# Can Tanzania Realise Rural Development through Biofuel Plantations? Insights from Rufiji District.

By

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## Abstract

Biofuel is a fast growing sector in Tanzania. Foreign and domestic companies are acquiring big portions of land, some up to 440,000 hectares. It is believed that the country has a reserve of 88 million hectares for agriculture. The government is committed to promoting the sector. But what are the implications of biofuel plantations for rural development in Tanzania? This is an area of inquiry which has not received adequate attention. The main objective of the study was to investigate whether biofuel plantations will have any significant impact on rural development in Tanzania, using the case of Rufiji District. The choice of the district was fourfold. One, it has a considerable number of potential biofuel investors. Two, a high proportion of the investors intend to use the vertical integration model of production, processing and marketing. Three, the district is dominated by smallholder farmers, who are poor with chronic food insecurity. Four, Rufiji district is rich in biodiversity and natural resources. The findings from this study will reflect the likely impact of biofuel plantations on rural development as the selected district represents the characteristics of many rural areas of Tanzania. A total of 161 respondents were selected randomly for interview. There were also consultations with village governments, non-government organisations, policy makers and researchers. The findings show both high expectations and concerns. The respondents anticipate benefiting from employment, income-generating opportunities, and access to markets for crops, and improved social services. More men than female respondents are hoping to become out-growers. However, male respondents in particular were concerned about land grabbing while for women it was about food security, water use conflicts and whether they will be able to access clean energy. The lack of a biofuel policy and legal framework as well as poor rural infrastructure may undermine the realisation of biofuel benefits.

## Keywords

Biofuel plantations; Smallholder farmers; rural development; Tanzania; Africa