at the expense of the more vulnerable local communities”, while noting that the sustainability of local production models are key to poverty reduction impacts.⁵⁵ Corporate social responsibility is key to ensuring that European biofuel projects in developing countries are sustainable and respect human rights. The European Commission has committed itself to the United Nations Guiding Principles for Business and Human Rights. These principles are based on Special Representative for Business and Human Rights John Ruggie’s ‘Protect, Respect and Remedy’ framework. The framework is based on three pillars.⁵⁶ First is the duty of the state to protect against human rights abuses by third parties, including companies. Second is the duty of companies to respect human rights and carry out due diligence to address any violations. Third is the access of victims to effective remedy, both judicial and non-judicial.⁵⁷

4.5 BIOFUELS POLICY: INCOHERENT WITH DEVELOPMENT GOALS

In its biofuels policy, the EU has failed to effectively take into account development cooperation objectives. The European Union’s support to food-based biofuels is undermining development cooperation objectives, and measures to address implications for food security, land tenure, and human rights are grossly insufficient.

In spite of the potential of biofuels as a means of poverty reduction in developing countries, the EU’s biofuels support is also driving large-scale land acquisition for biofuels in developing countries which is undermining land rights of rural communities. Dialogue, CSR commitments and development policy fall short in tackling the negative impacts of large-scale biofuel projects in developing countries. Meanwhile, food prices continue to rise as the EU supports the use of food crops as fuel.

The European Commission must be commended for their proposal to reduce support to food-based biofuels. More action is still necessary to address social impacts and food security. The next section of this report analyses the impacts of EU biofuels policy on poverty eradication and rural communities in a specific developing country, Tanzania. The next chapter first looks at the development of the biofuels sector in Tanzania and the drivers behind this, after briefly examining the EU-Tanzania development partnership.

⁵⁴ <http://www.landcoalition.org/about-us/aom2011/tirana-declaration>.

⁵⁵ European Commission (2008a), p. 10.

⁵⁶ United Nations (2011) *UN Guiding Principles on Business and Human Rights. Implementing the “Protect, Respect and Remedy” Framework*.

⁵⁷ Ibid.

BioShape project site, Mavuji village, Kilwa District



TANZANIA AT A GLANCE

- YEAR OF INDEPENDENCE: **1961**
- TOTAL POPULATION: **46.2 MILLION**
- GDP PER CAPITA: **US\$ 529**
- ANNUAL GDP GROWTH: **6%**
- % POPULATION IN EXTREME POVERTY: **28%**
- URBAN POPULATION: **27%**
- LAND AREA MAINLAND TANZANIA: **881,289 KM² ***

* Figures as per 2011. Sources: Tanzania Investment Centre; World Bank Data Catalog.

5. BIOFUELS IN TANZANIA

5.1 TANZANIA AND THE EU

This chapter first gives a short overview of the economy of Tanzania and EU – Tanzania donor relations. It then examines the way the biofuels sector has developed in the country and the drivers of the sector.

ECONOMY

The United Republic of Tanzania formed in 1964 out of Tanganyika (now mainland Tanzania) and Zanzibar. While still a very poor nation, the country's economy has displayed stable growth over the past decade (6% annual GDP growth). It is a member of the East African Community, the regional government body including Kenya, Burundi, Rwanda and Uganda. The country is rich in minerals like gold and diamonds, and its mining sector has been the biggest driver of growth over the past decade.⁵⁸ Other drivers of this growth have been the trade, communications and construction sector. The most important economic activity in the country remains agriculture, with 80% of Tanzanians today dependent on it as their source of income.⁵⁹ Despite the economic growth over recent years, the country is still troubled by poverty, high inflation and underdeveloped infrastructure (transport as well as energy).⁶⁰

EUROPEAN UNION DEVELOPMENT AID

Aid continues to make a substantial contribution to the country's economy, with Official Development Assistance (ODA) making up 14% of GDP in 2009.⁶¹ The European Union is the fourth biggest donor, contributing around 8% of total ODA (trailing the World Bank with 20%, the UK (10%) and Japan with 9%).⁶² Over the planning period of 2008-2013, the European Commission has allocated €555 million to Tanzania's development, of which 55% will go towards general budget support.⁶³ The Commission, together with other development partners, supports Tanzania's poverty reduction and growth strategy called *MKUKUTA*. Infrastructure and trade are the main focal areas of the European Union, accounting for 25%⁶⁴ and 10%⁶⁵ of the budget respectively. The majority of the remaining budget goes towards supporting non-state actors.

5.2 BIOFUELS IN TANZANIA

Tanzania is highly dependent on oil imports, which places great strain on the country's balance of trade, especially in times of soaring oil prices.⁶⁶ Producing biofuels has great potential in terms of economic development for Tanzania by reducing the oil bill and

58 Website EU Delegation to Tanzania.

59 <http://www.worldbank.org/en/country/tanzania>

60, 61 & 62 Ibid.

63 EU-Tanzania Country Strategy Paper 2008-2013.

64 Includes infrastructure, communications and transport.

65 Includes trade and regional integration.

66 GTZ (2005) *Liquid biofuel for transportation in Tanzania. Potential and implications for sustainable agriculture and energy in the 21st century*. Study commissioned by the German Technical Cooperation, p. 20.

supporting rural development. Awareness of the potential of biofuels for Tanzania however only reached government policymakers over the past decade. While there was some experience with jatropha as a fuel feedstock at a very small scale, ambitions for large-scale development of the sector grew from 2004-2005 onwards.

Around this time two foreign companies⁶⁷ started projects working with local small-scale farmers growing jatropha oilseeds, while interest from foreign companies and investors grew. The former German Technical Cooperation (GTZ, now GIZ) published a report in 2005 on the potential of biofuels in Tanzania.⁶⁸ The GIZ report advises the government to install a Biofuels Taskforce consisting of different government stakeholders to kick-start development of a policy framework and to “learn-by-doing”.⁶⁹ The Government of Tanzania launched the National Biofuels Taskforce in 2006, which was to take up the creation of a policy framework on liquid biofuels. Policy guidelines were published in 2010, and a policy framework is expected to be published in 2013.⁷⁰

DRIVERS FOR BIOFUELS

While the government was slowly entering the initial stages of policy development, foreign interest in biofuel projects grew rapidly. By 2008, 37 companies had expressed an interest in developing a biofuel project in Tanzania, the majority of which were looking to cultivate jatropha.⁷¹ On the basis of interviews conducted with various stakeholders in the country, a number of factors can be identified driving what is commonly described as a “flood of investors”.⁷²

Natural conditions

Tanzania has several natural conditions which render it suitable for biofuel cultivation. According to the aforementioned GIZ report, the country’s “climatic growing conditions and its arable land can accommodate the production of a wide variety of agriculture crops”, among which energy crops like jatropha and sugarcane.⁷³ In Tanzania 10.2 million hectares of the total arable land of 44 million hectares are cultivated⁷⁴, 85% of which for food crops.⁷⁵

Jatropha

The overwhelming majority of interest in biofuel development in Tanzania centred on the jatropha plant, which was believed to be a “wonder crop” (see box 1). Jatropha has traditionally been grown by farmers in Tanzania as a hedge to demarcate land borders. Some organisations and companies, both local and foreign, have been working with farmers

67 Diligent of The Netherlands and PROKON of Germany.

68 Interview E. Mfugale, Ministry of Agriculture, Food and Cooperatives; Interview P. Kiwele, Ministry of Energy and Minerals.

