The rise and fall of foreign private investment in the jatropha biofuel value chain in Ghana -
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The article draws on the multi-level perspective (MLP) and global value chain (GVC) frameworks to analyse the drivers and trajectories of foreign private investment in biofuel production in Ghana. It is based on a narrative of the evolution of a niche for jatropha production in Ghana in the period 1995 - 2016 including company case studies. The factors analysed relating to MLP are alignment of expectations, network formation, and learning and knowledge sharing, and those relating to GVC are chain structure, governance, ownership, and access to land and capital. High entry barriers for creating a new agriculture-based value chain for global biofuel markets, i.e. high volume requirements, high capital needs, and market risks contributed to the collapse of the jatropha sector in Ghana. A low level of learning and knowledge sharing between jatropha actors in Ghana, alongside weak public R&D support, reduced access to technical and managerial information. Confirming previous GVC research on biofuels, policy and NGOs had a stronger influence on the jatropha value chain than in typical agricultural chains. Moreover, global drivers and the strategies and capabilities of foreign investors can strongly influence the development of a new biofuel value chain in a developing country. The latter points complement previous research on jatropha, which highlights politicoeconomic factors such as land tenure, regional and local power relations, and the interests of donors and NGOs. The study exemplifies a nonevolutionary niche development that goes beyond the European experiences of industrial niche development on which the MLP framework was first established. The importance of investors and policy at different levels of the value chain illustrate the synergies in combining the MLP and GVC frameworks in research on energy transitions in developing countries.

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