

Africa, with its large land area and cheap labour, is an obvious target for agrofuel developers. As one European agrofuel lobby group likes to point out, just 15 African countries – nicknamed the “Green Opec” (see map) – have a combined arable land base larger than India available for agrofuel crop production.¹ And already millions of hectares of the continent’s so-called “fallow” lands have been surveyed and allocated for agrofuels.

The new scramble for Africa

GRAIN



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1 A. Wade, “Africa Over a Barrel”, Washington Post, 28 October 2006.
<http://tinyurl.com/ssw8x>

2 “Brazilian Company to build ethanol plant in Africa”, The Ethanol Producer.
<http://tinyurl.com/yuloyt>

3 “Africa Forges Energy Partnership with Europe”
<http://tinyurl.com/yrzpkf>

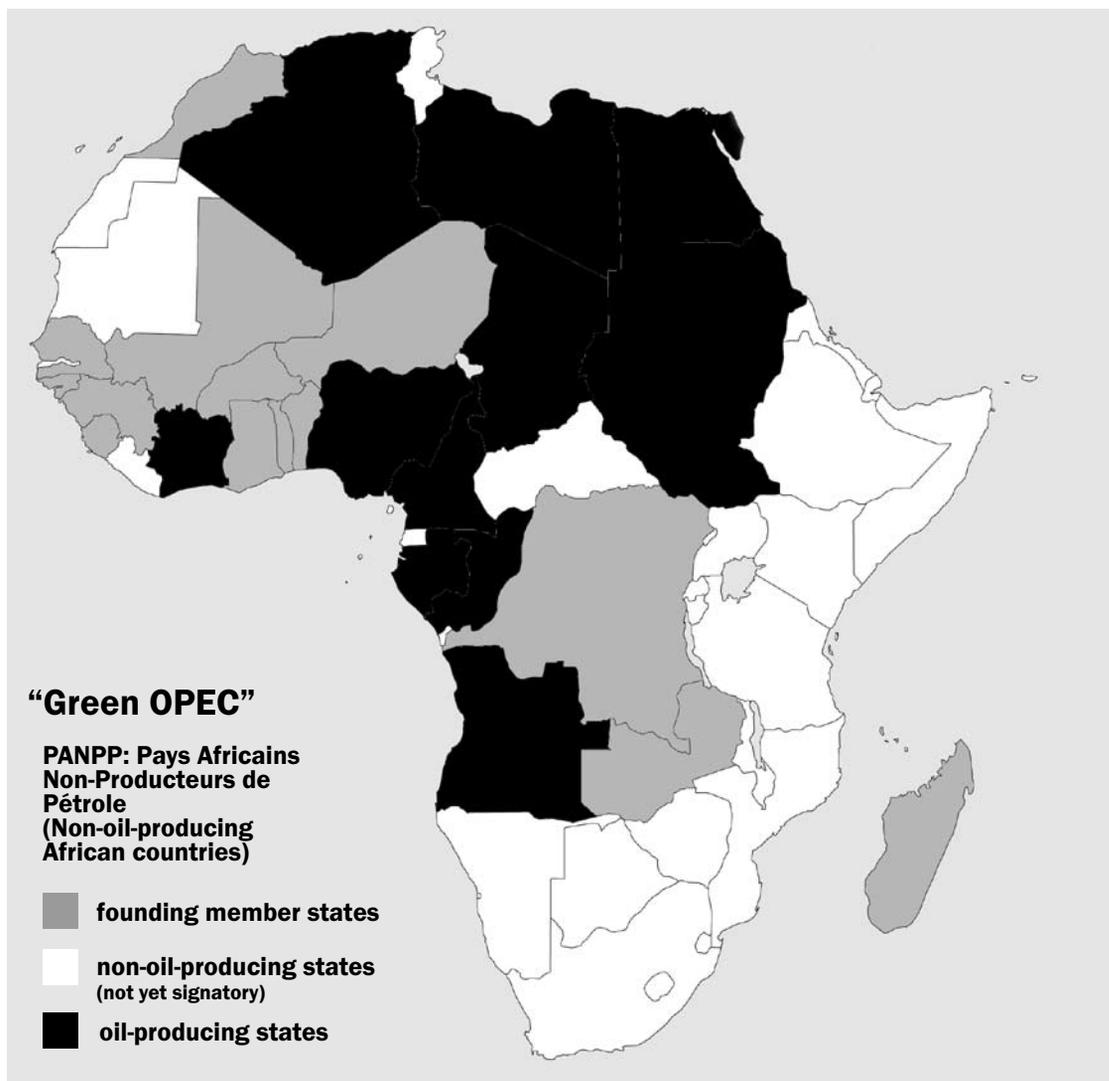
4 See “Cameroon: Oil palm plantations fostered by new biofuel market harm local livelihoods”, World Rainforest Movement.
<http://tinyurl.com/259znh>

Corporations and energy-hungry countries are pouring money into Africa for agrofuel crop production, fuelling a land rush reminiscent of Europe’s initial colonial expansion. Joining the foreign invasion are Africa’s governments and business elites. Pushed to the sidelines, some groups are speaking out about the devastation all this will cause to people’s livelihoods, but it is difficult to hear them over the clatter about Africa’s great opportunity to capitalise on the world’s energy and environmental crises.

