

World Biofuels Markets
Brussels, Belgium

African Biofuels: The Missing Link

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www.pangealink.org



History & Current Status of Biofuel Production in Africa

Malawi

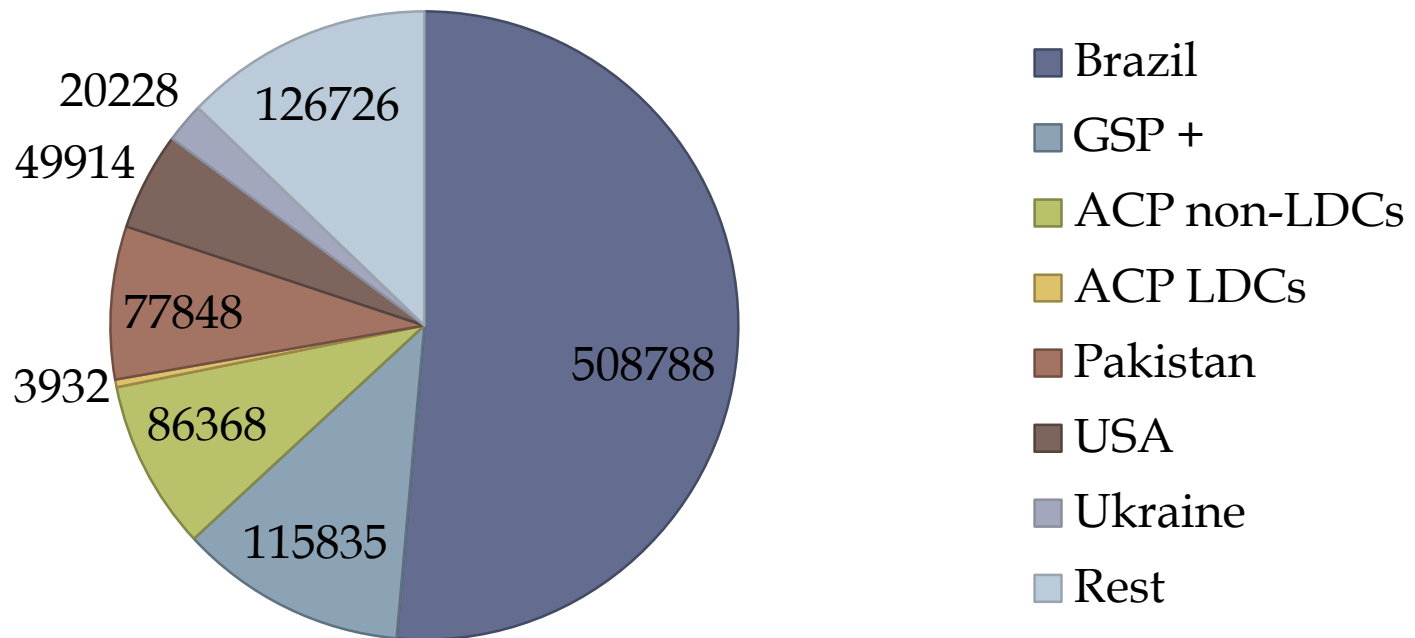
- Ethanol production from cane molasses since 1970s
- Ethanol blending introduced same time as Brazil
- Two main producers-Total 18 million litres/yr-
Capacity 32 million litres/yr
 - ETHCO
 - Presscane Ltd.
- ETHCO working with Malawi government testing flex-fuel cars

Kenya & Zimbabwe

- Ethanol production from cane molasses during fuel shocks
- Policy failed and blending project abandoned
 - Lack of policy support
 - Lack of demand
 - Lack of supply infrastructure
 - Zimbabwe continued to produce for exports

