



FORUM CSAO 2011
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***Opportunities for sustainable
biofuel development in West
Africa: the case of Mali***
Biocarburant SA

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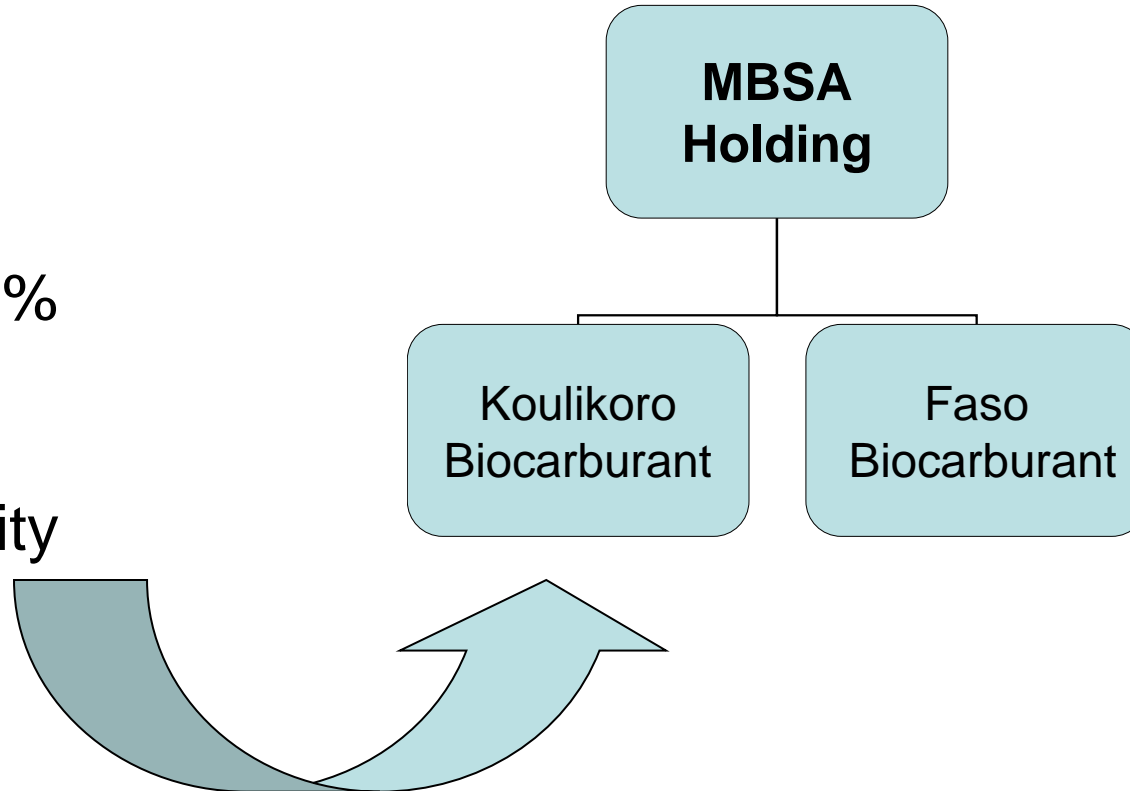
Summary of the presentation

1. MBSA' vision: Food Security, Energy Security and Environmental Security
2. Inclusive business model
3. Corporate structure - voice
4. Sharing of risk
5. Rewards
6. Upscaling MBSA
7. Lessons learned : pros and cons



Inclusive business – smallholders as shareholders

Farmers are 30% shareholders of the local production facility





Corporate structure - voice

Producer's participation in decision making

- Smallholders have a representation/vote in the board of directors of the daughter companies;
- Smallholders organised in a farmer union are 20% shareholders of koulikoro biocarburant and small holders in burkina faso are 30% shareholder in Faso Biocarburant
- Smallholders also have a representation/vote in the general assembly of Mali Biocarburant Foundation



Risk assessment and sharing

Producer's risks

- Smallholders invest in Jatropha intercropping and they run an agro-ecological risk (bushfire and diseases) that reduce yield of Jatropha shrubs;
- They may lose their investment in MBSA, which is financed through pro poor carbon offset;

Company's risk

- Side selling of Jatropha nuts leading to lack of raw material
- Biodiesel production risks
- Low international oil prices (<US\$ 50/barrel)



Contribute to poverty alleviation / rewards!