69 GTZ (2005), p. 5.

70 See chapter 6.6 for more on this.

71 Kamanga, K.C. (2008) *The Agrofuel Industry in Tanzania:*

A Critical Enquiry into Challenges and Opportunities. A research report.

72 i.a. P. Kiwele, Ministry of Energy and Minerals.

73 GTZ (2005), p. 34.

74 Sulle, E. & Nelson, F. (2009) *Biofuels, land access and rural livelihoods in Tanzania*. IIED: London.

75 FAO (2010) *The BEFS analysis for Tanzania*. Rome: FAO, p. 27.

and women's groups to collect the jatropha seeds from these hedges and extract their oil, providing them with an additional cash income.⁷⁶ After 2004, many investors also came looking to establish large-scale jatropha plantations, spurred on by promises of its resilience and oil yields.

Conducive policy environment

Ministries and government institutions speak of their initial enthusiasm over biofuels. Ministry officials describe biofuels as a means of income generation for rural communities, viewing the foreign interest in the sector as an opportunity to attract foreign direct investment.⁷⁷ European companies and biofuel projects were initially welcomed and perceived as a way to kick-start and develop the sector so that eventually Tanzanian companies could start mechanisation and processing of biofuels.⁷⁸ The Tanzania Investment Centre⁷⁹ was to play a key role in promoting Tanzanian investment opportunities in biofuels and accommodating foreign investors.

EU biofuel demand

The European Union and its demand for biofuels is also invariably mentioned by government officials, activists and companies as one of the drivers behind the development of the biofuels sector in Tanzania. Investors seeking to capitalise on the European market found in Tanzania a country with ample opportunities for biofuel production. The next sections will further explore the role of EU policy in driving biofuel developments in Tanzania.

5.3 THE ROLE OF EU BIOFUELS POLICY IN TANZANIA

By 2009, up to four million hectares of land were requested for biofuels in Tanzania, with around 640,000 hectares allocated to investors.⁸⁰ Tanzania noted a total of 44 biofuel projects in the same year, as reported by ActionAid Tanzania.⁸¹ 19 of these planned to grow biofuels on estates of over 1,000 hectares (i.e. not using outgrowers). Of these, 9 were of European origin, the remaining Tanzanian. The majority of these projects looked to produce jatropha.⁸² Two of the European projects took an outgrower-based approach and the remaining seven planned for a large-scale plantation model. All large-scale land requests for biofuel production in Tanzania (50,000+ hectares) have been by European investors (four companies). European companies constituted a major push for land acquisition and development of what was still a relatively new and unexplored sector in Tanzania. BioShape acquired 34,000 hectares of village land in a rural and underdeveloped coastal region to produce jatropha.⁸³ Another company, Swedish SEKAB, initially looked to

76 E.g. Kakute, TaTEDO, Diligent (The Netherlands).

77 Interview P. Kiwele, Ministry of Energy and Minerals.

78 Interview E. Mfugale, Ministry of Agriculture, Food and Cooperatives.

79 The Tanzania Investment Centre is the country's "one-stop facilitative centre for all investors" (website Tanzania Investment Centre).

80 Figures from Sulle and Nelson (2009). Current data on biofuel operations in the country could not be obtained

81 ActionAid (2009) *Implications of biofuels production on food security in Tanzania*.

82 Twelve projects looked to cultivate jatropha, one sweet sorghum, two sugarcane, and four palm oil.

83 See chapter 6 for information on the land acquisition process.

produce ethanol from sugarcane for export to Sweden on a possible 200,000 to 400,000 hectares estate.⁸⁴ Sun Biofuels Plc, a UK-registered company, applied for land in Tanzania in 2007 to produce jatropha. It targeted 18,000 hectares of land, eventually acquiring 8,211 hectares in 2009.⁸⁵

**"TO WHOSE BENEFIT IS THIS
BIOFUELS PRODUCTION IN
TANZANIA? IF WE ARE TALKING
ABOUT ENERGY SECURITY, WHOSE
SECURITY ARE WE TALKING ABOUT?
EUROPE'S, OR OURS? WE SHOULD
NOT JUST PRODUCE FOR EXPORT."
–PROFESSOR H. SOSOVELE,
UNIVERSITY OF DAR ES SALAAM/
WWF**

EXPORTING FROM TANZANIA TO THE EU

The majority of European companies ventured into Tanzania around 2005 and 2006, looking to produce biofuels to export to the EU. Brendan Maro of the Tanzania Investment Centre explains: *"We got so much interest in biofuels at that time [2005-2006]. The interest was mainly from Europe. They were especially keen on jatropha."*⁸⁶ The dominance of European companies in biofuels is explained by interviewed stakeholders from civil society to private companies as a result of the EU's biofuel targets, which provide a ready market for biofuels produced in Tanzania. Even though the EU's Renewable Energy Directive was only proposed in 2007 it was already in the pipeline when these projects started. From 2000 onwards the EU had set increasingly ambitious biofuel targets and mandates.⁸⁷ Ministry officials recognise the role of the EU. The *"big push from the European market"* was viewed as an opportunity, as a market for Tanzania-produced biofuels.⁸⁸ While noting that the EU biofuels policy was a key driver for European companies coming to

84 Havnevik, K., Haaland, H. & Abdallah, J. (2011) *Biofuel, land and environmental issues – the case of SEKAB's biofuel plans in Tanzania*. In cooperation between the Nordic Africa Institute, the University of Agder, Norway and Sokoine University of Agricultural Sciences, p. 9; Sulle and Nelson (2009), p. 16.

85 Oakland Institute (2011), p. 18.

86 Interview B. Maro, Tanzania Investment Centre.

87 See chapter 4.2

88 Quote from interview with P. Kiwele, Ministry of Energy and Minerals.

Tanzania to start biofuel projects, one official emphasises that ultimately investors, not the European Union, are responsible for their projects in Tanzania and the development of the biofuels sector.⁸⁹

Civil society organisations in Tanzania are critical of the way the Tanzanian biofuels market has developed. They lament that companies wanted to produce biofuels for the EU market through large-scale plantations, rather than working with smallholder farmers and producing for the local market. Organisations do not understand why many projects opted to produce biofuels for Europe while Tanzania struggles with energy security and a high oil bill. Godfrey Massay of Haki Ardhi and coordinator of the Tanzania Biofuels Energy Forum explains: *“These investors came here taking advantage of the 10% biofuels target of the EU. They want Sub-Saharan Africa, Tanzania, to produce biofuels, not for themselves, but to meet the European market.”*

5.4 DIALOGUE AND CONSULTATION

The previous paragraph demonstrated that the European Union’s biofuels policy was a key driver of the biofuels sector in Tanzania. The Government of Tanzania was largely unprepared to deal with the flood of biofuel investments and ensure their sustainability. This resulted in negative impacts on several of the country’s rural communities, which will be elaborated on in chapter 6. This section examines the role of the EU in directly addressing issues around biofuel production and EU biofuel demand through political dialogue and development cooperation.

The EU Delegation to Tanzania engages in regular political dialogue on matters and policy pertaining to agriculture and (renewable and bio-)energy, both with the Government of Tanzania as well as with development partners. Biofuels is one of the issues discussed in these fora. The Delegation explains it has not featured prominently on the agenda set by the Tanzanian government, who decides which topics to discuss in its dialogue with development partners.

