

Biofuel Expansion in Tanzania – Governance on whose Terms?

Kjell Havnevik¹

¹ Nordic Africa Institute, Sweden

kjell.havnevik@nai.uu.se

Global energy shortages, climate change and increasing food prices have shifted global political priorities in direction of energy- and food security. This has led to an increasing interest and demands for alternative energy sources such as liquid biofuels (bioethanol and biodiesel). African governments perceive biofuels as having the potential to strengthen increase export incomes, strengthen their national economies, improve their energy balances and rural employment, while at the same time reducing green house gas emissions. As well transnational companies, sovereign wealth funds and private investors are diverting their attention to biofuel production in Africa. There are, however, mounting uncertainties related to the governance of such production and the impacts on rural livelihoods, food security and the environment.

This paper will attempt to identify the major stakeholders involved, what alliances are being created between external and domestic investors and government(s), how the policy and legal frameworks are evolving in Tanzania relation to biofuel production and how the interests and land rights of rural smallholders are taken into account. The paper will also look examine how environmental concerns, including biodiversity and water management dealt with.

Globalisation and increased emphasis on private sector development have increased the space for the private sector to expand ‘independently’ of the state. But as well concerned UN agencies, research institutes, NGOs and individuals in the north and the south are taking initiatives to create awareness about and suggest how to improve the processes related to outsourcing of African land to external interests or what is also being termed “land grabbing.” What are the content of the recommendations put forward to “do things right” and what are the mechanisms of enforcing rules or guidelines promoted by international institutions? By investigation the unfolding of biofuel expansion in one country it may be possible to identify gaps between actual processes related to biofuel expansion and the content of international recommendations and reflect on how to close such gaps, when and where they are occurring.

In the broader sense the paper attempts to address on whose terms the expansion of biofuel production in Tanzania takes place. The paper will identify three to four cases of biofuel investments in Tanzania and address the challenges of managing the multi-layered governance in the sector and take a critical look at how institutional and organizational areas of transformative intervention can generate benefits from biofuel expansion for rural producers in the longer term.

The paper will benefit from the knowledge and insights that the research already conducted by the author related to biofuel investments in Tanzania by Swedish interests. The paper will through integrating new case study material gain a broader understanding of the governance and societal dynamics related to biofuel expansion.