When it comes to agrofuels, the road to Africa is paved with diplomats. A daily parade of foreign politicians stalks the continent negotiating agrofuel deals wherever possible. Europe, Japan and the US are, of course, very active, working their agrofuel interests into the various multilateral and bilateral aid, trade or investment agreements they have on the go with African countries. But the so-called emerging global powers are also busy on the

continent: Brazil, largely by way of the state-owned oil company Petrobrás, has cut deals for ethanol imports and technology transfer with a range of African countries, from Senegal to Nigeria, Mozambique to Angola;² India has recently pledged US\$250 million to a West African Biofuels Fund; and China has cemented a long-term cassava supply channel from Nigeria for its domestic ethanol distilleries. Add to this some trilateral agreements too, like the partnership that the UK and Brazil have formed with Mozambique.

What all of this handshaking among government people is really about is ensuring access to a steady supply of energy, both oil and agrofuels, which, of course, will be managed by the corporations.³ And things are moving quickly in this direction. Corporations are already carving out areas for agrofuel feedstock production, and existing agro-industries and plantations are being expanded.⁴ Early in 2007, for instance, the Tanzanian government disclosed that they were negotiating



Examples of corporate investments

Viscount Energy (China)	Memorandum of understanding with the Ebonyi state government to establish a US\$80-million ethanol factory in Nigeria using both cassava and sugar cane.
21st Century Energy (USA)	Plans to invest up to US\$130 million over the next five years in the production of ethanol from sugar cane, maize and sweet sorghum, and later to manufacture biodiesel from cottonseed and cashew nut residues in Cote d'Ivoire. ¹
Bioenergy International (Switzerland)	Plans to set up a 93,000-hectare jatropha plantation with a biodiesel refinery and an electrification plant in Kenya. ²
Sun Biofuels (UK)	In association with the Tanzania Investment Centre (TIC), has acquired 18,000 hectares of top-quality agricultural land for jatropha production. ³
AlcoGroup (Belgium)	Bought South Africa's NCP Alcohols, Africa's largest producer of fermentation ethanol, in 2001.
MagIndustries (Canada)	Acquired a 68,000-hectare eucalyptus forestry plantation and is constructing a 500,000-tonnes-per-year wood-chipping plant near the port city of Pointe-Noire in the Republic of Congo. The wood chips will be shipped to Europe for use as biomass.
Aurantia (Spain)	Investing in oil-palm plantations and possibly four biodiesel refineries in the Republic of Congo.
Dagris (France)	Investing in the development of biodiesel production from cottonseed oil in Burkina Faso through its local oil processor, SN Citec.
SOCAPALM and Socfinal (Belgium)	Plans to expand its 30,000-hectare oil-palm plantation in Cameroon, but forest communities are resisting.



1 <http://tinyurl.com/29uolk> 2 <http://tinyurl.com/2dkunz> 3 <http://tinyurl.com/27emzb>

Nigeria - new commodity, same story

It is not only the global energy companies that are investing heavily in agrofuels. Corporations from many different sectors are jumping in and fashioning the agrofuels boom to further their own interests. Nigeria has gone along uncritically with this approach and has adopted policies that fit in with corporate strategies and do nothing to satisfy the real needs of the country.

If the government were really concerned with the country's energy needs, it would restructure its oil industry. Nigeria is the largest oil producer in Africa, and oil provides 95 per cent of government revenues. But multinational oil companies are in control, so Nigerian refineries do not produce enough refined oil to supply domestic needs, and the country imports 70 per cent of its fuel.¹ Instead of tackling this problem, the government is now moving into agrofuels, under the pretext that this will increase the country's energy security, though there is no indication that this will actually happen.

The country has clinched a deal with Brazil whereby it will import ethanol in exchange for being given technical expertise so that Nigeria can start implementing its 10 per cent ethanol blend policy even before local ethanol manufacturers come on stream. The prime area for expanding sugar cane (estimated to cover an area of some 400,000 hectares) is along the Niger and Benue rivers, where irrigation is possible. Cassava, too, is poised for major industrial development. For years neglected by industry, it has now emerged as a major feedstock, with considerable investment going into the development of genetically engineered varieties more suited for agrofuels production, with, for instance, increased starch content.² Rather than improving energy security, biofuels will create a new problem of food insecurity, for the price of the national staples, cassava and palm oil, will almost certainly rise substantially when agrofuel production is under way.