The Ministry of Foreign Affairs explains that Tanzania has *“warm relations”* with the EU. The Ministry has a regular political dialogue with the EU Delegation to Tanzania, as well as, at times, with the ACP Group in Brussels.⁹⁰ Dialogue revolves mainly around aid and sometimes political issues. Non-aid policy is sometimes discussed, for instance around trade barriers. The Ministry explains that the key problem in considering PCD issues from their side is a lack of (human) resources.⁹¹ With a staff of fewer than 10 officials, they have to oversee all relations with Europe and the United States, which one official claims *“is not sufficient to tackle all problems and keep up with everything.”*⁹²

89 Interview P. Kiwele, Ministry of Energy and Minerals.

90 Interview P. Kachuda, Ministry of Foreign Affairs.

91 & 92 Ibid.

Ministry officials tasked with coordination of biofuels policy in the country cannot recall any dialogue with the EU on biofuels or the Renewable Energy Directive or the EU participating in the domestic debate.⁹³ They acknowledge this would have been constructive and helpful, but express that it “*never happened like that*”,⁹⁴ recognising the constraints of already limited human resources.

**“THE SITUATION HERE IN
TANZANIA IS THE WRONG WAY.
WE PRODUCE ETHANOL AND
BIODIESEL, TAKE IT ON TO SHIPS
FROM DAR ES SALAAM AND CROSS
THE OCEAN TO REACH EUROPE.
HALFWAY THERE, THEY MEET ARAB
SHIPS, STOCKED WITH PETROL,
ON THEIR WAY TO TANZANIA!”
– E. SAWE, DIRECTOR TATEDO**

93 Interview E. Mfugale, Ministry of Agriculture, Food and Cooperatives; P. Kiwele, Ministry of Energy and Minerals.

94 Quote interview P. Kiwele, Ministry of Energy and Minerals.

5.5 DEVELOPMENT POLICY

The Swedish International Development Cooperation Agency (Sida), together with the Norwegian Agency for Development Cooperation (NORAD), has taken on the lead in supporting the development of a biofuels policy framework in Tanzania, and regularly engages with relevant ministries on biofuels. The Swedish Embassy and the Government of Tanzania review and exchange feedback on the progress of policy formation. The Swedish Embassy refutes any possible conflict of interests in light of the Swedish involvement in biofuels both domestically and in Tanzania (e.g. SEKAB/EcoEnergy). *“We are not thinking of Sweden as an export market. Our goal is development of the Tanzanian market, to produce fuel for local consumption to reduce their dependence on fossil fuels, so they can avoid the mistakes we made in Europe, relying on polluting and finite fossil fuels.”*⁹⁵ Tanzanian ministry officials welcome the donor support, claiming it instrumental in policy development.⁹⁶

The Food and Agriculture Organisation (FAO) has supported biofuels development in Tanzania, funded by the German Federal Ministry of Food, Agriculture and Consumer Protection. Tanzania was selected as one of the countries for its Bioenergy Food Security programme in 2009, which “supports countries in developing evidence based policies derived from country level information and cross institutional dialogue involving relevant stakeholders”.⁹⁷ The project assessed, inter alia, the pros and cons of various biofuel feedstocks and business model as well as the impacts of biofuel production in Tanzania on local food security. The project consisted of a number of reports and workshops to assist policymakers and other stakeholders.

Access to energy and a Tanzanian Biomass Energy Strategy is promoted by the European Commission and several other development partners through the EU Energy Initiative Partnership Dialogue Facility. Land policy reform is crucial in addressing the impacts of foreign investors on rural communities in the country, and is high on the agenda of the EU in Tanzania. The EU has supported tenure security and policy reform around land.⁹⁸

5.6 BIOFUELS POLICY AND PCD ON THE GROUND IN TANZANIA

One of the key drivers of the “Great Biofuel Rush” experienced by Tanzania from the mid-2000s was Europe’s thirst for biofuels. Companies, a great deal of which European, looked to exploit the EU market by producing biofuels in Tanzania. The country’s favourable natural conditions and the government’s embrace of biofuels were important factors in the development of the biofuels sector in Tanzania. The perception of jatropha as a wonder crop was also a key driver, and many companies pursued establishing large-scale

⁹⁵ Interview S. Al-Fayadh, Sida.

⁹⁶ Interview E. Mfugale, Ministry of Agriculture, Food and Cooperatives.

⁹⁷ <http://www.fao.org/bioenergy/foodsecurity/befs/en/>.

⁹⁸ EU-Tanzania Country Strategy Paper 2008-2013; Hayuma, M. & Conning, J. (2006)

Tanzania land policy and genesis of land reform sub-component of private sector competitiveness project.

plantations of what was still an unpredictable energy crop. Indirectly, the EU had a role in the creation of a biofuels sector in Tanzania, as the EU introduced policy incentives for the use of biofuels such as those produced in Tanzania.

Considering the role of European Union policy in driving the Tanzanian biofuels sector, EU efforts to establish a dialogue with the Government of Tanzania and other stakeholders such as civil society should have been stronger. The European Commission itself stated that development of a new sector such as biofuels could “exacerbate land tenure tensions, in general at the expense of the more vulnerable local communities”.⁹⁹ In Tanzania development of the biofuels sector did not favour national development interests. Production was generally geared towards European energy security, not that of Tanzania. The next chapter demonstrates that production models (large-scale plantations) undermined the livelihoods and land rights of several rural communities across the country.

Supporting awareness and capacity around biofuels and potential pitfalls could have been instrumental in ensuring sustainable development of the sector. Member states such as Sweden have in the case of Tanzania taken up the role of supporting development of a policy framework. Ultimately it is the responsibility of the EU to inform countries like Tanzania of the potential implications of EU policy in the country, and to take measures to mitigate these impacts. Feedback from developing countries is essential in ensuring that EU policy adequately takes impacts on developing countries into account, and confirms to the principles of Policy Coherence for Development. When policies are incoherent, the EU undermines its development cooperation efforts. The following chapter examines the impacts of several European biofuel companies in Tanzania on rural livelihoods and poverty eradication.

99 European Commission (2008a) *Policy Coherence for Development - Climate Change/Energy/Biofuels, Migration and Research*. SEC (2008) 434/2, p. 10.

BioShape land in Mavuji village, Kilwa District



BioShape land in Mavuji village, Kilwa District



6. UNDERMINING AID: IMPACTS OF EU BIOFUELS POLICY IN TANZANIA

Tanzania has witnessed a great influx of biofuels companies since 2005, driven by European demand and the promise of jatropha. Several of these projects failed to adequately take into account the rights and livelihoods of the communities they affected. This chapter looks at the impacts of European biofuel companies on rural livelihoods in Tanzania in terms of both challenges and opportunities. It first examines the land transaction, company conduct and gender implications of the biofuel projects, followed by an overview of the policy response from the Government of Tanzania.

BOX 2: LAND POLICY IN TANZANIA

In Tanzania, land is ultimately owned by the State with the President as the custodian on behalf of the people.¹⁰⁰ There are three categories of land in Tanzania: Reserved (land for natural conservation), General and Village land. General land is mainly urban land and available for commercial investment. Village land is land that belongs to a village and is generally not available for foreign investment. The Village Council (the village's executive body) holds authority over the land and answers to the Village Assembly (all villagers eligible to vote) which holds final say over any land allocation.

It is the role of the Tanzania Investment Centre (TIC)¹⁰¹ as well as the Ministry of Lands and Human Settlements Development to decide on and hold custody over land available for (foreign) investment and compile a land bank on available derivative rights for potential investors. A foreign company interested in acquiring land must first introduce its proposal to the TIC, after which it goes through the requisite procedures with the relevant ministries. The company can then obtain a derivative right on the land varying between 33, 66 or 99 years depending on the scale of the investment, with 99 years intended for large-scale projects such as commercial biofuel plantations.¹⁰²

Village land can be changed to General Land, enabling large-scale foreign acquisition through legal procedures as stipulated in Tanzania land law. To do so, the investor must negotiate and reach an agreement with the Village Council and Village Assembly, the District Authority and finally receive approval by the President of Tanzania. The company must pay a financial compensation per the law for the land to the village in order to obtain derivative rights for the land. The basis for compensation is the market value of the land.