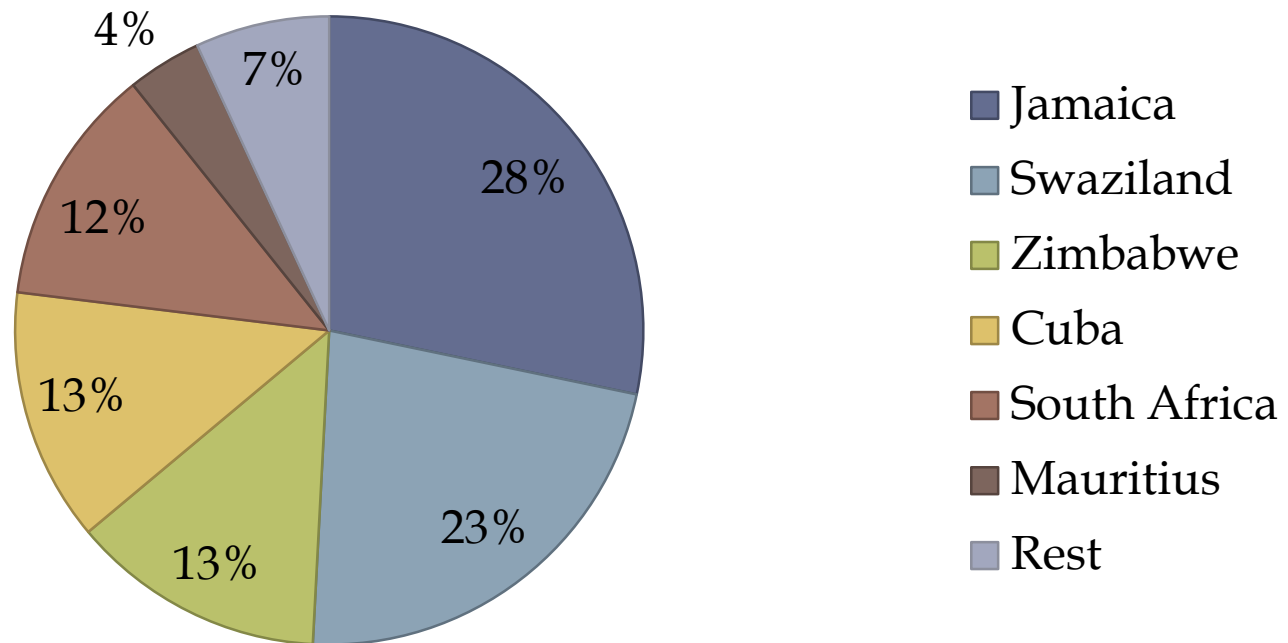
Existing ACP Ethanol Exports to EU

2007 Exports in Metric Tonnes

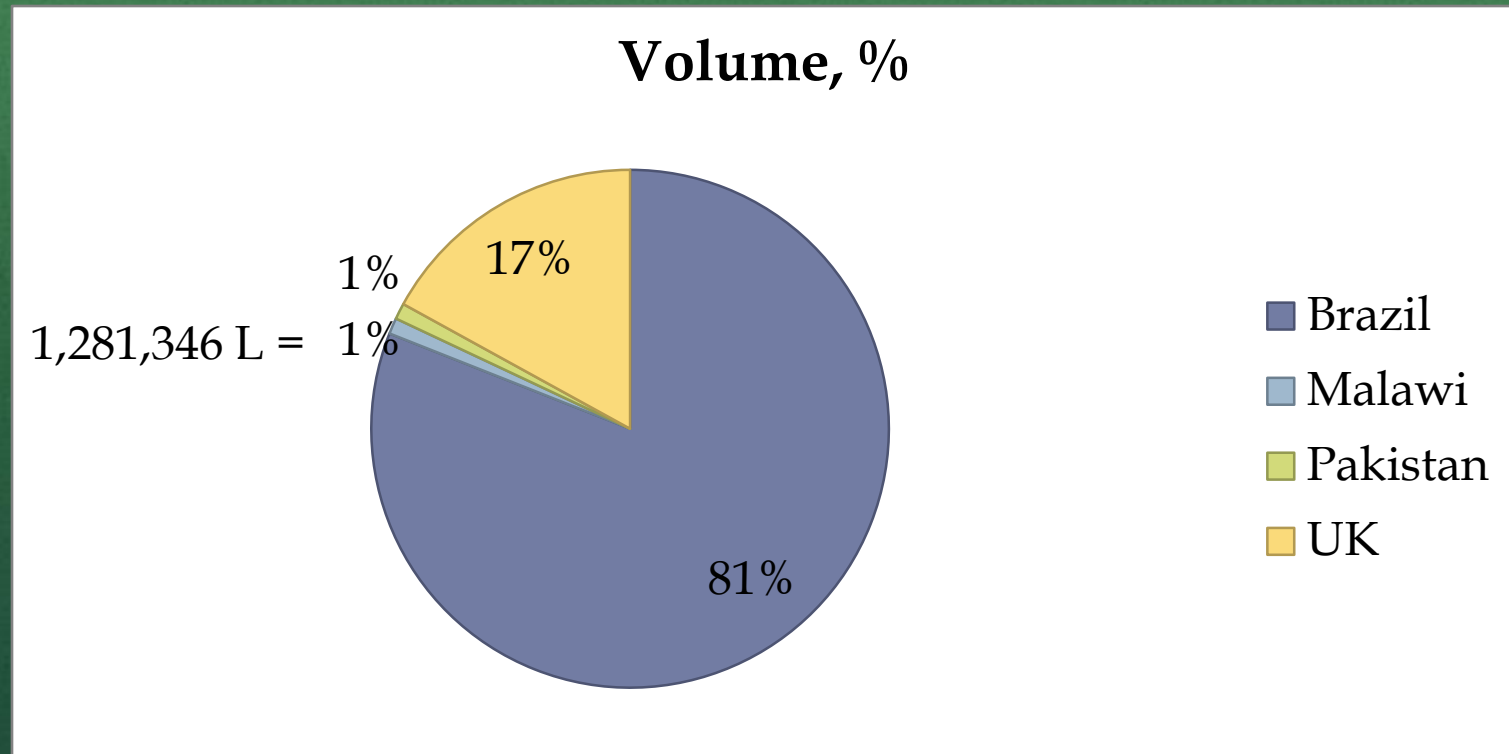


Breakdown of ACP Ethanol Exports

2007 Exports in Metric Tonnes



Malawi Exports to the UK

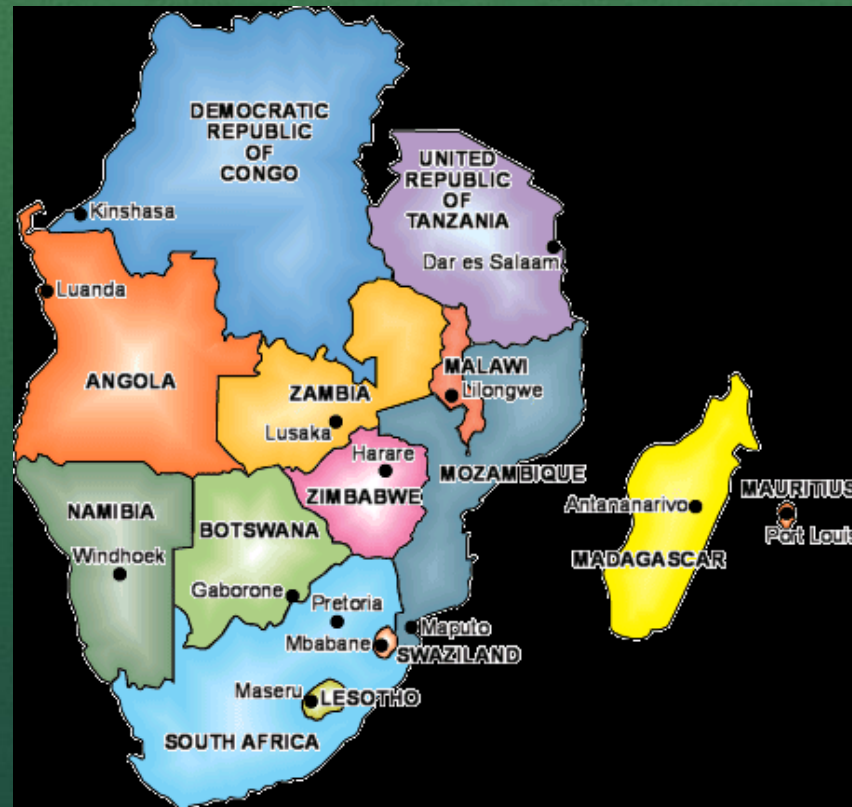


Malawi: 100% Qualifying Standards for Environment and Social Criteria

The Best Idea the World Bank has had?

- DECEMBER 2005: Then- World Bank President Paul Wolfowitz met with Brazilian President Luiz Inácio Lula da Silva
- “Brazil has an enormous amount of knowledge and technology related to energy and the environment that Brazil can share with the rest of the world.” – Wolfowitz
 - Specific request to Brazil to transfer biofuel and green energy technology to Africa
 - “Obvious to me that the potential for partnerships between the World Bank and Brazil in exporting Brazilian know-how is large and only beginning to be tapped.” – Wolfowitz

UK-Brazil Study on Southern Africa biofuels



UK-Brazil Study on Southern Africa biofuels

- Double from 700,000 ha to 1.5 million ha in 10-15 yrs
- Double sugar production for local consumption
- Produce 7.3 billion litres of ethanol annually
- Create 300,000 direct jobs & 700,000 indirect
- Avoid \$1.6 billion in gas imports
- Receive \$2.9 billion in revenue

EU/Brazil/Africa

- Ongoing discussions on collaboration
- Several high level meetings already
 - Brussels, June 2007
 - Sao Paulo, November 2008
 - Africa, 2009?
- Next steps:
 - Cooperation on Sustainability Criteria
 - Pilot projects and joint investment?
 - Policy coordination?

African Biofuel Database

- PANGEA is in the process of developing the *most comprehensive* database on biofuel projects in Africa
- Existing databases have very sparse and incomplete information
- Important for private and public sectors

Examples of Projects in Angola



- Congo Province: Spain
 - Sweet Sorghum
 - 30,000 ha
 - \$150 million
- Bengo Province: Portugal
 - Palm oil
 - 5,000 ha (20,000 ha in 3 yrs)
 - €35 million
- Malanje Province: Brazil/Angola
 - Sugarcane
 - 10,000 ha
 - \$200 million