1 G. Rothkopf, "A Blueprint for Green Energy in the Americas", prepared for the Inter-American Development Bank, 2006. <http://www.iadb.org/biofuels/>

2 Researchers from Ohio State University developed transgenic cassava with starch yields up 2.6 times, which makes cassava a "super crop" when it comes to both CO₂ fixation and carbohydrate production, the feedstock for ethanol. See, for example, U. Ihemere et al. "Genetic modification of cassava for enhanced starch production", *Plant Biotechnology Journal* 4 (4), 2006: 453-65. For the recently turned down application to the South African government for cassava field trials, see: www.biosafetyafrica.net

5 The companies include Felisa (in Kigoma region); Amma (in Tanga region); Diligent Tanzania Limited (in Arusha); Procon, Diadem (in Rukwa region) and CEPA (in Morogoro). <http://tinyurl.com/ysba4k>

6 For more information about biofuel projects in West Africa, see: Gbosségnon Christophe Gandonou, "Situation des biocarburants en Afrique de l'ouest". www.grain.org/m/?id=131

7 <http://tinyurl.com/2448ow>

8 "Fraud office question Ghana Bio Diesel", Alexander's Gas & Oil Connections, 2 December 2004. <http://tinyurl.com/ywjnvw>

9 <http://tinyurl.com/28t37p>

10 "Wanted - an administrator for Ghana", Hi Ghana, 7 June 2007. <http://tinyurl.com/293cvh>

11 "BOST agrees to buy local biodiesel", Daily Graphic. <http://tinyurl.com/2xbbe4>

with 11 foreign companies for investment in agrofuels crop production in the country.⁵

Amid this flurry of foreign investment, there are losers as well as winners. Several local African entrepreneurs trying to jump on the bandwagon are struggling to make a go of it.⁶ The Ghanaian company Biodiesel One recently had to shut down its 12,000-hectare jatropha operation and lay off its workers because it could not find the financial backing to continue.⁷ The other local biodiesel company in Ghana, Anuanom Industrial Bio Products, faces similar financial problems, and its early efforts to tie up with foreign investors nearly destroyed the company.⁸ So both companies are pushing the government hard to bail them out. In December 2006, the government pledged about US\$2 million to support large-scale jatropha cultivation in the centre of the country, with over US\$300,000 going directly to Anuanom. The

government also announced plans to build a paved road into the area and appealed to local chiefs and landowners to make their lands available for the project.⁹ Anuanom's owner, Ghanaian industrialist Onua Amoah, has been acquiring lands for plantations in the area in partnership with 2008 presidential candidate Kwabena Frimpong-Boateng and other local elites.¹⁰

It has also been reported that the state-owned oil-trading company, BOST, has offered to purchase all the biodiesel produced in Ghana, giving the local companies a much-needed guaranteed market.¹¹ But the smell of potential profits is drawing foreign investors into the country. UK-based D1 Oils is setting up a fully owned subsidiary, and Israeli investors have been looking into the construction of a biodiesel factory in the central region. Canada-based, A1 Biofuels and its local partner, Sahel Biofuels Development Company, based in Niger,



Massive protests in Uganda over agrofuel projects

Timothy Byakola

In the face of intense opposition within the country, the Ugandan government was forced in late May 2007 to cancel plans to convert thousands of hectares of rainforest on an island in Lake Victoria into an oil-palm plantation. A few days earlier, President Museveni had also suspended negotiations to give a large chunk of one of the country's last protected mainland forests to a sugar-cane company owned by Ugandan Asians. This decision followed massive demonstrations against the proposal in April 2007 in the Ugandan capital, Kampala, which degenerated into an ugly race riot. Several Asian shops were ransacked. Two protesters were killed and an Asian was stoned to death.

These events have brought into the open the simmering conflict over whether or not the country's rapidly diminishing natural resources should be used to generate energy. When Uganda gained independence in 1962, 20 per cent of the country was forested; today the proportion is 7 per cent. President Museveni is a strong defender of agrofuels, arguing that Uganda has "an urgent need to industrialise our very backward but rich country in terms of natural resources and raw materials. Our backwardness is on account of the absence of industries." Nor does the government believe that industrial development causes serious environmental damage. Before the government backtracked, Jessica Eriyo, the environment minister, had said that, through clearing land for farming and gathering firewood, poor Ugandans were destroying each year five times as much forest as would be lost to the sugar project.

But many Ugandans disagree. In a country like Uganda, the environment remains the only asset that poor people in rural areas have. There is, indeed, a very intricate relationship between local livelihoods and the health of key ecological systems – water, forests and wetlands. But private investors (most of whom are supported by extensive political patronage) are busy eating into this asset base under the pretext of helping the country to industrialise. Citizens feel let down by their own government and have now risen up to defend their livelihoods.