100 Sources for information in this box: Sulle and Nelson (2009); interviews Prof. Dr. Sosovele; F. Uhadi, Haki Ardhi; E. Sulle.

101 The Tanzania Investment Centre is the country's 'one-stop facilitative centre for all investors' (TIC website).

102 Interview B. Maro, TIC; Interview S. Mbyopyo, Ministry of Lands; interview S. Mwalisambise, Kilwa District Council Land Officer.

6.1 THE VALUE OF LAND

Land is integral to the livelihoods of rural communities in developing countries like Tanzania. Not just of economic importance, it is also key to the identity of rural communities. Suma Mbyopyo, Acting Assistant Commissioner for Lands-Village Land Administration with the Ministry of Lands and Human Settlements Development says: *“It is the only thing we have! Land is all we have, and it is our land.”* Biofuel companies generally targeted what was claimed to be ‘unused’ land in rural areas. These claims of idle or marginal land do not reflect reality on the ground. Professor Hussein Sosovele of the University of Dar es Salaam explains:

“If you look at these investors, especially from Europe, they say they were looking for land which is idle, or marginal. Now please, tell me where is this marginal land. This idle land. All land has a particular use in this country. Be it conservation, for villagers, or for wildlife. There is no idle land. Just because it is not directly used, does not mean it has no purpose.”

6.2 THE LAND ACQUISITION

In a number of cases land targeted by foreign investors was not assigned as being available for investment, neither in the TIC’s land bank or in the villages’ destination plans for their surrounding areas (land use plans). In these cases, the investors’ plans required the transition of village land to general land so as to make it available for investment. This was the case with i.a. BioShape and Sun Biofuels. In these cases the investor entered into direct negotiations with the village. These negotiations are viewed by the communities and NGOs as purely ceremonial where the company entices the community with the benefits the project will bring them. Francis Uhadi of Haki Ardhi and Coordinator of the Tanzania Land Alliance, explains:

“Companies are taking the land without there being a land use plan in the village. The local decision-makers get orders from above: what would you do if a politician or someone from the central government is telling you that this investor is good and should be accommodated? Then they go and make promises to the villagers. They see a *mzungu*¹⁰³ and think, money, good things. But in reality, they always end up disappointed, leading to endless conflicts with investors.”

Local government bodies, leaders and politicians are perceived to play a disruptive role. In the case of Sun Biofuels, the Tanzania Investment Centre explains that local government bodies could not agree as to who the compensation was due, even though the company had the funds ready for transfer.¹⁰⁴ In the case of BioShape, Suma Mbyopyo of the Ministry of Lands and Human Settlements Development explains that the District Council appropriated an unmandated 60% share of the financial compensation for the land. Mrs. Mbyopyo explains that the Council is only supposed to play an advisory role and that compensation is only due to the village as the owner of the land.

¹⁰³ A Swahili term for a person of foreign, generally European, descent.

¹⁰⁴ Interview I. Ndemela, Tanzania Investment Centre.

BOX 3: LAND ACQUISITION: THE CASE OF BIOSHAPE

The Dutch company BioShape acquired 34,500 hectares of land belonging to four villages in the Kilwa district, a coastal region south of Dar es Salaam. The company initially aimed to produce oil from jatropha as a biofuel for electricity generation, but switched to biodiesel after one of the main shareholders and the planned off-taker of the electricity in the Netherlands abandoned the project.¹⁰⁵ A direct link between this particular company's initial investment in Tanzania and any EU biofuel blending mandates in the transport sector is therefore not immediately apparent. It is however difficult not to view the company's venture into biofuels without taking into account European biofuels policy, especially in light of its later decision to switch to biodiesel for off-take by third parties. The company's conduct and land acquisition process illustrates problems encountered by companies and communities around large-scale biofuel projects in Tanzania (e.g. SEKAB, Sun Biofuels).

The village of Mavuji was the centre of the company's operations. Community members explain that the land now belonging to BioShape was used for a variety of purposes: collecting timber and firewood, cattle grazing, and gathering medicinal plants and honey.¹⁰⁶ The BioShape land in Mavuji was not heavily depended on for farming.¹⁰⁷ The Kilwa District Council (DC), the executive government body responsible for the Kilwa district, explains that the land was mainly unused bushland, and that indeed only a small area was used for farming purposes.¹⁰⁸ The District Council gave permission to BioShape to enter into negotiations with the village over the land.¹⁰⁹

Meetings were convened with the village council and villages. There the community was told by the company about the project's employment opportunities and corporate social responsibility initiatives, such as the building of a maternity ward in the local hospital. The village executive officer happily relays that the company said they would even build a new village office. Community members who attended the Village Assembly speak of their excitement around the promises and commitments made by the company.

In hindsight, community members interviewed feel they had no say in the decision-making process, and that all plans were actually made at the district level. The village chairman and executive officer speak of their frustration and disappointment around the land transaction. They were under the assumption the lease was for a period of 30 years. According to them, the District Council together with TIC and BioShape later set the deal to be for 99 years. They argue that they were not consulted on this and only found out after: *"All that happened over our heads!"*

105 Boels Zanders Advocaten (2012) *Faillissementsverslag* 12-10-2012.

106 Interviews with villagers; also LRRI (2010) *Accumulation by land dispossession and labour devaluation in Tanzania*. Report prepared for Land Rights Research and Resources Institute, Dar es Salaam, Tanzania; LEAT (2011) *Land acquisitions for agribusiness in Tanzania: prospects and challenges*. Dar es Salaam, Tanzania.

107 One report (LEAT 2011) puts the number of farmers in the BioShape land in Mavuji at 10.

108 Interview S. Mwalisambise, Kilwa District Council Land Officer.

109 LEAT (2011), p. 77.

6.3 GENDER IMPLICATIONS OF BIOFUELS PROJECTS

Rural women in developing countries are particularly vulnerable to the harmful impacts of biofuel development as witnessed in Tanzania. While women in rural areas heavily rely on land to run their households, they generally lack entitlement to land. The FAO reports that women across the globe produce 80% of household food needs, while they only control less than 2% of the land.¹¹⁰

THE IMPORTANCE OF LAND

This is reflected in Tanzania. Women are key users of land in the country, in terms of farming as well as other purposes like collecting firewood or gathering water. Godfrey Massay of Haki Ardhi and coordinator of the Tanzania Biofuels Energy Forum explains: *“There is a gender difference. Women produce the majority of the food here in Tanzania. They plant, harvest. The men are selling it. So the thing is, after the investor came and took the land, women are denied access to the land to get their firewood. So now they spend more time to get their firewood. The water source is dry. So they have to spend more time to fetch water.”* Land is not just instrumental in farming and filling families’ bellies, it is of key importance in the care economy. Tasked with household duties, women are dependent on village land for their livelihood. A ministry official with the Ministry of Agriculture, Food and Cooperatives explains: *“The women must stay with the family at home, they cultivate crops at the farms. But for the men, they can go outside of the farm, to the towns to work. They can work for a company or for themselves as casual labourers. It is not like that for women here in Tanzania.”*¹¹¹

DECISION-MAKING POWER AROUND LAND USE

Women in developing countries are frequently excluded from decision-making processes regarding land deals or poorly represented.¹¹² Not only do they often lack the education and awareness to defend their land claims, their entitlement is often ill-recognised in the first place and they lack the necessary legal resources. This is the case too in Tanzania. According to Gisela Ngoo of TaTEDO: *“Women don’t have decision-power here. It is the man’s power to decide what to do with the land, or to decide what to grow as farmers, fuel or food.”* Suma Mbyopyo of the Ministry of Lands and Human Settlements Development agrees: *“Women here in Tanzania are allowed by law to own land since 1999 already. But if you go into the villages, you will see that often in practice that is missing. That they rarely own land. But you must realise that is something which takes time of course. Anywhere. Look at voting, it’s the same story!”* In the case of BioShape women interviewed confirm they had indeed no right to say anything in the process around the land transaction, and that they cannot own property in Mavuji. Fasaha Hosea and Adimu Lyimo, two middle-aged women living in Mavuji, explain: *“During these meetings there was no room for us to have a voice. That is all for the men, we had no right to say anything around BioShape.”*

¹¹⁰ FAO (2012) via ActionAid (2012a) *From under their feet*.

