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Present: Cdes T.T. Nkobi, K. Moonsamy (Chair),
V. Khanyile, H. Makgothi, S. Shibambo, S. Rajie,
N. Marcus, A. Ngcaba, Z. Mvusi, B.A. Mancini,
G. Naicker, A. Mlangeni, D. Cumberledge.

Bx Invitation: M. Tikly, J. Ndhlovu

Agenda: 1. Report of mission to Tanzania, by M. Tikly
and K. Moonsamy, including report from
N. Marcus.

Report on Zambia region.

Report on preparations for Talks with Norway
and Sweden.

REPORT OF MISSION TO TANZANIA

"Report of Mission to Tanzania - 5-8 May 1992" was tabled
and M. Tikly took the meeting through the report,
highlighting the following points:

a) The major concern of all the donors is that
Mazimbu/Dakawa (M/D) should be handed over to the
Tanzanian Government and not CCM. They require a
statement from the COM guaranteeing that the
settlements will be handed over to the government on
a specific date. The donors have indicated that
funding would be suspended after the handover if such
a statement had not been issued by the time of
handover.

Relations between the ANC and Tanzania and the ANC and
donors have been soured by lack of proper channels of
communication. The fact that the donors were not
participants in the Joint Working Group was pointed to
as a major cause of the breakdown of relations. The
need for this situation to be remedied by including
donor representatives on the JWC was emphasised.

The donors feel that there is little cooperation from
the ANC Management Committee.

Some of the donors have informally expressed the fear
that the ANC is "looting" the settlements and that
they will not be left in an operational condition.
They are also equally concerned that Tanzanians will
loot in the period before handover.

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e) Norway wants a lot of work to be done between now and the Review talks which are scheduled for end May. They have also requested TG's attendance at the Talks.

f) The NOREMCO agreement had not been signed. due to disagreement over some clauses. This could have been solved by negotiation. Renovation work has been seriously delayed as a result of the agreement not being signed. '

N. Marcus commented on the report as follows:

a) He objected to the fact that he, as Head of the Assessment Team had been excluded from the delegation.

b) He objected to D3. of the report because the Assessment Team had had no contact whatsoever with any of the embassies. .

0) He pointed out that the rumour of looting by the ANC arose from propaganda from the Regional Commissioner, who had also been responsible for suspending sales.

d) The draft Sales Policy should not be considered as neither the mission to Tanzania nor the meeting were competent to judge criteria and methods for selling, since only those who were involved in the task had knowledge of the problems. He also pointed out that the Assessment Team had already done extensive research into potential purchasers and pricing

e) Zwelakheis offer was ironic against the background of his apparent complete lack of interest in assisting the Assessment Team.

f) He reported that in a very short space of time an amount of TSh.13,540,000 had been realised from sales . and that if selling was done correctly the ANC could raise over one billion shillings.

g) He emphasised that the root of the problems in Tanzania was a lack of effective management and also pointed out that if he had the extra people he had requested, they would be able to complete the work by the time of handover.

The Treasurer General then made the following points:

a) He thanked M. Tikly and K. Moonsamy for having gone to Tanzania on his behalf and for the report which contained useful information for discussion with donors.

b) The OTG Secretariat had not thought deeply enough about how to handle the question of selling.

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c) The Treasurer General' 3 report to National Conferepce had stated that the ANC had millions of dollars wqrth of assets in Tanzania. The NEC would be expecting a report on the realisation of these assets. J

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d) The implications of selling our assets had not been foreseen. The deterioration of relations with our donors was very disturbing in the light of the lbng 5 and fruitful relationship the ANC has enjoyed with the donors. It has become clear that the cooperationof a donors and Tanzanians is essential. The hurdle which i has now to be overcome is finding a way to repair the I damaged relations.

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g e) He felt that, given the current situation, politycal I considerations should override financial ones. ,

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.x f) Without cooperation from the Tanzanian gover Uent and ti ' A WNthe donors, the ANC will be placed l-n a uery 'ifficult xi position. 114 3 Th,

g) The importance of the Joint Working Committee has been neglected by the ANC.M _ ...i, :tmip.,h 7 N..

.1, h) The present situa.tion is extremely tehse. At risk is the name of the ANC and the- people of South Africa.

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After lengthy discussions, it was a reed: %

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That, as a matter of great urgency, the Joint Working Committee (JWC) should be properly constittgtd to include representatives of all the donors. 3

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2. That the JWC should be mandated to negotiate and make joint decisions on whether property should reMain in the settlements, be sold or be sent to Southu4frica. These negotiations to be done on the premise that the settlements should be left in an operational condition.

3. That the settlements be handed over as a whole including all the production units, with the possibility of joint ventures, if Tanzania so desires.

4. That only those materials in storage which have no use at the settlements should be considered for sale or sending to South Africa. This includes construction materials intended for the villages at Dakawa which were not started.

5. That the ANC side of the JWC should be strengthened with representatives from HQ and that Cdes Manci and Tikly should proceed forthwith to Tanzania to fulfil that role.

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That Cde Zama Mvusi should proceed forthwith ego Tanzania for the purpose of negotiating the NOREMCO agreement and that he be mandated to finalise the agreement and sign it.

That the budget for the handover ceremony be accepted as presented and that Sweden and Norway be approached to provide funding.

That the date for the handover ceremony be agreed with the Tanzanian Government and in consultation with the ANC President's Office, using July 25 as an indicative date.

That a communique be sent to the ANC administration in Tanzania informing them of the above decisions.

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Subsequent discussion with the President's Office has revealed that Cde Mandela would only be available for the WEandOverhoeremdytBhnl or ZwJuLymon hts-wayubackmw from the OAU meeting. This had also been agreed : between President Mandela and the President of Tanzania previously.