Examples of Projects in Mozambique



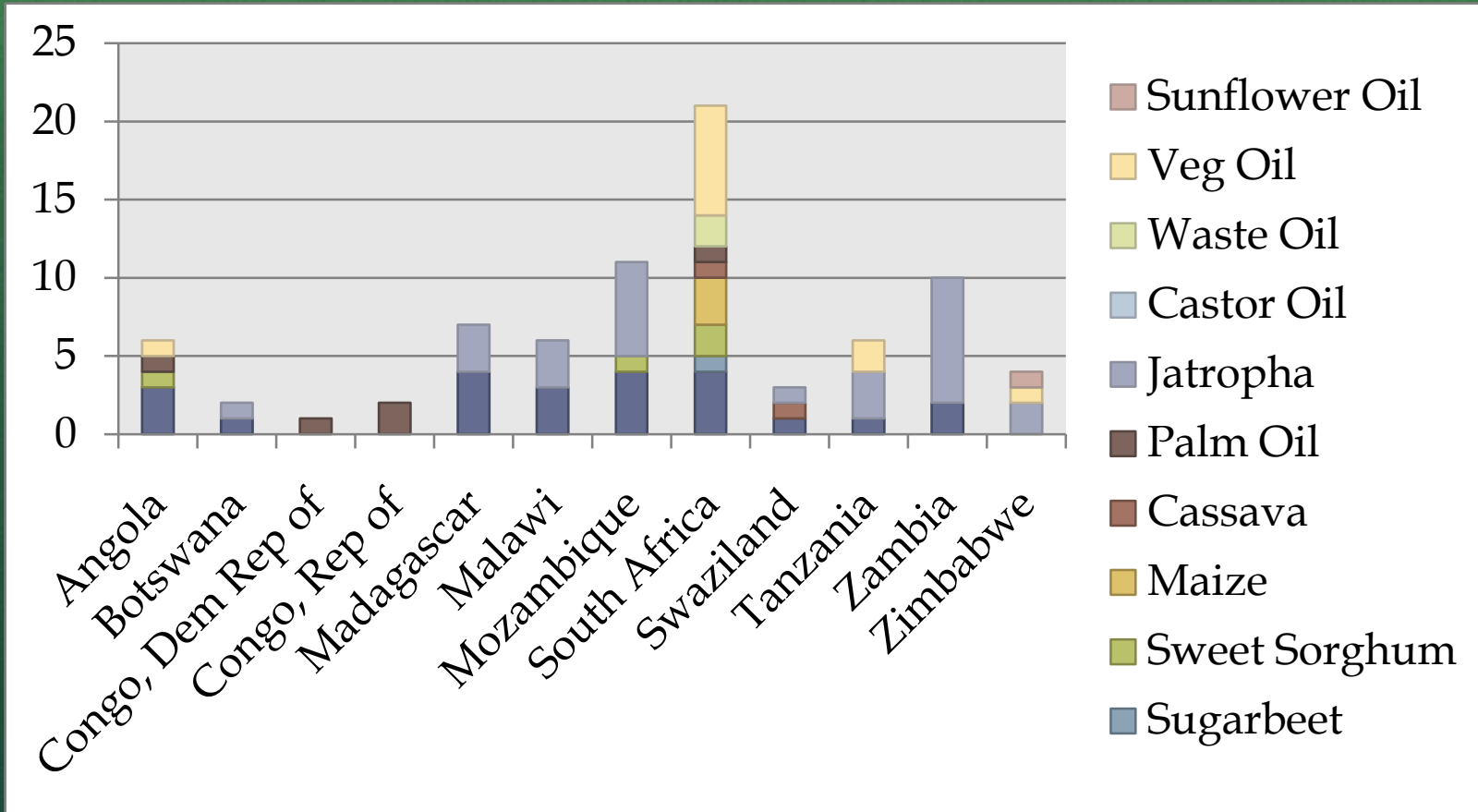
- Tete Province: India
 - Sweet Sorghum
 - 20,000 ha
 - \$20 million
- Manica: UK
 - Sugarcane
 - 20,000 ha
 - \$250 million
- Inhambane: Mozambique
 - Coconut Oil
 - 1,000 ha
 - \$4 million