A think piece on the gender dimensions of land grabs in Africa, p. 4.

¹¹¹ Interview E. Mfugale, Ministry of Agriculture, Food and Cooperatives.

¹¹² Nelson, V. & Lambrou, Y. (2011) *Scoping the gender issues in liquid biofuel value chains*. NRI Working Paper commissioned by FAO; ActionAid (2012a).

LIMITED OPPORTUNITIES

Women are also frequently less capable of taking advantage of the opportunities presented by large-scale biofuel projects.¹¹³ Not only are women already burdened by household tasks, employment opportunities generally favour men due to discrimination and less access to skills and education. Those that do find work are restricted to the lowest paid positions and forced to work in unhealthy and poor working conditions. While some women did find employment with BioShape, they had to work long hours for low pay according to local civil society organisations.¹¹⁴

6.4 CORPORATE SOCIAL RESPONSIBILITY

Some biofuel companies did not strictly follow government regulations. Some challenges emerged around the environmental impact assessments (EIA)¹¹⁵ conducted by foreign companies, which at times demonstrated grave shortcomings. The National Environment Management Council (NEMC) reviews the EIAs by companies and recommends to the Minister of Environment whether to approve or reject the project. Alphonce Tiba of NEMC explains that in some cases some studies are not adequately done resulting in neglect of some of the environmental and social impacts. According to Mr. Tiba EIAs are in some cases conducted in favour of the project party. There are several examples of biofuel companies conducting inadequate EIAs (e.g. SEKAB¹¹⁶, BioShape¹¹⁷), underreporting impacts on for instance biodiversity.

Other problems emerged around communication and awareness on the procedures to follow. BioShape cleared the timber on the land it acquired in Mavuji to make way for jatropha without acquiring a logging permit. The company states it was unaware of this regulation and acquired the necessary permits when this was brought to their attention. Abushiri Mbwana, natural resources officer with the District Council, feels it was poor conduct on the part of BioShape, and attests that the company did not arrange the necessary paperwork before going bankrupt.

The EIA of Sun Biofuels warned that since Kisarawe is a water-scarce region, the plantation should not constrain use of the key water sources used by local communities in the affected villages.¹¹⁸ Therefore, the company promised to build wells to ensure access to water, but these were never built, and community members are not allowed to visit the land to collect water. Community members, affecting women especially harshly, need to travel much further to get water, now spending up to four hours a day just on that.¹¹⁹ Before Sun Biofuels

113 Hall, R. & Paradza, G. (2012) *Pressures on land in Sub-Saharan Africa: social differentiation and societal responses*.

Paper prepared for European Report on Development; Nelson & Lambrou (2011).

114 LEAT (2011), p. 92.

115 Investors must conduct an environmental impact assessment in order to gain government approval for their project. The EIA must report on potential environmental and social impacts and mitigation measures to address these.

116 See Havnevik et al. (2011).

117 See Gordon-Maclean et al. (2008) *Biofuel Industry Study, Tanzania*. World Wide Fund for Nature (WWF), Tanzania & Sweden.

118 Oakland Institute (2011) *Understanding land investment deals: country report Tanzania*, p. 39.

119 ActionAid (2012b), p. 22.

acquired the land, villagers spent no more than 15 to 30 minutes collecting water in all.¹²⁰ Some villagers even saw themselves forced to trespass the land and ‘steal’ water.¹²¹ In one village, the nearest water sources were now located five to ten kilometres away.¹²²

“IDLE LAND? IF THERE WAS SO-CALLED UNTOUCHED OR UNUSED LAND, WHY ARE THERE SO MANY LAND CONFLICTS IN THIS COUNTRY?”

–F. UHADI, TANZANIA LAND ALLIANCE

6.5 OPPORTUNITIES AND RISKS

Some of the large-scale biofuel projects did offer some opportunities to local communities in terms of employment. Unfortunately these opportunities were short-lived. From 2009 onwards, development of the biofuels sector in Tanzania ground to a halt. The bust of the jatropha hype, as the crop’s yields and resilience proved disappointing, and the global financial crisis, causing financial problems for Tanzania’s European biofuel companies, resulted in companies going bankrupt before even producing a drop of fuel. As of 2012, only EcoEnergy, formerly SEKAB, of all European companies involved in biofuels, is still active, though no longer primarily a biofuel project.

EMPLOYMENT

BioShape employed over 100 permanent staff and 700 casual labourers. According to community members in Mavuji village the whole town became dedicated to BioShape while the company was active, and that it was a great change for the area. Community members interviewed explain many people in the town and surrounding areas became employed by BioShape as “cheap” or casual labour. Fasaha Hosea and Adimu Lyimo, two middle-aged women living in Mavuji, explain: *“The company was welcome. Before BioShape came, things were difficult. After [their arrival] life was so good, many were employed. It was a good time.”* Former

¹²⁰ Ibid.

¹²¹ Oakland Institute (2011), p. 39.

¹²² Oakland Institute (2012) *Tanzanian villagers pay for Sun Biofuels investment disaster*. Land Deal Brief, September 2012, p. 5.

employees interviewed explain that they were happy to work for BioShape. One community member says: *“It was the only job available for us. But they paid every two weeks so I was happy.”* Reports of working conditions at Sun Biofuels are less positive. Around 750 people were employed by the company between 2009 and 2011. The company offered low wages, and many employed community members saw themselves struggling to make ends meet.¹²³ Because of the strain the project placed on the availability of water sources, workers spent large parts of their wages on food and water, with little left for medicine and education.¹²⁴ Workers also report a lack of occupational safety and unpaid overtime, with no union representing the workers.¹²⁵ Both in Kisarawe and Kilwa workers were drawn from the villages themselves as well as outside, especially skilled labour.¹²⁶ Sun Biofuels went bankrupt in August 2011. Its 700 local workers were fired, and the company sold, to Thirty Degrees East, a Mauritian investment firm, now re-assessing its business plans. In early 2012, only 35 workers, mainly security guards, were still employed at the 8,211 hectare plantation.¹²⁷

BANKRUPTCY

BioShape filed for bankruptcy in 2010. The company's bankruptcy file reports that one of the main shareholders (Dutch electricity company Eneco, holding 30% of shares) abandoned the project in late 2008 due to a change in Dutch subsidy programming which would stop subsidisation of the kind of green electricity produced by BioShape.¹²⁸ In response to questions from the Municipal Council in Rotterdam, Eneco claims that a 'fundamental difference' in views on the company's business approach and the sustainability criteria applied by the company.¹²⁹ After Eneco pulled out, BioShape switched to producing biodiesel and searching for new investors, which ultimately proved unsuccessful.¹³⁰

Today, the land is left idle, the pilot jatropha plantation overgrown, and a security staff of three tasked with guarding the company's now dusty premises and equipment. Despite the fact that there is no activity going on, community members are not allowed to access the land. The company's departure is viewed by government officials and community members alike as a disaster. The Tanzania Investment Centre has had several meetings with the affected villages and claims there is no interest from their side on getting the land returned to them, instead wishing for a new investor.¹³¹ Community members interviewed want the land back, but show little faith in the system, as the village chairman explains: *“Only the president can give us back the land! But there are so many steps to fulfil in getting there, and the process is slow and so long and difficult.”* Tanzanian civil society organisations are working together with community members to try and get ownership of the land back to the village.

