

OPINION Contributor

# Jatropha in Ghana: right or wrong?

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In Ghana, where increasing amounts of jatropha are grown to produce biofuel for the European market, the foreign investors' lack of familiarity with local customs and systems of land rights have stoked tensions with the indigenous population. Some Western producers have fallen into the trap of making deals with irresponsible chiefs. Others try to do things right, but are taken advantage of by corrupt authorities or NGOs.

"No comment. Have a good trip home," says Erik Wiersma. Without further ado the Dutchman marches me out of his office in the small rural town of Agogo, some 300 kilometers outside the Ghanaian capital of Accra. Operating from a converted villa here he manages an extensive jatropha plantation for the Norwegian company Scanfuel that uses the oil from the jatropha fruit as a feedstock for biofuel.

Based in Stavanger and controlled by Norwegian supplier to the oil and gas industry IKM, Scanfuel has succeeded in securing a massive 400,000 hectares of agricultural land, but how it managed to do so is not entirely clear. Right now it's the leader of the pack in Ghana, aiming at an oil production of 5,000 barrels per day. Together with the shadowy company Kimminick that is owned by Ghanians in Canada, Scanfuel is by far the largest of the 15 or so mainly foreign investors from the United States, Israel, Italy, Brazil and elsewhere who (are planning to) grow jatropha or sugar cane on Ghanaian soil and are regularly the subject of controversy.

Investors in agricultural land in Ghana are increasingly coming under fire. They're accused of exploitation and of driving local farmers out and are viewed by some as a risk to food security. The upheaval about their ever-increasing presence lies at the root of Wiersma's defensive attitude: Scanfield is not amused that I'm touring the area together with director David Eli of Foodspan, a non-governmental organization for food security. But Eli is no anti-capitalist hawk and his concerns are legitimate. "The areas in which the majority of these companies operate are situated in our food basket, where 45 to 50 percent of all Ghana's food crops are grown," he says.

As far as the biofuel operators are concerned, Eli is most definitely persona non grata. In a popular national radio program he is said to have claimed that jatropha planters have driven tens of thousands of local farmers from their lands. "Those statements caused us a lot of trouble," a European biofuel entrepreneur tells me. As it turns out, however, the accusations of the NGO director are off the mark. An MP3 recording of the broadcast in question shows that the claim that so angers the investors wasn't made by him.

This morning Wiersma has already negotiated his Volvo four-wheel drive over innumerable bumps and potholes to inspect his jatropha plantation some 50 kilometers away. After he returned to Agogo I take a look for myself. According to Scanfuel's original plans, the plantation will eventually cover some 240,000 hectares. The rest of the area controlled by Scanfuel has been earmarked for food production.

It's harvest time and some of the plants have already been cut and stripped of the fruits that will be pressed to yield their oil. Elsewhere women from the nearby village are still picking in the fields. The plantation has brought jobs. At the side of the road a group of men displays a bag of fruit that is waiting to be picked up and transported to a factory complex with its new silos a bit further up. This represents the center of the plantation, managed by Wiersma in exemplary fashion.

Until 2009 Wiersma held the post of global manager for sustainable oil supply at British firm D1 Oils. Already active in southern Africa, D1 Oils wanted to extend its operations to Ghana. The London Stock Exchange-listed company specializes in jatropha but suffered a setback when U.K. oil giant BP exited the joint venture they operated together. Wiersma subsequently switched to Scanfuel, which is said to have set aside up to \$30 million to start up operations in Ghana. Wiersma is currently CEO of Scanfuel Ghana and divides his time between Agogo and his home in Belgium.

Scanfuel's competitors are full of praise for the new plantation. On the well-maintained roads crisscrossing Scanfuel's terrain, one can drive comfortably for kilometers through a green expanse of regularly spaced jatropha crops. The conversion of the land to crop production has been thorough. Here and there some trees are still seen in the fields, but mostly all other vegetation has been chopped down. The chopped logs have been used to build long barriers. At one point there's the lone roof of a hut, a reminder of the small settlement that once existed here. One of Scanfuel's competitors is so impressed by Wiersma's achievements he'd offer him a job tomorrow.

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