



BIOENERGY POLICY IMPLEMENTATION TANZANIA CONTEXT

**MINISTRY OF ENERGY AND
MINERALS**

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1. INTRODUCTION (1)

- Tanzanian energy resources include biomass, hydropower, natural gas, coal, wind, solar and geothermal..
- Tanzania Energy Balance
 - 90% of energy consumed in Tanzania is in form of traditional biomass,
 - 8% is from imported petroleum products,
 - 1.5% is in form of electricity generated by hydropower, natural gas, biomass co-generation, coal and other thermal power plants.



INTRODUCTION (2)

- Biofuels - ideal alternative fuels for transportation and other sources of energy.
- Government of Tanzania recognizes the importance and need to develop alternative fuels such as biofuels.



2. WHY BIOFUELS IN TANZANIA

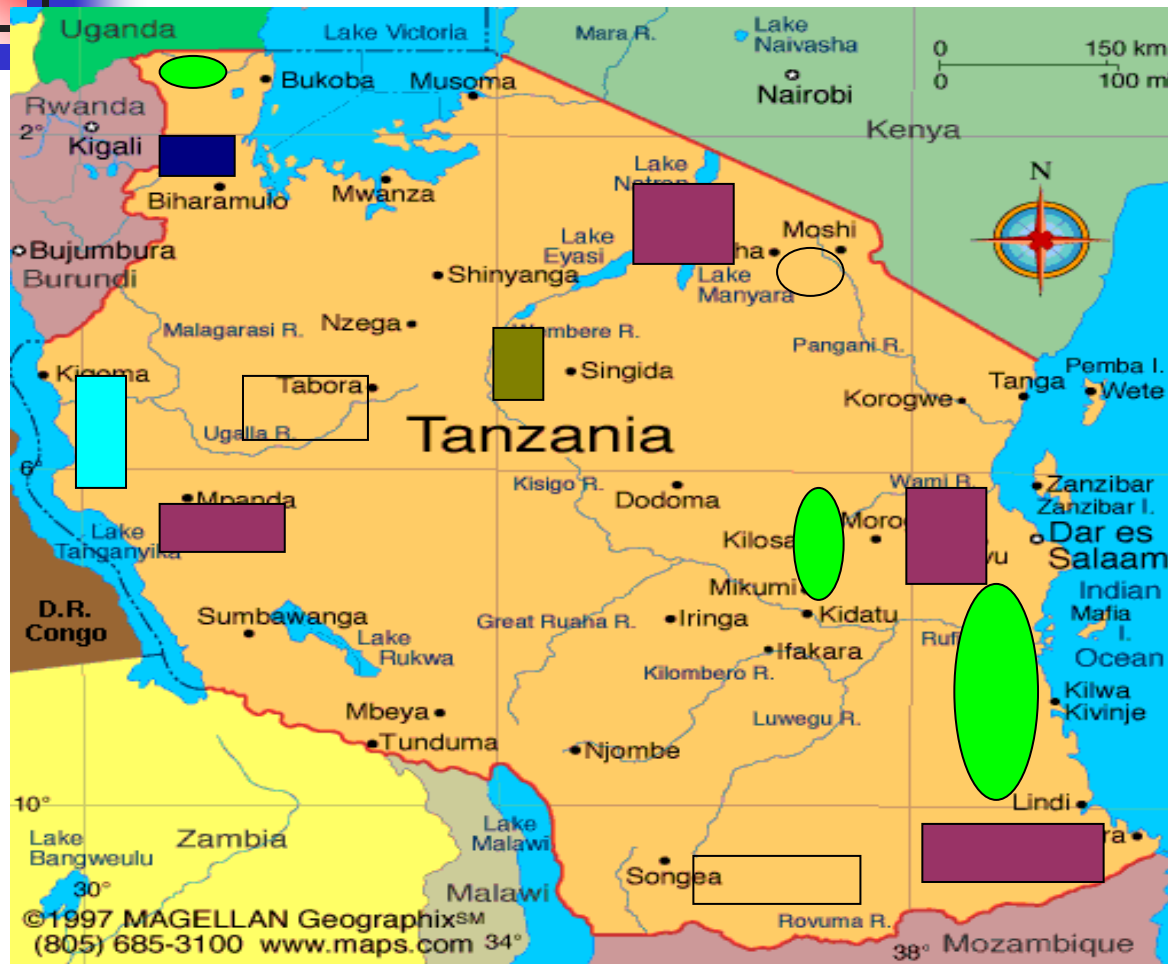
- Reduce dependence on traditional biomass (woodfuel);
- Contribute in ensuring and improving energy security;
- Be part of introduction of alternative cash crops farmers;
- Create new jobs and income generation opportunities; and
- Reduce volumes of oil imports and hence foreign exchange savings.