¹²³ Ibid., p. 6.

¹²⁴ ActionAid (2012b), p. 23.

¹²⁵ LEAT (2011), p. 86.

¹²⁶ LEAT (2011).

¹²⁷ Oakland Institute (2012), p. 7.

¹²⁸ Boels Zanders Advocaten (2012) *Faillissementsverslag BioShape Holding B.V.* 12-10-2012.

¹²⁹ Rotterdam Municipality (2010) *Beantwoording van de schriftelijke vragen van de raadsleden A. Bonte (GroenLinks) en H. C. van Schaik (Leefbaar Rotterdam) over de betrokkenheid van Eneco bij Bioshape-project.*

¹³⁰ Boels Zanders Advocaten (2012) *Faillissementsverslag BioShape Holding B.V.* 12-10-2012.

¹³¹ Personal communication R. Arbogast, Tanzania Investment Centre.

DISAPPOINTMENT

The village chairman and executive officer talk with resentment over the way the company abandoned Kilwa: *"They [BioShape] all left, one by one. From one day to the next, they were gone. They never came and said goodbye. When they left, they fired all the employees. Even those hired at the pilot plantation. All the promises they made during our negotiations were quickly abandoned after the investment was approved. They always told everyone to wait until they get the permanent settlement [plantation] going. They never got that far. We are very sad about that. [...] Our expectations were not met. No crop payment, no employment, nothing!"* Fasaha Hosea and Adimu Lyimo lament the departure of BioShape: *"It was a good time. Now it is a big change. Many people lost their jobs. Unemployed, the men are just roaming around the town here. It is a big loss for our village."* In a discussion with a group of village men, some of whom were employed by BioShape, tempers flare: *"Many people got jobs, then they got rid of them when BioShape left! That created chaos. People were hired as cheap labour. They are now depending on nothing."* A large number of employees claimed backpay in salary after the company's bankruptcy, and went so far as to seek and lay claim on the company's property.

BOX 4: MAKALE KAMONGA

Along the road leading into Mavuji village, a town around 300 km south of Dar es Salaam, we are sitting on a makeshift bench constructed from a wooden plank and two pots. It is mid-afternoon on a dusty day and the smell of the burning asphalt penetrates the air. The village chairman is chewing on a piece of sugarcane, spitting the indigestible fibre on the road. Makale Kamonga points in the direction of his new home, where he lives with his wife and five children. Six years ago local government officials showed up at his farm, telling him that he was to receive 1 million Tanzanian Shillings (almost €500)¹³² and had to leave his land. Dutch company BioShape wanted to use his land to begin a jatropha plantation. Mr. Kamonga had been living on his farm for eight years, growing sorghum and other crops, even some fruits, which he sold at the market.

Mr. Kamonga recalls feeling sad and angry when he learned he would be forced to leave his land to make way for a jatropha plantation. He argues the compensation was unreasonable, and in no way sufficient to acquire a new plot of land elsewhere, let alone compared to the crops he was growing and the money he made from them. Mr. Kamonga made no effort to protest the decision, fearing that doing so might result in him losing everything: *"I don't have much education, how can I defend myself? There is the government, and there are so many people involved. I accept it. There is nothing I can do. I took what they gave me"*. Mr. Kamonga tried to get involved in the decision-making process around the company, but feels there was no decision-making power from the community members whatsoever, which he feels is reflected in the allocation of the financial compensation: *"The compensation was all taken by the District and the village executive officer."*

132 At an exchange rate of TSH 1 = €2,053 [as of 02-11-2012].

BioShape offered him a job at the plantation, and gave him a year to move house. Working at the company site as casual labour, he was happy with his job, getting paid regularly and doing all sorts of manual tasks: *"I like BioShape, the company was ok. But I was in great damage when they left."* Two years ago, when BioShape left, he started a new farm with the money he saved up. *"My farm now is very small. It is too small to support a family like mine. [...] I am managing to support them, through scraps and odd jobs. I'm cutting timber here, picking charcoal there, to make some money and make ends meet. It's tough. I have a family of five and a wife to support. Worst of all, I cannot send my children to secondary school now. But at least we are getting by."*

6.6 POLICY RESPONSE TO BIOFUELS BY THE GOVERNMENT OF TANZANIA

The Government of Tanzania still perceives great potential in biofuels, in terms of energy security and rural development. Today activity in the sector has shrunk to a minimum, with many companies bankrupt or pursuing a different business plan. The government is keen to learn from the past failures of the sector and make biofuels work for the country. Inclusion of smallholder farmers and domestic energy security are the government's key objectives.

**"WITH THE MODEL WE HAVE
FOLLOWED HERE IN TANZANIA
WE HAVE BECOME BOTH FUEL
INSECURE AND FOOD INSECURE.
THE OTHER WAY AROUND!"
-E. SAWE, DIRECTOR TATEDO**

POLICY FORMATION

Since 2007 the Government of Tanzania, with financial support from the Swedish International Development Agency (Sida) and the Norwegian Agency for Development Cooperation (NORAD), has also been working on a policy framework which is as of 2012 nearing completion. In 2010 the Government of Tanzania published the *Guidelines for Sustainable Liquid Biofuels Development in Tanzania* as an interim solution until a policy would be ready. The guidelines give direction to new investments, and i.a. set conditions for land tenure for biofuels production (maximum 25 years, at most 20,000 hectares), supports outgrower schemes and encourages community engagement.

The lack of a policy framework is frequently cited by civil society, companies and government as key to the negative impacts of biofuels development in Tanzania. Government officials recognise that there was little awareness of biofuels among the ministries and limited guidance towards companies on developing a sustainable sector in the country. One ministry official claims they “*were caught with their pants down*”.¹³³ The prime minister of Tanzania in 2009 announced a moratorium on new biofuel investments. The moratorium was established out of concern over the impacts of biofuel investments on local communities, after much attention from civil society and the media. Interviews with stakeholders indicate that views on the moratorium are mixed, with some sceptical over its implementation and mandate.

THE WAY FORWARD

The Government of Tanzania has two key priorities for the future of biofuels in Tanzania: ensuring that biofuel production contributes to national energy security, and protecting the interests of smallholder farmers and ensuring their inclusion in the production process.¹³⁴ Production is to be geared towards the domestic market rather than export, and the government will look to set up a national infrastructure to promote consumption of biofuels. Outgrower models will be emphasised, and production of biofuels conflicting with food security discouraged. A policy framework is expected to be published in 2013.