Take the two forest areas in question. The Mabira forest, where the sugar-cane plantation was to be located, covers 32,000 hectares and is home to hundreds of tree species, rare monkeys and the prized Tit-hyllia bird. Moreover, the forest is located on the watershed of two tributaries of the River Nile. Felling such a large area could disrupt local rainfall. Bugula Island in Lake Victoria, where the oil-palm plantation is planned, is also home to rare species of plants, monkeys and birds. In November 2006 five senior directors at the national Forest Authority resigned in protest over the sale of the island's reserve to an Asian-owned oil company, Bidco. Bidco has already planted 4,000 hectares on Bugula, but it needs another 2,500 hectares.

Investors have persuaded the Ugandan government that the development of a big agrofuel industry would solve the country's crippling energy problems, which have brought many companies close to bankruptcy because of severe fluctuations in energy supply. But there is little or no evidence that the planned agrofuels would be used in this way. Local people lack the technology to make use of this energy, and the government and the investors themselves are making little effort to develop the local market for these new fuels. We believe that the domestic market is simply not important to the investors. The draft bio-energy strategy paper talks a lot about the need for government support to increase production but falls strangely silent on how to develop the local market. Our suspicion is therefore that this fuel is for export.

There is something else that leads us to believe that agrofuels may, in part, be a smokescreen for the investors' real agenda, which is to obtain land. The agrofuels sector, which is only a few years old, is almost entirely unregulated. In the confusion investors are obtaining large chunks of land for nominal fees. One ministry of energy official confided in an off-the-record briefing: "It is possible that the whole thing is being abused by night-flyers, since the right hand doesn't know what the left is doing." By the time the government wakes up to what is happening, many more of the country's precious natural resources will have been destroyed.

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Wake-up call for South Africa

Both the fledgling agrofuel industry and the South African government had a rude awakening this year, when their dream of instant success proved to be clearly just that: a dream. Agrofuels manufacturers have realised that they cannot depend on a market surplus of maize for their supply of feedstock, and will have to contract farmers to grow exclusively for the industry. It is to be hoped that the government has also discovered that, despite its earlier protestations to the contrary, agrofuels do indeed affect local food security.

On paper, the South African initiative seemed to make sense. The country had surplus maize and sugar, so it appeared that these crops could become the main feedstocks for ethanol production without affecting food security.¹ Moreover, it seemed that the initiative would benefit the local economy, with the creation of 55,000 new jobs. So agrofuels became one of the priorities of the government's Accelerated Growth Initiative (ASGI-SA). The Industrial Development Corporation and the Central Energy Fund announced plans to invest US\$437 million in five agrofuels projects, and South African commercial maize farmers invested in a new company, Ethanol Africa, which announced to loud fanfare that they would be emulating the success of US farmers and building eight ethanol plants in the main maize-producing area.

Some analysts, however, were sceptical from the beginning about this venture's chances of success. They pointed out that:

- South Africa does not have a large in-built surplus of yellow maize to be used for ethanol²
- Maize prices depend on the global market and are linked to the oil market; both these markets have been volatile
- In the US both the farmers and the ethanol refineries are subsidised
- Prospects for obtaining a positive energy balance from ethanol production were not good. (They pointed out that, on average, South Africa obtains a yield of around 4 tonnes per hectare from its dry-land maize, while in the USA the yield is at least double this. If US farmers obtained only the modest energy-to-output gain of 1:1.3, it seemed unlikely that the South African farmers, with their much lower yields, could produce any positive energy gain at all).

Even sooner than they expected, the sceptics were proved right. This year South Africa is running a deficit in its maize production, instead of the expected surplus. In only the last six months the "ethanol effect" (that is, the extra demand from the ethanol producers), combined with a drought in Southern Africa, have caused maize prices to skyrocket, with a percentage increase four times the level predicted in the Biofuels Strategy. As maize is the country's staple food, the poor are suffering most. As always in these crises, there are winners: some commercial farmers have benefited, as the very high prices have compensated for their low yields.³

This case clearly illustrates that, even if African governments say that agrofuels must not be allowed to compromise food security, in deregulated markets competition between food and fuel is inevitable. Corporations can ensure supply by either owning the land or contracting farmers to grow exclusively for them, but it is far harder for governments to prevent the agrofuels industry from affecting food security.