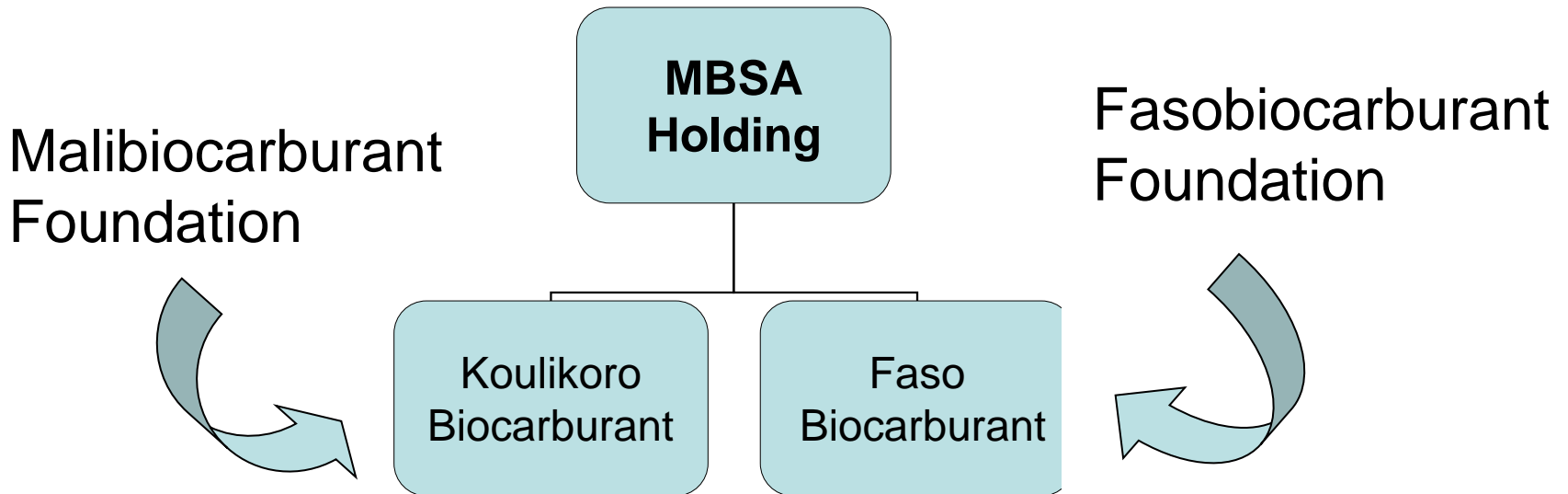
Producer's interest

- Smallholders as 20% shareholders in production facilities
 - .Indirect benefits: dividends
- Financial interest sale of jatropha nuts: USD 125/ha
 - .1 person earns USD 3,0/day
- Carbon credits:
 - .Mali biocarburant invested **USD 500,000** in farmer's unions.
- Increase yields of associated food crops (Maïs, sorgho...) with 20% about 5 years after intercropping of jatropha

Employment creation

.150 jobs created and more in the future

Sustainable financing of producers training – pro poor carbon credits





Jatropha Field schools



*Farmers'
training*



Food security



Environmental security

- Reduce CO2 emissions by planting jatropha trees and produce biodiesel;
- Biodiesel is a cleaner fuel
- Carbon credit reducing climatic change;
- Reduce soil erosion and improve water infiltration.





R&D partners



ANADEB



NL Agency
Ministry of Economic Affairs





Upscaling and replicability

Poverty alleviation: at maturity in 2019 purchase
USD 6,800,000 in jatropha nuts;

Employment: 140 FTE and about 10,000 producers

Environment: more than 10,000,000 jatropha plants
that fix carbone as well as 4 million litres of
biodiesel

Food security: increased production of food
production: mais/sweet sorghum



Pros and cons of the business model

1. Governance structure and transparent leadership of farmer organisations needs to be well organised;
2. Public private partnership are needed to set up the inclusive business model;
3. Organise biodiesel legislation: quality standards, biodiesel mix, licenses, and tax exemptions;
4. It all depends on oil prices and value addition of co-products