Examples of Projects in South Africa

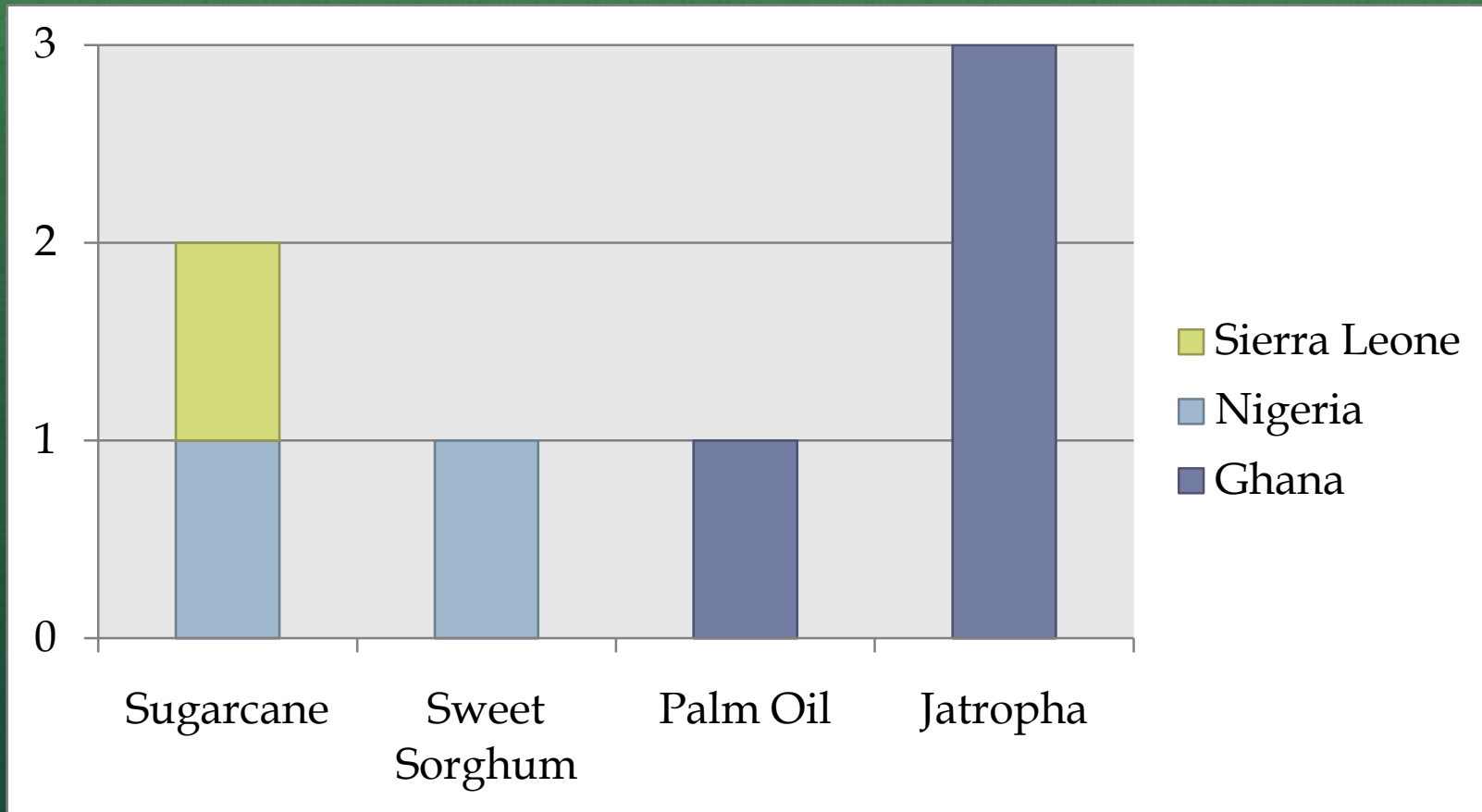


- Hoedspruit, Mpumalanga: South Africa
 - Sugarcane
 - 100 million L/yr
 - R3.2 billion
- Makhathini, KwaZulu-Natal: South Africa
 - Cassava & Sugarcane
 - 100 million L/yr
- Cradock, Eastern Cape: South Africa
 - Sugar beet
 - 90 million L/yr
 - R1.3 billion