In the meantime the first ethanol plant, which is to be built at Bothaville in the northern Free State, has not progressed, apparently because the necessary R1-billion investment has not yet been raised (R7.1 = US\$1). Ethanol Africa's justification is that investors are waiting to see whether the government will subsidise the industry. The obvious question to put to the government is why the agrofuel industry should be given a competitive advantage when farmers are not subsidised and the social and environmental impacts will certainly be negative.⁴ Even the farmers who invested the initial R14 million must be having second thoughts. They are learning that the price of ethanol is directly related to the price of crude oil, which is not always low enough to make ethanol viable.⁵

Far more serious in its social impact is the drive by the Eastern Cape government to make



3 million hectares of “underutilised” and fertile communal land available for agrofuel investments. One such project involves the planting of 70,000 hectares of canola for export by German investors. Rural communities use this land in several ways, including grazing, and it makes a considerable contribution to their livelihood. South Africa has a long history of expropriating rural communities or restructuring land use in a way that impoverishes them. This new scheme for taking land away and using it to plant crops for export is, unfortunately, just more of the same.

- 1 Government strategy predicts a 5% average rise in food prices; the predicted rise in maize prices is only 7.6% between 2006 and 2015, as quoted in Draft Biofuels Strategy and Engineering News, 20 October 2006. www.engineeringnews.co.za
- 2 The ethanol industry has been told to use only yellow maize, to ensure that there is no competition with white maize, a staple food, but nothing prevents farmers from switching from food to fuel varieties.
- 3 “Biofuel Production and the threat to South Africa’s Food Security”, Wahenga Brief, No. 11, April 2007. <http://tinyurl.com/2okcgx>
- 4 Ibid.
- 5 Vic de Klerk, “Who’s fuelling who? Mealies are not a viable fuel source”, Finweek, 9 March 2006. <http://tinyurl.com/2klp33>

who are preparing sites for large-scale jatropha plantations across the Sahel region of West Africa, say they plan to construct a biodiesel refinery in Ghana too, with a capacity of 25 million litres per year.

Land for fuel, not for farmers

There are a number of NGO-led, small-scale biofuel projects in Africa, some of them going back quite some time, that typically produce both oil for local use and soap. Agrofuel advocates like to talk

about these feel-good initiatives, but the current agrofuels boom has little to do with small-scale agriculture.

“Southern Africa has the potential to be the Middle East of biofuels”, said Andrew Owens, CEO of the UK’s Greenergy at an agrofuels meeting in Cape Town.¹² But to achieve this, he added, governments needed to standardise agrofuels policies across the region and work together to achieve economies of scale so that the industry would become competitive.¹³ At the same meeting the managing

¹² Biofuels Markets in Africa Conference proceedings. <http://tinyurl.com/28h825>

¹³ Ibid.



Oil-palm trees, Benin



director of SA Biodiesel rejected the “backyard production” of agrofuels and argued for tax breaks and large-scale production.

As a result, the money being invested in agrofuels in Africa is focused around large-scale plantation agriculture, tightly integrated into transnational corporate networks.¹⁴ And, as in any other sector of agribusiness, corporate profit with agrofuel crops is best assured when these plantations are on the most fertile lands, close to major transportation routes.¹⁵ Millions of small farmers still occupy these lands, however, and they have become the main obstacle in the path of the agrofuel rush. It is becoming clear that, whenever agrofuels are on the agenda, the pressure on farmers to leave their land intensifies.

In Tanzania, the prime minister is fast-tracking agrofuels to accommodate a Swedish investor looking for 400,000 hectares in the Wami Basin, one of the country’s major wetlands, to plant sugar cane for ethanol. The project will inevitably displace local small-scale rice farmers.¹⁶ In Liberia, a UK company, Equatorial Biofuels, acquired Liberian Forest Products (LFP), which holds management agreements and permits covering over 700,000 hectares of land for the cultivation of oil palm. In Ethiopia, where land pressure is high, over 1 million hectares are being granted to

agrofuel corporations to grow mainly jatropha, a potentially invasive species that is being introduced on a large scale without proper environmental impact assessments (*see* Ethiopia box).

A Southern African Development Community (SADC) agrofuel feasibility study warns against small-scale projects, claiming that they will affect standards. In addition, it also recommends that agrofuel legislation and seed regulations be standardised throughout the region, and calls for the provision of soft loans and measures to accelerate free trade in order to “open up new land”.¹⁷ It seems that agribusiness and biotechnology companies are taking advantage of the agrofuels craze to push through a wide range of changes in the trade and farming regulatory set-up that will favour their interests.

It is often argued that, even if corporations come to dominate the agrofuels market, there will still be space for poor farmers to reap some benefits. It is claimed, in particular, that jatropha will grow in marginal conditions and thus be a suitable crop for poor families. But even this seems very unlikely (*see* article on jatropha on page 34). The truth is that the agrofuels boom in Africa is not about rural development and improving the living standards of poor farmers. On the contrary, it is about foreign companies taking over the land: by striking

14 “Combustion or Consumption? Balancing food and bio-fuel production”, IRIN, 25 April 2007.
<http://tinyurl.com/2xewqx>

15 L Strydom, “Biofuels 2006: How is the global value chain shaping up?” *Eco world*, 30 December 2006.
<http://tinyurl.com/2qyb3v>

16 Abdallah Mkindi, *Enviro-care*, Tanzania, personal communication.

17 Namibian Agronomic Board, “National Bio-oil Energy Roadmap”, August 2006.



Ethiopia – setting the scene for fuel-induced famine.

