

STATEMENT BY MR, RAMADHANI M. KHIJJAH, PERMANENT SECRETARY, MINISTRY OF FINANCE AND ECONOMIC AFFAIRS, ON THE OCCASION OF SIGNING OF THREE ARRANGEMENTS BETWEEN THE GOVERNMENT OF THE UNITED REPUBLIC OF TANZANIA AND THE GOVERNMENT OF THE REPUBLIC OF KOREA AT THE TREASURY CONFERENCE ROOM, MINISTRY OF FINANCE AND ECONOMIC AFFAIRS, AUGUST 6, 2010 AT 10:00 AM.

Your Excellency,

Mr. Young-hoon, Kim,

Ambassador of the Republic of Korea to Tanzania,

Members of the Press,

Distinguished Guests,

Ladies and Gentlemen:

- 1. Your Excellency,** it is a great pleasure for me to have signed these three Arrangements under which the Government of the Republic of Korea will make available to Tanzania, a total of United States Dollar One Hundred Twenty Four million (USD 124 million) approximate to Tanzania Shillings 173.8 billion for implementation of three projects namely, Improvement of Water Supply System in Dodoma Town, Construction of Muhimbili University of Health and Allied Sciences (MUHAS) Medical Center Project at Mloganzila and the Tanzania Energy Development and Access Expansion Project (TEDAP).
- 2.** On behalf of the Government of the United Republic of Tanzania, I want to thank you personally your Excellency, and through you, the Government of the Republic of Korea, for this very crucial and timely assistance.
- 3. Excellency,** The first Arrangement is related to the Improvement of Water Supply System in Dodoma Town at an estimated cost of USD 49,623,000 (Forty Nine Million Six Hundred Twenty Three Thousand US Dollars) equivalent to Tanzania Shillings 69.5 billion. The objective of the project is to expand the coverage of water supply in Dodoma Town by developing water sources, rehabilitating transmission mains and construction of new storage tanks. The project will also contribute towards improvement of sanitation and public health of Dodoma residents by providing access to clean and safe water. This project has come at the right time as it will address the future demand of water in Dodoma Town, particularly additional demand resulting from the establishment of new schools and the University of Dodoma.
- 4.** The second arrangement is for the Construction of Muhimbili University of Health and Allied Sciences (MUHAS) Medical Center at Mloganzila at an estimated cost of USD 49.5 million, equivalent to Tanzania Shillings 69.3 billion. This project

will contribute towards strengthening the MUHAS clinical teaching and learning facilities and provide diagnostic and therapeutic services with the ultimate goal of improving the health status of Tanzanians. The proposed project will involve the establishment of hospital and thus contribute to the transfer of modern health care practice and technology to other hospitals in Tanzania. The project will also provide specialized diagnostic and treatment services which will reduce the number of patients referred abroad for treatment.

- 5. Your Excellency,** I am pleased to note that the third Arrangement between our two countries is the Tanzania Energy Development and Access Expansion, specifically the extension of Kiyungi substation in Kilimanjaro and transmission line from Njiro in Arusha to Kiyungi in Kilimanjaro region. Under this arrangement, the Government of the Republic of Korea will extend to the Government of the United Republic of Tanzania financial assistance in terms of a loan amounting to USD 25 million, equivalent to Tanzania Shillings 35 billion. The objective of this project is to improve the quality and efficiency of electricity service in Arusha and Kilimanjaro regions and establish a sustainable basis for energy access expansion. I believe that, the project when completed will contribute to economic growth and quality of life of the two regions through stable and reliable supply of electricity.
- 6. Your Excellency;** you may wish to note that, your government has in the recent past extended loan assistance to support the establishment of Vocational Training Centers (USD 18 million) in Dar Es Salaam, Lindi, Coast and Manyara Regions and the Malagarasi Bridge and associated roads project (USD 25 million). We are pleased to inform you that, the implementation of the Vocational Training Centers project is progressing well and it will be completed within the planned timeframe. Also the negotiations between the Government of Tanzania (TANROADS) and contractors for construction of the Malagalasi bridge and Associated Roads Project is progressing well. We are confident that once the procurement process is done and the contractor is identified, construction work will start immediately.
- 7. Excellency,** this support is a boost to our Government's efforts to combat poverty. Together, we can fight poverty, support economic growth, improve living standards of our people and ensure socio-economic development. The Government of Tanzania values your continued interest in supporting the strategic development sectors, particularly water, energy, agriculture, education, infrastructure and health. Tanzania appreciates this valuable support by the Government of the Republic of Korea since it contributes to economic development of our country.
- 8. Your Excellency,** I would like to take this opportunity to reaffirm my Government's commitment towards implementation of these projects and I want to assure you Your Excellency, that the Government will make close

monitoring to ensure that the loan assistance provided under these three arrangements is used for the intended purposes only.

9. **Your Excellency**, Ladies and Gentlemen, let me conclude my short statement by reiterating my Government's Commitment to maintaining and promoting further, the partnership and friendly relationship that exists between our two countries.

Thank you very much for your kind attention.

**Ministry of Finance and Economic Affairs,
DAR ES SALAAM**