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REPORT ON MISSION TO TANZANIA  
M. TIKLY.(24 - 28 May '92)

A. INTRO UCTION

At the OTG-SECRETARIAT meeting held on May 14th 1992, Cdes Mancu, Mvusi and Tikly were delegated to visit Tanzania with the following objectives:

1. to ensure that the maintenance contract with Noremco is negotiated and signed,
2. to agree with NPA an Administrative Structure for the maintenance of the Settlements for the period July to . December 1992 (this Structure would then be presented to the Joint Working Committee,JWC),
3. to hasten the preparation of inventories and to convey to the JWC the decision of the OTG that except for items deemed necessary in South Africa and those considered to be surplus to the needs of the Settlements and therefore to be sold, all other movable assets would be left behind,
4. to arrange for the compilation of data for the information package to be given out at the Handover Ceremony,
5. to ascertain the date of the Handover Ceremony from the Tanzanian Government and to request the JWC to prepare a programme for the occasion, and,
6. to obtain from the Tanzanian Government or CCM a written undertaking that the ownership of the Settlements would reside with the Tanzanian Government and not with CCM.

. B. MAINTENANCE OF MAZIMEU

B.1 Cde Zama Mvusi dealt with the contract with Noremco, which was signed on our behalf by our Project Manager, Mr. Anfinset. Cde Zama's BRIEFING NOTE is attached. This has already' been circulated, to members of the Secretariat, together with a copy of the Contract.

B.2 The budget for the Maintenance Contract can be taken from two unspent balances in the Norwegian Allocation to Tanzania, ie, Mazimbu Maintenance and Dakawa Construction, as well as from the Contingency allocation.

3.3 I undertook an inspection of Mazimbu and found some of the dormitories and Tabora Village in a vandalised state and their surroundings terribly filthy. Some of the Nursery Blocks had books and documents strewn about. Naturally, all this will have to be attended to prior to the Handover Ceremony.

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Both Zama and I discussed the attached Administrative Structure with NPA separately and find it acceptable in principle. Its terms of reference, composition and budget are also reflected.

As regards the composition of the MAINTENANCE MANAGEMENT COMMITTEE, as the administrative structure is to be called, it will have two Tanzanian, three ANC and one donor representatives. This will be the decision-making body. At the Settlements there will be an implementing body called the PROJECT MANAGERS OFFICE. Here it is proposed that Cde Kenneth Kotelo should serve as the Finance Officer. He has agreed to return to Tanzania, if so requested. NPA has dealt with him for some three years and has confidence in him and we feel this is acceptable.

The budget for this transitional administrative structure comes to NOK 500,000. According to NPA, there will definitely be a surplus in the Daily Necessities allocation equivalent to this sum, even after keeping some of the money unused in case of a contingency.

Unfortunately, Zama was not able to present the Administrative Structure Proposal or the Noremco Contract to the Management Committee and I was able to do so only briefly to Cdes Hanoi and Chilisa.

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Regrettably, the inventories of movable assets were not ready by the 27th May 1992, but the Assets Team said that these would be ready for presentation to the JWC-Secretariat on May 29th.

As only 4 weeks remain to the handover, there is considerable urgency in finalising the inventories and presenting them to the JWC, together with a policy on items to be sold and transferred to SA. Once the Settlements are handed over, it will be well nigh impossible to shift things out of Mazimbu and Dakawa as control and jurisdiction will no longer be in our hands.

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NPA agreed to request Sumar Varma to compile a comprehensive list of fixed assets with sketch plans. These will comprise part of the information package for distribution at the Handover Ceremony.

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Cde Chilisa made strenuous efforts to obtain confirmation of the date for the handover but the Government was not able to confirm the date before I left on May 29th. He agreed to phone through the confirmed date as soon as this was conveyed to him.

The JWC will work on the Programme for the Handover Ceremony and a draft will be sent to HQ asap. Invitations to local guests will be despatched and all other preparations attended to, in collaboration with NPA.

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Inspite of several appeals by Cde Chilisa to the Government and CCM, the required letter about the future ownership of Mazimbu and Dakawa has yet to be obtained.

While I was in Dar es Salaam, Norway made it clear that it will not be able to continue with the assistance programme up to December without this written assurance.

In the circumstances, if by May 5th the letter is not forthcoming, it will become necessary for the Treasurer-General to meet the Government and CCM.