The agrofuel industry is very active in Ethiopia, and the government is doing all it can to attract foreign investment. The most popular crop is jatropha, followed by castor beans and some palm oil in the coffee-growing regions, all of which are to be used to produce biodiesel. There are also moves afoot to establish an ethanol industry and to introduce new, specially bred varieties of sorghum, maize and sunflower. These would, the companies claim, reduce the country’s dependence on foreign food aid and strengthen the food security of rural communities.¹ Pressure on land is intense, as the population is growing and 85 per cent of the country’s inhabitants still depend on the land for their livelihoods. Few families have secure land titles, which is one reason why it is fairly easy for foreign companies to acquire land.

The German company Flora Ecopower is investing 671 million birr (US\$77 million) in the Oromia Regional State, and has negotiated the purchase of over 13,000 hectares of land in the Fadis and Miks woredas (districts) of the East Hararghe zone for the production of biodiesel. Key to its strategy is control over the full production chain, and it has signed an agreement with the regional farmers’ association by which 700 farmers are each ceding two hectares of land for a period of five years.² According to press reports, the farmers do not mind relinquishing their land, as they welcome the investment in their region.³ After production had started and forest land had been cleared, however, it was realised that

12,000 hectares (87 per cent) of the land granted fell within the boundary of the Babile Elephant Sanctuary. Environmental organisations have protested and also pointed out that the land allocation was unlawful and that no environmental impact assessment was done.⁴ A subsequent investigation into the incident has confirmed this, and also revealed that the communities in the area are unhappy with both the development and the negative impact that the forest clearing is having on the elephants.⁵ The situation has become increasingly politicised, and it seems that neither the Federal nor the Oromia regional government plan any immediate steps to undo the damage done to this vital ecosystem, which is home to rare, endangered elephants.

Another company, Sun Biofuels, has signed a lease agreement with the Benshangul Gumuz Regional State government for 80,000 hectares of land. It has also purchased 80 per cent of the National Biodiesel Corporation of Ethiopia as part of its programme to strengthen its presence in Ethiopia prior to investing in the whole of East Africa. It is reported to have helped to draft the Ethiopian Biofuels Strategy, which establishes the country's overall agrofuels programme.⁶ The company is carrying out land surveys, and planning with the government which areas should be devoted to agrofuels.

There are now a number of foreign agrofuel companies operating in Ethiopia. Officially 196,000 hectares of land have been granted but, if one counts land under negotiation, the total increases to 1.15 million hectares. Ethiopia has identified 17.2 million hectares as suitable for *jatropha*, of which 1.7 million, located in the Borena, Bale and Arsi zones, are regarded as highly suitable. These areas have annual rainfall of 900–1300 mm.

Company	Ownership	Land granted and under negotiation (in hectares)
Sun BioFuel	UK	80,000 in Benishangul-Gumuz, 5,000 in SNNP with plans for 200,000 in Tigray and 40,000 in Amhara
Becco Biofuels	US	35,000 in Amaro Kelo
Hovev Agriculture Ltd	Israel	40,000 granted, expanding to 400,000
Flora Ecopower	Germany	13,700 in East Hararghe, expanding to 200,000
The National Biodiesel Corporation (NBC)	Germany & US	90,000
LHB	Israel	100,000 in Oromiya

The Ethiopian government's strategy clearly recognises that the local population depends on areas in the lowlands that are not permanently settled, for grazing, crop-growing and the collection of forest products, and urges that the local population should not be denied their traditional land use rights.⁷ It stresses the importance of food security, recognising that more than 4 million people suffer from food insecurity, and says that their welfare must not be compromised by the agrofuel industry. But in reality, this is already happening: although there is growing population pressure on the land and farmers are struggling to make ends meet, vast tracts of land are now being granted to foreign companies to produce energy for export to Europe.

1 www.floraecopower.com

2 Ibid.

3 W. Zenenbe, "German Co Invests Half Bln Birr Plus on Bio-Fuel", Addis Fortune, 9 April 2007. <http://tinyurl.com/2lp7mt>

