Where Has All the Investment gone?

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ACP Renewable Energy Conference: Now time to scale up!
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African Biofuels Investment: 2008

Key:

**Blue**: biodiesel

**Green**: ethanol

**Purple**: both

Not shown: Mauritius: both

Source: Snapshot of publicly announced large-scale (+ US $100 million) biofuels projects
Large-scale African Biofuels Investment: 2011
What Happened?

- Economic crisis
- Food vs. Fuel
- Landgrabbing
- Variable biofuels policies → Moving Targets
- Did “cowboys” ruin it for everyone else?
Maybe It’s the Business Model?
Maybe Large-Scale Doesn’t Work?

- Need consistent, implemented policy—corporate, investment, trade, energy, etc.
- Need strong, diversified management team
- Need supportive, knowledgeable investors
- This is farming, stupid
What Does Work?

• Small-scale, local use—but who’s going to pay for it?

• Medium-scale—$50 million or less, but do the economies of scale work?

• Integrated projects for off-setting energy risk
Offsetting Energy Risk?

- Existing industry:
  - Mobile network providers
  - Breweries
  - Beverage companies
  - Extractive industries

- Utilise existing investors and existing waste streams to offset risk through integrating bioenergy
Turning Risk *Into* Energy

**Energy Risk**
- Bottom lines are weakened by it
- Threatens business model’s viability
- Reduces investor confidence

**Waste Stream Mitigation**
- Common to every industry
- Costly implementation
- Government oversight

**Waste-based Energy**
- Quick ROI
- Income stream instead of cost
- Proven technology
- Existing case studies
Getting the Business Done

- PANGEA is bringing industry and technology providers together
- Let us know if you want to join in!
Thank you for your attention.

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