I could only meet the above comrades individually, due to time constraint. Much of the discussion centered on the problems within the Assessment Team, renovations/maintenance, the Handover date and the question of ownership of the Settlements.

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NPA reiterated Oslo's insistence that a letter of assurance on the ownership of the Settlements was essential for Norway's continued assistance between July and December 1992.

NPA appreciated Cde Zama's input and felt confident that with the proposed tripartite Maintenance Management Committee, the maintenance programme will be completed through Noremco.

A request was made for Arne Venes's contract to be extended under the MFA Programme from September to December and the VTC Instructor for electricity be incorporated into the ANC Maintenance Team, without any additional cost as he is funded by Norad.

Proposed budget reallocations:-

a) the NOK 3 to 3.5 million required for the Noremco Contract could be secured from money unspent on Mazimbu Maintenance and Dakawa Construction, as well as from the Tanzanian Contingency allocation.

b) the NOK 500,000 required for the Maintenance Management Committee could be obtained by reallocating savings from the Daily Necessities allocation.

NPA is willing to administer the budget for the Handover Ceremony.

#### BRIEFING NOTE

The following constitutes a general intetim brişi to the OTŞ Secretariat, based on the mission to Tanzania bi 19th'- 26th May, and pending the report of the OTG' Delegation wto Tanzania, delegation mandated to implement deciSigns of the OTG Secretariat Meeting of 13th May, 1992, and thereby ensure that all necessary arrangements are made to enable the transfer of Mazimbu and Dakawa to Tanzania by 1st July, 1992.

Specific Terms of Reference for Z. M Were to sign a renovations and maintenance contract with NOR MCO and aim to get most of the work done by 1st July, 1992.

With reference to the above:

1) A Meeting was held between B. Frostadt (Resident Representative, NPA), H.P. Anfinset (Project Manager, ANC), and Z. Mvusi on Sunday, 24th May, to discuss the various aspects of the proposed contract and, a negotiating position to be adopted for NOREMCO.

It will be noted that even though the contract would be directly between ANC and NOREMCO, it was felt necessary to include NPA directly in the negotiation process, given their thorough knowledge of Mazimbu and Dakawa. NPA has, in recent years, been the implementing agency for Norwegian government funding to the ANC.

2) A Meeting was held between O.5. Hansen (Chief Engineer, NOREMCO), B. Frostadt, H.P. Anfinset, and Z. Mvusi on Monday, 25th May, at which a general renovations and maintenance contract was negotiated and agreed. The contract was signed later in the day at NPA offices, Dar-es-Salaam.

Several aspects that derive from the contract signed with NOREMCO by ANC need to be emphasised. The final contract sum will be determined by the scope of the works carried out by NOREMCO at the end of the year, 1992. A priority list has been worked out by ANC to guide the works. It will be incumbent on ANC's project management structure to define and control the implementation of the works by the contractor. Site inspections on 27 - 28th May will enable both ANC and NOREMCO to define a programme for the execution of work to be completed by 1st July, and beyond, to 1st December, 1992.

A budget frame of NOK 3 - 3.5 million has been indicated already to NOREMCO and certain re-allocations will have to be agreed already at the mid-term Review Talks with Norway for the contract to be carried out. NPA Dar-es-Salaam and ANC project

management are agreed on a proposed re-allocation within the current budget frame for the Mazimbu and Dakawa projects. The project management structure will have to be confirmed at the Review Talks and a budget secured.

Clauses included in the contract will determine that settlement of disputes will be guided by standard international procedures which have guided all previous construction contracts with contractors.

' ANC is sensitive to donor concern about the future ownership ' -of the" settlements and is committed to obtaining firm commitment that they will, in the final end, be handed over to the Tanzanian government. Should this not be forthcoming by the hand-over date, it is most probable that funding to the settlements will cease forthwith. ANC is liable for termination costs to the contractor which will have to be negotiated.

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COMMENT:

It is not possible, nor is the intention of ANC, to complete all of the envisaged programme before the hand-over dates given the scope of work. However, a firm commitment by ANC to hand over the settlements in a fully operational state, as already expressed, and now to be based on concrete programmes, contracts and budgets will be evidence of ANC's goodwill as we now officially leave Tanzania.

Dar-es-Salaam.

May 26, 1992.