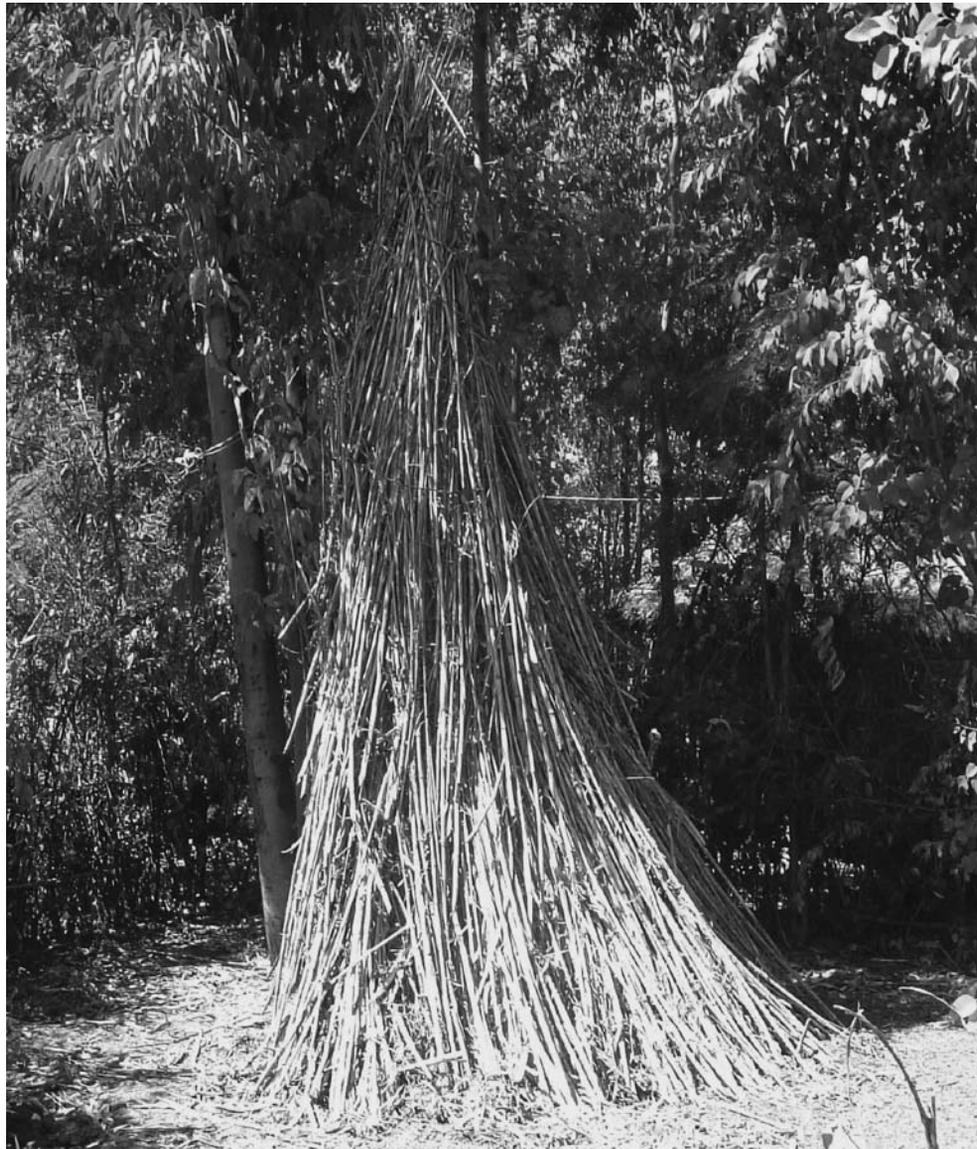
4 W. Zenebe, "Bio-diesel Project Encroaching on Elephant Sanctuary", Addis Fortune, 27 May 2007. <http://tinyurl.com/2oa3w3>

5 Gebremedhine Birega, personal communication, 18 June 2007.

6 <http://tinyurl.com/27emzb>

7 Ethiopian Government, strategy documents.





Sorghum stalks, used by rural communities as fuel for fire

deals with government officials and lobbying for legal protection, subsidies and tax breaks; by acquiring scarce fertile land and water rights; by coercing farmers into becoming cheap labour on their own land; by introducing new crops in large-scale plantations; by introducing GM crops through this backdoor; by displacing people and biodiversity-based systems; and by enslaving Africa even more to the global market. Land grabbing on an unprecedented scale is on the march in Africa.

Agrofuels to improve energy security?

If the supposed benefits of agrofuels for Africa's small farmers are already proving illusory, what about their contribution to the continent's energy security? Is it not the case that agrofuel production

will help the economies of African countries by reducing their reliance on costly fossil fuels?

The problem is that agrofuels are already being defined as a global commodity, to be traded on the world market, and such commodities are controlled by the local elites in alliance with multinational companies, and access to them is limited to those that can afford them. Oil is a case in point. It is now widely recognised that the large oil reserves found in some parts of Africa did not provide the countries involved with energy security nor bring benefits to the mass of their populations.¹⁸ Take the case of Nigeria. It is a leading oil exporter, but biomass, mainly firewood, still meets the energy needs of up to 91 per cent of the country's households. It is still a poor country, with 71 per

18 Up to 50 million metric tons of refined product – or 78% of the annual consumption of the 48 sub-Saharan countries in Africa – is expected to be added to the world market by 2010. See: <http://tinyurl.com/2w8vdk>

cent of the population living on less than US\$1 dollar a day, and the people in the Niger delta, the oil-producing region, are the poorest of all.¹⁹ Nigeria is now planning a huge expansion of large cassava plantations for agrofuel production. But, just as in the case of oil, it is extremely unlikely that agrofuels will improve either the country's energy security or the welfare of its people. The agrofuels boom is being driven by the government's desire to increase export earnings, mainly through the export of cassava and sugar cane for agrofuels (see box on Nigeria on page 38).

