

THE NEWTIMES

Rwanda's First Daily

Gov't, investors ink \$250m Bio-fuel deal



Former UK Prime Minister Tony Blair is received by Energy Minister Albert Butare at RDB where he witnessed the signing of the Bio-diesel deal.(Photo/ F. Goodman)

KIGALI - The Government of Rwanda yesterday entered a groundbreaking agreement with US-based Eco-Fuel Global and UK's Eco Positive Ltd-which will see the two companies sink \$250m in a project to produce bio-diesel.

The deal will see the two companies grow *Jatropha Curcas* on 10,000 hectares of marginal land near Akagera National Park from which they will be extracting estimated 20 million litres of bio-diesel annually.

The signing ceremony held at the Rwanda Development Board (RDB) head office was witnessed by the former British Prime Minister Tony Blair who played a role in luring the investors.

Signing on behalf of government was the State Minister for Energy Eng. Albert Butare while the investors were represented by Mark O'Brien and Karl Boyce, the CEOs of Eco-fuel Global and Eco Positive respectively.

According to Butare, the project will greatly help the country cut down dependency on imported fuel, increase fuel security, slice down costs and ensure the use of climate-friendly fuel.

"This investment will benefit Rwandans in terms of green development, preventing land erosion, create employment and more environmentally friendly transport," said Butare.

According to officials, the project is expected to create 6,500 jobs with an estimated expenditure of more than \$100m in skilled and unskilled wages and social security provisions.

"It is a significant step forward in giving our nation greater energy security-essential to our economic success," he added.

He described the project which will have an initial investment of \$50m as 'critical' towards the country's economic development plans and the use of green fuels.

He said the project will be vital in the plan to wean the country off the use of imported fuel.

"Rwanda relies heavily on imported fuel required for running businesses in different sectors and it is a very heavy burden to both the economy and our environment."

"The country imports about 160 million litres of fuel annually and this project will be producing 20 million litres annually which translates into 13 percent of total fuel consumed. This will be a great development towards solving the problem of energy insecurity," Butare said.

The project is expected to start production in 3-4 years and ground work is expected to kick off 6 months time.

Jatropha is the most suitable crop in the production of bio-diesel and other renewable fuels and it is expected to boost the country's efforts of battling climate.

“As Rwanda's commitment to this project continues to grow, the more its vision of shifting towards the use of renewable energy and ensure energy security is realised---the benefits are many; from utilising marginal land to cutting down greenhouse gas emissions,” said O'Brien on behalf of the investors.

Blair, who had prior to the signing visited the 'One stop Centre' at RDB commended the country for working towards restoring confidence of investors who eventually prefer to invest in the country than anywhere else, as well as responding to the call to avert climate change.

“Investors know that the country is willing and ready to accept investment---I have actually seen the One Stop Centre on business registration---the country has tried to make it as simple as possible for people to come and do business here.”

“The fact that there is a development board and it is here to help is a huge sign of Rwanda's potential but perhaps more important, Rwanda's determination to make the most of itself as shown by its recent ranking in the doing business report,” Blair said.

He said that the consortium sends a strong signal of the country's vision and development aspirations as well as the need for the country to move towards the use of green-renewable energy to counter climate change.

The RDB CEO Joe Ritchie noted that the coming in of the two firms is a sign of Rwanda's potential as an investment friendly country and it also highlights the country development path that prioritises the use of domestic resources to achieve its goals.

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