3. BIOFUELS FOR TANZANIA LOCAL CONSUMPTION

- As SVO to run vehicles (with minor engine modifications),
- In MFP - produce electricity in the rural areas (TaTEDO).
- Jatropha seedcakes used for bio-digester feedstock.
- Gel Fuels (Ethanol jelly) is processed from ethanol and used for cooking (**Exempted Value Added Tax**).
- Glycerin as a by product has various uses in chemical industry including soap making.

Areas currently under Biofuels Development



-  *Jatropha curcas*
-  Palm Oil
-  Sunflower (Special)
-  *Croton megalocarpus*
-  Sugarcane
-  Areas with sugarcane plantation for sugar production



4. Biofuels Actors (1)

- SEKAB Biofuels (T) Ltd – promote sugarcane based bio-ethanol in Bagamoyo and Rufiji.
- Prokon of Germany promote *Jatropha* farms through contract farming - [Mpanda - Rukwa],
- African Biofuels and Emission Reduction Ltd from United States [*Croton megalocarpus.*] (*muhihi*) – Biharamulo, Kagera];
- Abengoa [ascertaining feasibility of Sweet Sorghum stalks, Bagamoyo]



Biofuels Actors (2)

- Farming for Energy Livelihood in Southern Africa (FELISA) [Oil palm - Kigoma]
- Diligent [Jartopha Oil – Arusha]
- TaTEDO – MFP [Jatropha, biogas]
- Sun-Biofuels (T) [Jatropha - Kisarawe]
- Bioshape Tanzania Ltd [Jatropha Lindi]



5. CHALLENGES AROUND BIOFUELS DEVELOPMENT IN TANZANIA

- Tanzania's biofuels development efforts are targeted at maximizing the benefits while minimizing the risks.
- The Government is working to ensure sustainability of the biofuels industry. E.g.
 - Food security
 - Biodiversity conservation
 - Energy security and affordability;
 - Prosperity
 - Social wellbeing and participation in biofuels business



6. TANZANIA'S INITIATIVE ON THE BIOFUELS CHALLENGES (1)

- Government established Biofuels Task Force
- Task Force prepared the draft of Biofuels Guidelines which is at final stages of approval.
- The Guidelines are intended to guide the new sector during the period when the relevant policy, legislation and institutional arrangements are being worked on.



TANZANIA'S INITIATIVE ON THE BIOFUELS CHALLENGES (2)

- Project to Review of Policy, Legal, Regulatory and Institutional Framework to Support the Development of a Sustainable Biofuels Industry in Tanzania is underway.
- The project is being supported by The Government of Tanzania and Governments of Sweden and Norway.

7. ISSUES ON THE TANZANIA BIOFUELS GUIDELINES (1)



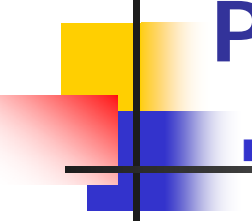
- Land Acquisition and tenure for biofuel production is proposed to be different from the traditional land leasing arrangements.
 - Leasing land for shorter periods 5 – 25 years
 - Proposed a one stop center to coordinate biofuels activities.
 - Villagers to have shares on biofuels projects not labourers
 - Land to be used as an equity



ISSUES ON THE TANZANIA BIOFUELS GUIDELINES (2)

- Biofuels investors shall be required to use part of land acquired for biofuels production to grow relevant food crops.
- Others include:
 - Contract farming and Farming techniques
 - Community engagement,
 - Environment and Social Impact Assessment (ESIA),
 - Processing of biofuels Storage, handling
 - Blending of biofuels is now recognized by Tanzania Petroleum Act 2008.

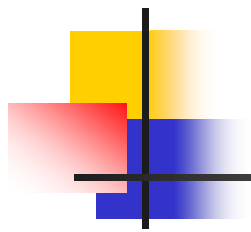
8. TANZANIA BIOFUELS ACTION PLAN

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- **Review of the existing policies** and legal and regulatory institutional frameworks
 - Based on review - **develop** new biofuels policy or both
 - **Capacity building** for government departments and institutions to coordinate biofuels activities and projects,
 - **Agro ecological Zoning** - Map and zone out land for biofuels production
 - **Prepare and implement initial awareness** creation and sensitization programme,
 - **Prepare Information Education and Communication** (IEC) strategy customized to needs of different target groups
 - **Prepare Capacity Building Programme** in line with the need assessment findings



9. CONCLUSION

- Biofuels development in Tanzania is an opportunity for socio-economic development.
- Guidelines will serve as an interim measure while the policy, regulatory, legal and Institutional Framework are being prepared.
- The guidelines prepared will address some of the existing challenges and therefore enhance SD of biofuels in Tanzania.



**THANK YOU FOR YOUR
ATTENTION**