It will almost certainly be a similar story with Africa's non-oil-producing countries, which are now talking so enthusiastically about the potential of agrofuels to solve their energy needs. In these countries, oil imports are a crippling expense, consuming up to 50 per cent of export earnings. A rise in world oil prices has a huge impact on their growth rates. These countries are now assuming that by growing agrofuels they will have their own fuel and so lessen their exposure to fluctuating oil prices. But this will not be the case. The reality is that, just as in the case of oil and all other global commodities, the market will fix the price of agrofuels. The country of origin will have little control, especially if ownership of the whole value chain is in the hands of international companies. The production of agrofuels will not guarantee cheap fuel to the local population.

In principle, there is a great deal of scope in Africa for renewable energies, but the local governments are not drawing up adequate policies for the sector, and are doing little to attract investment into it. Biomass already accounts, on average, for 59 per cent of energy consumption (with a much higher percentage in most sub-Saharan countries), most of it from firewood, but also from cow dung and other locally available resources.²⁰ A lot of these activities are currently not sustainable, and pressure on biomass will increase with population growth, so national investment to improve these practices and provide alternatives would seem to be of the highest priority. However, the reality is that government expenditure on renewable energy in Africa has consistently declined. Ethiopia, for example, quadrupled its investment in oil exploration and tripled its investment in electricity in the 1990s, but expenditure on alternative energy decreased from about 1 per cent to 0.1 per cent of total investment.²¹

It is the same story for most of Africa, and the situation is likely to get worse. One venture to

export biomass in the form of processed woodchips is already under way and, with the second generation of agrofuel crops, the region will start producing wood-based cellulosic biofuels. These initiatives will drive up the price of wood and charcoal, limit people's access to the forests, and lead to the further depletion of Africa's poor soils.

Africa is also the continent that will most seriously be hurt by another development caused by the agrofuel hype: increased food prices. Prices of several of the world's staple foods are already on the rise as countries are diverting their land from food crops to fuel crops. The FAO estimates that the cereal import bill of low income, food-deficit countries – many of them in Africa – will increase by about one quarter this year as a direct result of the "ethanol effect".²²

Resistance is growing

People are starting to realise what the agrofuels boom is doing to their livelihoods, and resistance is growing. Farmers in northern Ghana have rejected jatropha as an agrofuel, mainly because they fear being tied down by fickle markets, and because of its toxicity, which limits its use.²³ In South Africa, civil society has rejected the government's proposal to use tribal and communally owned land in the Eastern Cape for agrofuels.²⁴ Analysts are warning that maize for ethanol is not viable and that the shortage of arable land is a critical issue for South Africa.²⁵ In Uganda, civil unrest erupted after the government granted a permit to a company owned by East African Indians to exploit the Mabira forest to plant sugar cane for agrofuels, and the government has now backed down (see Uganda box on page 39). The African Biodiversity Network has severely criticised the UK for setting targets for biofuels that will sacrifice Africa's land, forests and food to satisfy the UK's vast energy requirements.²⁶

To sum up, agrofuels will not improve the lot of the mass of African people for various reasons. First, the poor simply cannot afford them because they do not have money to buy energy, but rely on wood, charcoal and dung. Secondly, it makes no sense for rural families to replace their sustainable and food-secure agricultural systems and forests with foreign-owned industrial plantations and in the process become cheap and dispensable labour. Thirdly, the privatisation of the land that is the source of Africa's wealth will undermine any chance that African countries have of determining their own future.



19 <http://tinyurl.com/2vrbw3>

20 S. Karekezi et al., *Renewables in Africa*, AFREPREN, February 2007. www.afrepren.org

21 Ibid.

22 FAO, "Crop Prospects and Food Situation" No. 3, May 2007. <http://tinyurl.com/2kswxw>

23 <http://tinyurl.com/2on3ou>

24 "Rural communities express dismay: land grabs fuelled by biofuels strategy", Report of Civil Society Workshop on SA Biofuels Strategy, Durban, 5 March 2007, p. 2. <http://tinyurl.com/3cetb5>

25 G. Morris, "Strong land use policy is key to developing South African biofuels", *Biofuel Review*, 10 April 2007. <http://tinyurl.com/36futn>

26 <http://tinyurl.com/2kfjwz>