SUGARCANE AND ETHANOL

Plans in Tanzania are also underway to include smallholder sugarcane farmers in the biofuel supply chain as flexible producers of sugar and ethanol feedstock.¹³⁵ This model is pursued by Swedish EcoEnergy, formerly SEKAB Tanzania, which is now primarily a sugar-producing project. The company will produce sugarcane at its estate (with potential for expansion elsewhere) and will off-take sugarcane from local outgrowers, producing ethanol as a by-product.¹³⁶ Tanzania is confronted with rising sugar prices and interviewed government officials are therefore enthusiastic about the EcoEnergy project as it suits the government’s new policy.¹³⁷ EcoEnergy is financed through development banks (the African Development Bank among others) which have stringent criteria in terms of for instance land acquisition, where compensation must be at replacement, rather than market value.¹³⁸ The company intends to invest in good relations with the surrounding communities, arguing: “*the communities can be your greatest enemy, or your greatest friend. They can burn your plantations, or sell you sugarcane.*”¹³⁹ Civil society and the government must remain vigilant and safeguard the interests of the affected communities and prevent any negative impacts on the environment, to ensure the project will indeed have a positive outcome for the country and local communities.

¹³³ Interview P. Kiwele, Ministry of Energy and Minerals.

¹³⁴ Ibid.

¹³⁵ Interview E. Mfugale, Ministry of Agriculture, Food and Cooperatives.

¹³⁶ Interview R. Schram, EcoEnergy.

¹³⁷ Interview P. Kiwele, Ministry of Energy; E. Mfugale, Ministry of Agriculture, Food and Cooperatives.

¹³⁸ Website EcoEnergy.

¹³⁹ Website EcoEnergy; quote from interview R. Schram, EcoEnergy.

6.7 FROM INCOHERENCE TO POLICY COHERENCE FOR DEVELOPMENT

Driven by European demand as a result of the EU's renewable energy policy, the biofuels sector in Tanzania has not developed in a way which supports smallholder farmers or rural communities as a whole. Ministries claim they were unprepared to deal with the rapid influx of investors and sudden development of a sector they were still unfamiliar with. Both companies and local government bodies involved did not always have the interests of communities immediately affected by the biofuels project at heart. Assessment of the impacts of several projects was inadequate. Farmers have been displaced and villages poorly compensated for their land, with limited say in the land transaction process. These land deals can therefore be qualified as land grabs: not based on free, prior and informed consent; not based on a thorough assessment of social, economic and environmental impacts; not based on transparent contracts; and lastly not based on meaningful participation.

Many of the (European) biofuel companies have by now gone bankrupt and left the country. *Jatropha* yields turned out more disappointing than expected, while the global financial crisis created many difficulties for companies in accessing the necessary funding. Bankruptcy in the sector caused especially great problems as workers were fired, while the land is not returned to the village community.

The government still sees potential for biofuels in Tanzania. The production model frequently pursued during the Great Biofuels Rush, large-scale plantations of unpredictable biofuel feedstock, must become a thing of the past. Research, capacity and vigilance are key to ensure that biofuels, at both small and large-scale production, do not undermine human rights and poverty eradication in Tanzania.

The case of Tanzania demonstrates the importance of a strong role for the government in the biofuels sector. A policy framework as well as clear and enforced rules regarding compensation for land are key to ensuring that rural communities and the country as a whole profits from biofuels. The European Union must do what it can to stop companies from producing biofuels at the expense of rural communities in order to take advantage of EU policy incentives for biofuels. If not, development policy supporting land rights is futile.

The social responsibility of biofuel companies in Tanzania fell short. Stronger EU legislation on corporate social responsibility is needed to ensure companies respect human rights, and support, rather than undermine livelihoods. Dialogue with and support to countries like Tanzania is essential in sharing information on the impacts of EU biofuels policy and building a stronger policy framework to ensure sustainable development of biofuels sector. Above all, the EU needs to introduce social sustainability criteria in the Renewable Energy Directive to ensure biofuels that contribute to EU mandates do not harm human rights. This will contribute to development of a Tanzanian biofuels sector to the benefit of domestic energy security, poverty eradication and rural communities. Unsustainable production of biofuels in countries like Tanzania for an incentivised European market must end.

Agriculture in Mavuji village, Kilwa District



7. CONCLUSION

Communities in developing countries across the world are currently dealing with the implications of the European Union's biofuel ambitions, which are endangering their land rights and food security. The EU needs to make a change for the better, and ensure that the Renewable Energy Directive does not undermine the rights and livelihoods of the poor.

This report analysed the role of the European Union in the biofuels sector in Tanzania. The findings presented in this case study are illustrative of problems encountered in various developing countries, from Kenya to Ghana. The report shows that the EU's biofuels ambitions have been a key driver in Tanzania's biofuels sector, combined with the jatropha hype. European companies came to the country looking to produce biofuels, particularly jatropha, for the EU market on Tanzanian land using large-scale plantations. In several cases this caused great problems for rural communities, who lost access to their land. The EU must do more to address the social impacts of its biofuels policy in developing countries like Tanzania.

With a strong and enforced policy framework in Tanzania as well as more responsible behaviour by biofuel companies and use of reliable feedstocks, some of these negative impacts of companies could potentially have been averted. The Government of Tanzania today remains determined to establish a policy framework which will ensure that the biofuels sector supports smallholder farmers and produces fuel for the local market, not Europe. Civil society and government must continue to be vigilant to ensure that land grabbing becomes a thing of the past, and biofuels become a positive force for development.

Policy Coherence for Development is one of the greatest challenges faced by the EU: the effects of its policies in developing countries are complex, and solutions require tough political decisions. The EU must nevertheless take responsibility for the effects of its biofuels policy on poverty eradication in countries like Tanzania. The 2012 proposal of the European Commission to cap at 5% the contribution of food-based biofuels towards the Union's renewable energy targets is not enough. Corrective action is necessary to ensure that supporting food-based biofuels does not have ill effects on the poor and vulnerable in developing countries.

The European Union's support of food-based biofuels, which threaten food security, increase competition for land in countries like Tanzania, and are not environmentally sustainable, needs to stop entirely. Furthermore, the EU must combat land grabbing for biofuels and adverse effects on rural communities by introducing sustainability criteria which take into account social impacts. Legislation on corporate social responsibility must be strengthened by implementing the UN Guiding Principles on Business and Human Rights and increasing financial and non-financial disclosure of corporations around CSR. Finally, the EU needs to invest more in dialogue and support mechanisms with civil society and governments

in developing countries on EU policy. This can assist in addressing the impact of policies on poverty eradication in developing countries.

Reform of the Renewable Energy Directive is crucial. The European Union must take its responsibility and ensure that its renewable energy policy does not hurt the poorest and most vulnerable people in the world. By taking the right measures the EU can make PCD a reality and contribute to the eradication of poverty across the globe.

"THE EUROPEAN COMMISSION'S DECISION TO REVIEW ITS AGROFUEL MANDATES IS A WELCOME STEP, BUT IS ALONE INSUFFICIENT TO AVERT UNSUSTAINABLE TRENDS, GIVEN THAT THE SAME INSUFFICIENT SUSTAINABILITY CRITERIA WOULD STILL GOVERN REMAINING MANDATED PRODUCTION. THE GRADUAL REMOVAL OF ALL AGROFUEL MANDATES AND SUBSIDIES IS NECESSARY."

–OLIVIER DE SCHUTTER, UNITED NATIONS SPECIAL RAPPORTEUR ON THE RIGHT TO FOOD *

* Olivier de Schutter (2012) Q & A: What are the impacts of agrofuels on the right to food? Via: http://www.srfood.org/images/stories/pdf/otherdocuments/20121016_agrofuels_qa2.pdf [last accessed 19-12-2012]

House of community member who was displaced due to BioShape's arrival, Mavuji village



House of community member who was displaced due to BioShape's arrival, Mavuji village



8. POLICY RECOMMENDATIONS

WITH REGARD TO THE RENEWABLE ENERGY DIRECTIVE

The European Commission must...

