

The challenges of biofuel investment in Tanzania

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Food security in Tanzania

- 60% food insecure
- 29% chronically food insecure
- 36% live below the poverty line
- Food prices has increased 30%



WHY FOOD SHORTAGE?

- ✓ Inadequate support to the sector e.g budget allocation, e.g Tanzania 2011/2012 is 6.9% far from Maputo declaration
- ✓ Inadequate technical support
- ✓ Lack of credits to support agriculture
- ✓ Climate change
- ✓ Lack of Political will

BIOFUEL PRODUCTION IN TANZANIA

- Government of Tanzania is promoting biofuel investment for:-
 - Promote rural development
 - Create new rural industries (i.e small scale growers and processing facilities would be located in rural areas)
 - Social services support from investor
 - Improved livelihoods
 - Employment and income opportunities
 - Energy security

Biofuels investment in Tanzania

About 40 companies are engaged in biofuel industry

Growing industry: already with huge social impacts

Six companies requested a total of 230, 000 ha for biofuel production

- Biofuels production entail the use of productive land, and NOT marginal lands
- This is contrary to the guidelines which prohibits use of potential land for biofuel production and forestry clearing
- Land acquisition process violated



The Impact

Communities dislocated

Lack of compensation

Competition for land & water

Increased food prices

Environmental impact

Broken promises



Recommendations

- 1. Government of Tanzania needs to formulate policy and legislation for guiding biofuel investment**
- 2. European Commission and EU Member States must scrap their biofuels targets; and recognise the social impacts of biofuels production**