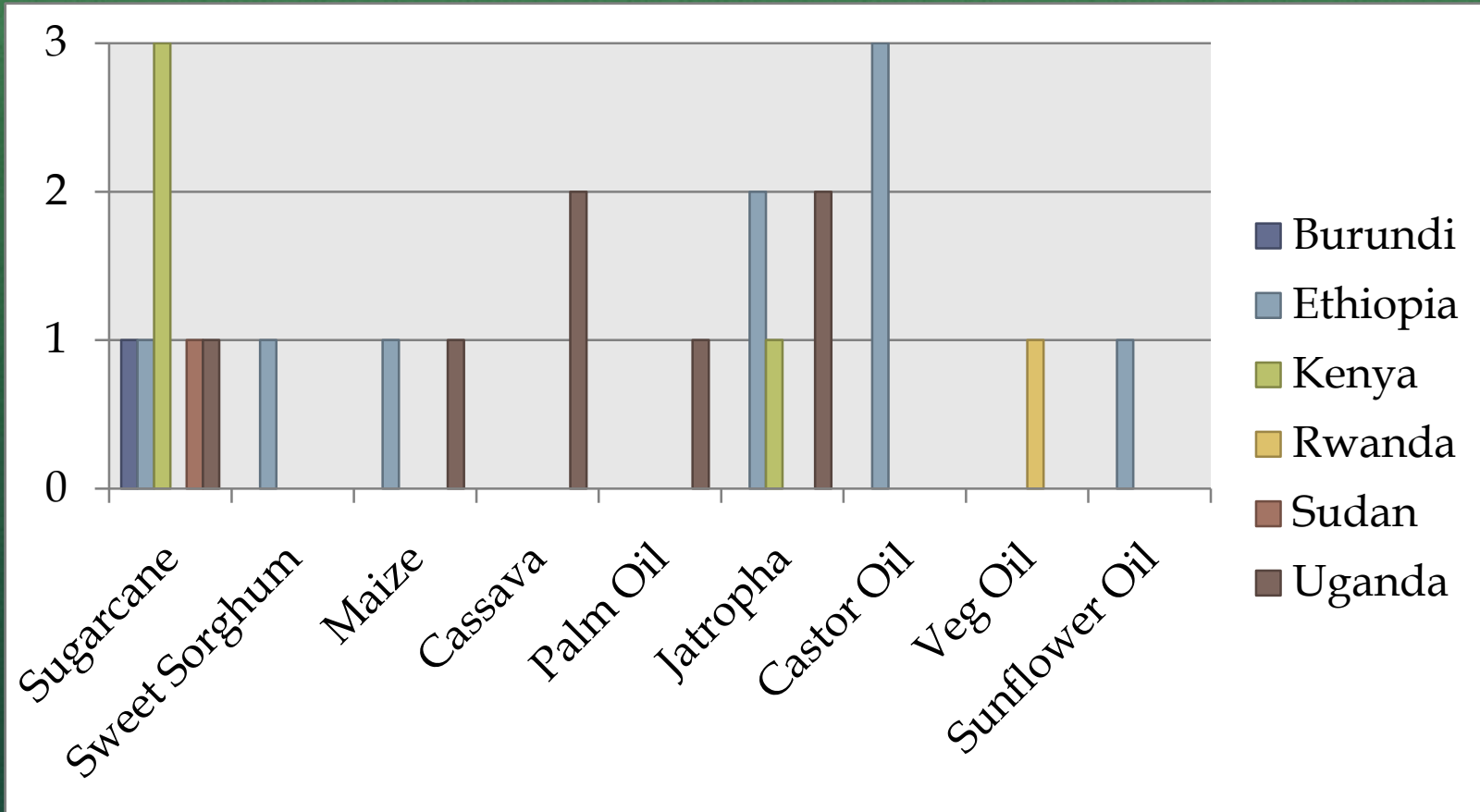
Biofuel Feedstocks for Southern Africa



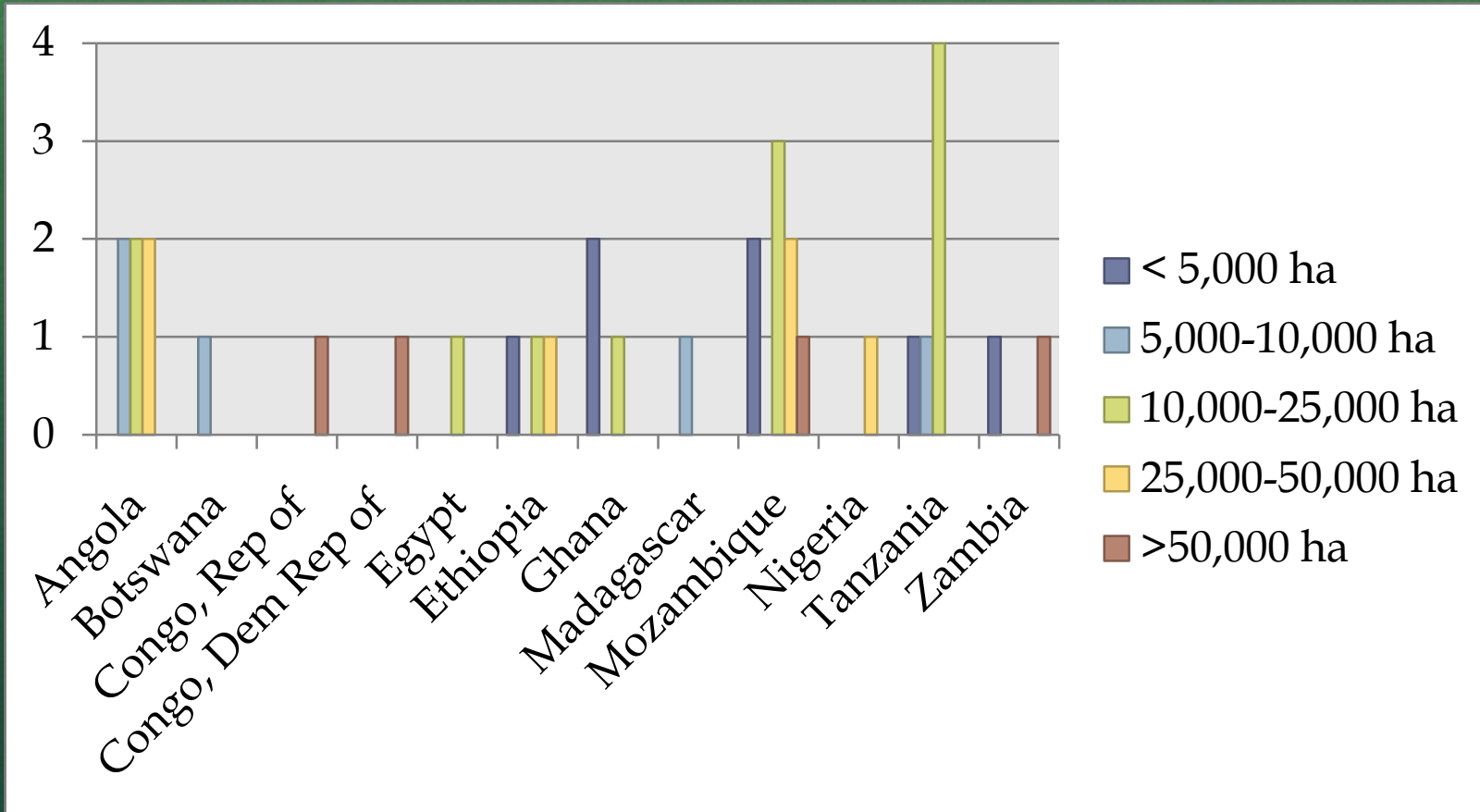
Biofuel Feedstocks for West Africa



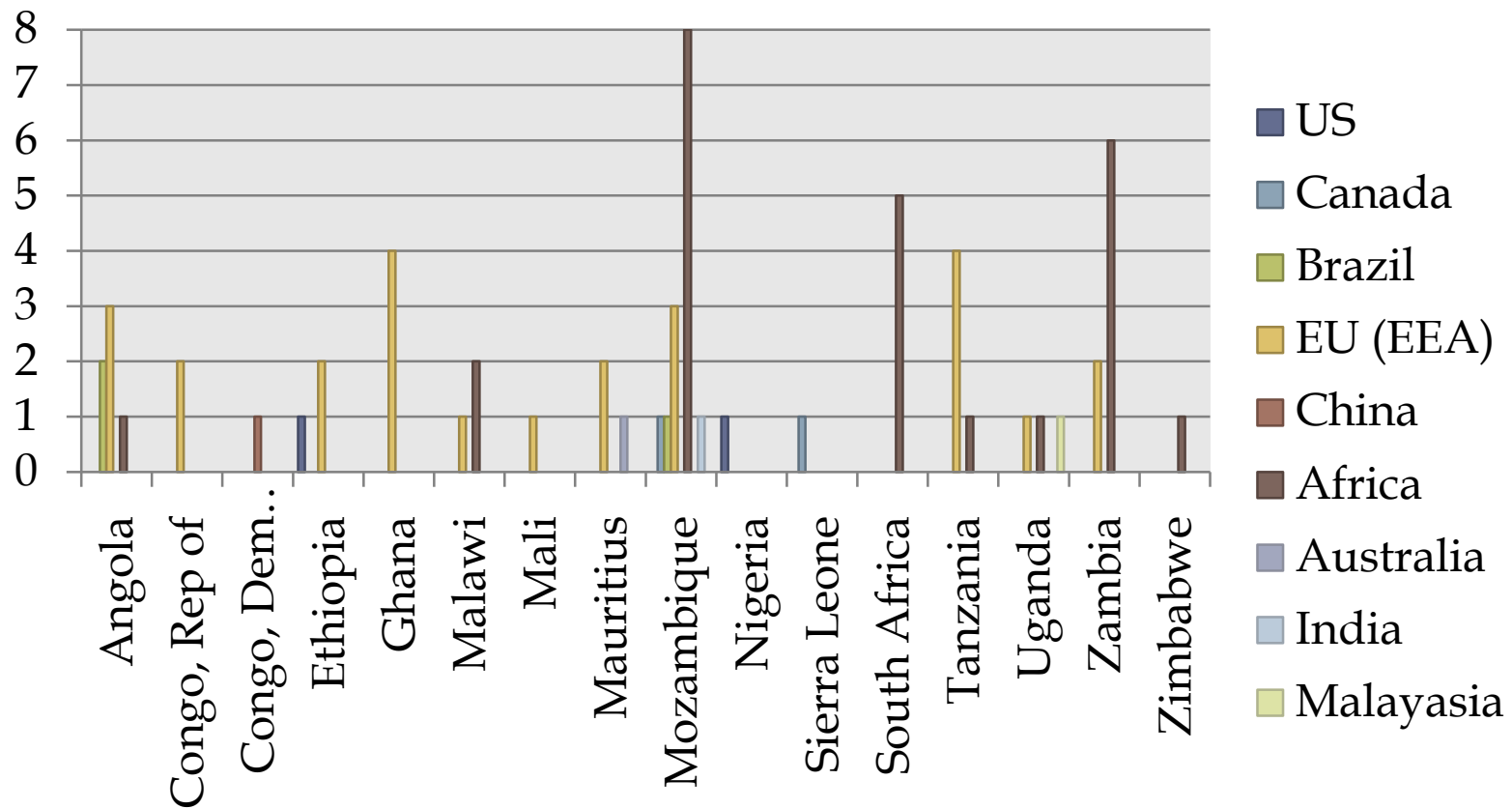
Biofuel Feedstocks for East Africa



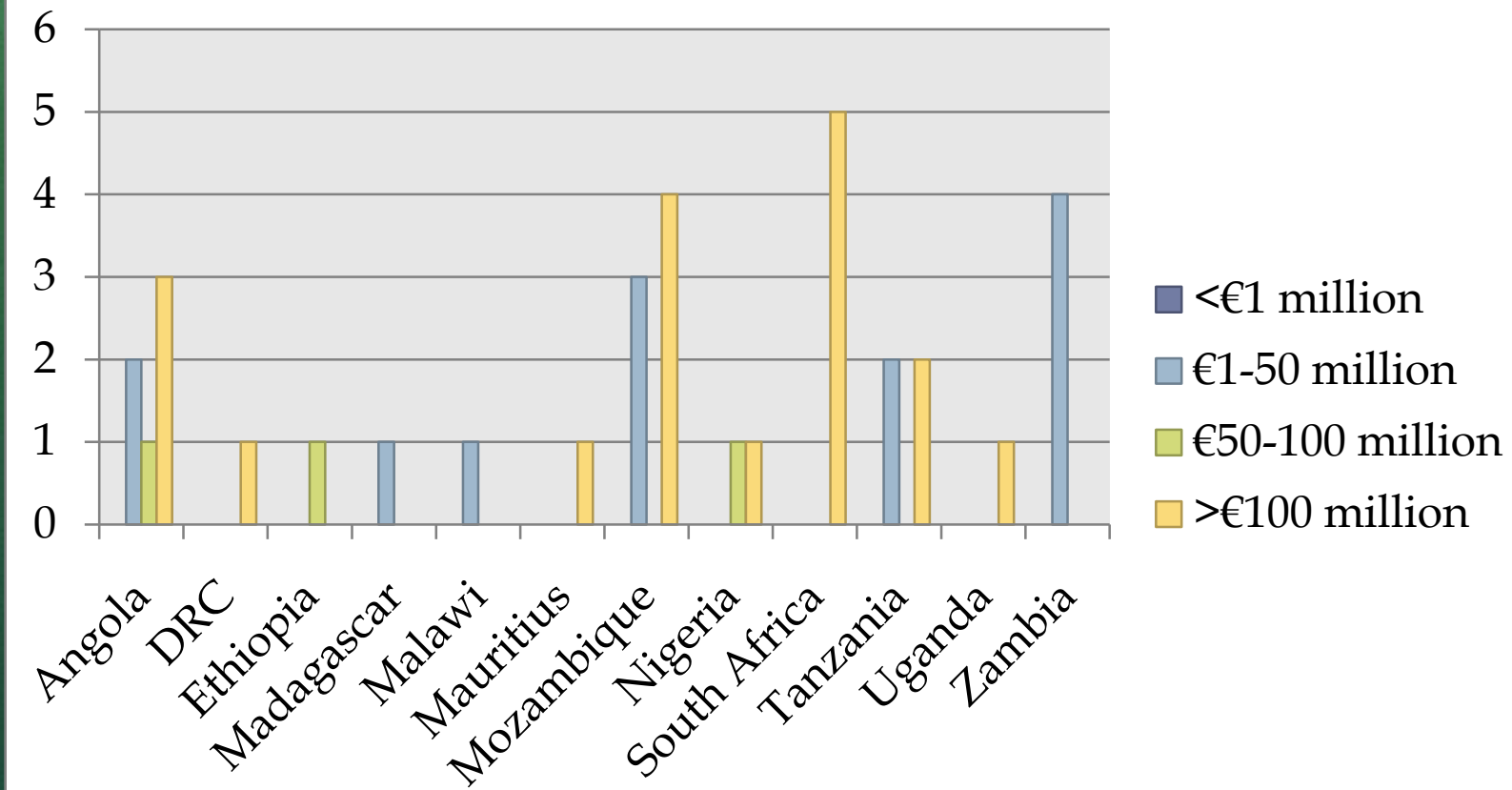
Project Land Area



Investment Origins



Investment Amount



Other Database Topics

- Byproducts, i.e. co-generation?
- Annual Production Capacity
- Production Start Year
- Domestic and/or Export?

PANGEA's Goals

- To promote African biofuels in the domestic and European markets;
- To promote and encourage African biofuel production;
- To facilitate a dialogue between African biofuel producers, users and policy makers, both North and South;
- To encourage European investment in African biofuel production;

PANGEA's Goals

- To encourage European development strategies to support African biofuel production;
- To monitor food vs. fuel issues;
- To encourage a dialogue between EU and Africa on **biofuel sustainability**;
- To represent our members' interest in the development of European biofuel policy;

PANGEA's Activities

- **Provide policy expertise** to African governments, organisations, EU institutions and member states;
- Raise awareness of the growing African biofuels industry;
- **Provide EU and African market analysis;**
- **Host trade development workshops** for members;

PANGEA's Activities

- Provide trade opportunities through **networking**;
- Quarterly Board meetings (Brussels) tied with EC/EP networking;
- **Annual General Meeting**;
- Participate in **biofuel conferences**;
- Create **strategic partnerships** with other NGOs, lobby groups and institutions.

Networking & Contacts

- Access to PANGEA's extensive network of professional contacts in EU & Africa
- Brussels
 - ACP Secretariat
 - LDC/ACP embassies
 - Mission of Brazil
 - EU institutions
- African agricultural and energy ministries



Thank you for your attention.