- Phase out all support for consumption and production of food-based biofuels.
- Expand the sustainability criteria to include social criteria, including human rights, food security, access to natural resources such as land and water, and the principle of free, prior and informed consent for communities affected by land transactions for biofuels.
- Take corrective action to address the impacts identified in the biennial monitoring reports on social sustainability implications of the Renewable Energy Directive.
- Ensure a strong methodology for the biennial monitoring report on social impacts which adequately takes into account impacts in developing countries by e.g. including the views of diverse stakeholders such as affected communities and civil society organisations.
- Implement the UN Guiding Principles on Business and Human Rights by taking measures to hold European corporations accountable for their responsibility to respect human rights and increasing transparency of corporations both in terms of financial as well as non-financial disclosure.
- Assist developing countries in ensuring that development of the biofuels sector is inclusive and sustainable, taking into account food security, rural livelihoods and gender implications.

The European Parliament must...

- Question the European Commission and the European Council on the effects of the Renewable Energy Directive in developing countries.
- Demand corrective action in response to the impacts identified in the biennial monitoring report on social sustainability implications of the Renewable Energy Directive.

EU Member states must...

- Phase out all support for consumption and production of food-based biofuels.
- Take corrective action to address the impacts identified in the biennial monitoring reports on social sustainability implications of the Renewable Energy Directive.

- Urge the European Commission and fellow Member States to phase out support to food-based biofuels and take corrective action to ensure the socially sustainable production of biofuels.

WITH REGARD TO EFFECTIVELY PROMOTING POLICY COHERENCE FOR DEVELOPMENT

The European Commission

The European Commission, as the guardian of the Treaty of Lisbon, must combat incoherencies and ensure that the developmental impacts of all policies are effectively taken into account (as enshrined in Article 208 of the Treaty). The Commission must therefore:

- Continue to improve methods to measure impacts of EU policies on poverty eradication and engage on this with multilateral bodies, civil society organisations, research institutes and think tanks.
- Make PCD an integral part of the impact assessments when the policy concerned is of relevance to developing countries. Include a development expert in the impact assessment board who will take explicit note of the way the impact assessment assesses impacts on developing countries. Report upon and take appropriate course of action to the findings of impact assessments.
- Continue to systematically engage in dialogue with affected developing countries, as part of policy processes relevant from a PCD perspective, and take corrective action to address incoherencies which come up in this dialogue.
- Use the biennial PCD report not only as a tool to evaluate progress and signal new outstanding issues, but equally as a report which addresses urgent cases of incoherent policies, so as to facilitate dialogue on how corrective action can be taken.

The European External Action Service

The European External Action Service must take full advantage of its position to ensure the external consistency of the EU and should signal and combat policy incoherence. The External Action Service must therefore:

- Ensure that EU Delegations are able to apply the concept of PCD in their every day work and establish structural dialogue with civil society organisations, communities, private sector and government actors in developing countries on the impacts of non-aid EU policies.
- Encourage bottom up policy making by signalling policy incoherencies and the way these could affect developing countries

The European Parliament

The Standing Rapporteur for Policy Coherence for Development must take full advantage of his mandate and ensure that the European Parliament continues to put PCD high on the agenda. The European Parliament must therefore:

- **Call to life a working group of MEPs on PCD which can ensure an integral approach to PCD in the European Parliament.**
- **Take into account, across all relevant EP committees, the impacts of any policy on developing countries and propose corrective action.**

EU Member States

EU Member States must, having signed the Treaty of Lisbon, ensure Policy Coherence for Development and combat negative impacts of their policies in developing countries. Member States must therefore:

- **Reserve adequate resources within their Ministries to ensure effective monitoring of policy coherence for development and to enable corrective action.**
- **Request their Embassies to engage in dialogue with developing countries on PCD issues and improve measuring of policy impacts.**
- **In cooperation with the European Commission, report on the progress made with regards to furthering the PCD agenda and take joint measures for corrective action.**

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ANNEX: LIST OF PERSONS INTERVIEWED

Name	Institution	Position
Non-governmental organisations		
Frances Uhadi	Haki Ardhi	Coordinator Tanzania Land Alliance
Peter Sumbi	World Wide Fund for Nature	Forest Programme Officer
Jensen Shuma	TaTEDO	Senior Manager
Godfrey Massay	Haki Ardhi	Coordinator Tanzania Bioenergy Forum
Bernard Baha	ActionAid	Programme Officer
Abdallah Mkindi	Envirocare	Environmental Officer
Livinus Manyanga	Kakute	Managing Director
Charles Meshack	Tanzania Forest Conservation Group	Executive Director
Estimoh Sawe	TaTEDO	Executive Director
Gisela Ngoo	TaTEDO	Senior Manager
Zenais Mtatu	Oxfam Tanzania	Program Officer
Deo Mfugale	Association of Tanzania Environmental Journalists (JET)	Journalist
John Chikomo	Association of Tanzania Environmental Journalists (JET)	Executive Director
Jasper Makala	Mpingo Conservation and Development Initiative	Chief Executive Officer
Government Institutions		
Brendan Maro	Tanzania Investment Centre	Investment Promotion Officer
Idelphonc Ndemela	Tanzania Investment Centre	Land Officer
Revocatus Arbogast	Tanzania Investment Centre	Investment Facilitation Manager
Samer Al-Fayadh	Swedish International Development Agency	First Secretary
Stephen Mwakifwamba	Swedish International Development Agency	Advisor
Paul Kiwele	Ministry of Energy and Minerals	Coordinator biofuels policy
Paul Kachuda	Ministry of Foreign Affairs	Ministry Plenipotentiary
Suma T. Mbyopyo	Ministry of Lands and Human Settlements Development	Acting Assistant Commissioner for Lands- Village Land Administration
Esther Mfugale	Ministry of Agriculture, Food Security and Cooperatives	Coordinator biofuels policy
Gianluca Azzoni	EU Delegation to Tanzania	Head of Section
Baptiste Boubillier	EU Delegation to Tanzania	Advisor
Riikka Torppa	EU Delegation to Tanzania	Advisor
Abushiri Mbwana	Kilwa District Council	Natural Resources Officer
Sadiki Mwalisambise	Kilwa District Council	Land Officer

Name	Institution	Position
Alphonse Tiba	National Environment Management Council	Officer
Seremani M. Chaola	Village Chairman Mavuji	Village Chairman
Madadi A. Mwiru	Village Executive Officer Mavuji	Village Executive Officer

Other

Jacqueline Sedwaya	Stockholm Environment Institute	Research Associate
Emmanuel Sulle	Independent	Researcher
Prof. Dr. Hussein Sosovele	WWF/University of Dar es Salaam	Policy Program Coordinator
Rommert Schram	AgroEco Energy	Project Manager Outgrower Development
Jan Gevaert	Diligent Tanzania	General Manager
Makalani Linduc		Mavuji community member
Abadala Saidi		Mavuji community member
Mohmedi Kaisi		Mavuji community member
Abdala Lindu		Mavuji community member
Aliy Kigomba		Mavuji community member
Msafiri Lihindi		Mavuji community member
Mohamed Mbudo		Mavuji community member
Saidi Kuchage		Mavuji community member
Aliy Kadeweile		Mavuji community member
Amos Pitro		Mavuji community member
Yussuf Aliy		Mavuji community member
Hassan S. Yussufu		Mavuji community member
Saidi Kuchengo		Mavuji community member
Saliswa Mkaramile		Mavuji community member
Esther Kanunga		Mavuji community member
M. Kabondankrano		Mavuji community member

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