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Tanzania seeks help on privatization

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TANZANIA is seeking Malaysia's assistance and inviting Malaysian businessmen to participate in its privatization programmes.

Foreign Ministry deputy secretary-general I Datuk Ghazzali Sheikh Abdul Khalid said the Tanzanian Government is interested to learn from Malaysia's experience in successfully implementing privatization programmes.

"Tanzania is embarking on a programme of market reforms, moving away from the system of centrally-planned of economy, which involves divestment and privatization of its public sector.

"Therefore, they are very keen to study Malaysia's experience in this regard," he told reporters after a meeting between Prime Minister Datuk Seri Dr Mahathir Mohamad and visiting Tanzania President Benjamin William Mkapa in Kuala Lumpur yesterday.

Ghazzali also said the Tanzanian Government is particularly keen to know how Malaysia has been able to retain ownership and direction of the country's economic development, while undertaking privatization in the context of a free market economy.

"They (Tanzanians) are concerned that privatization will lead to a situation in which the Government has little say in the direction of economic growth," he said.

Therefore, Tanzania is inviting Malaysian businessmen to look into the possibility of trade development and investment opportunities in the country.

"It was noted during the discussions between the Malaysian and Tanzanian delegations that while Malaysia, in the current economic circumstances, has limited capacity to invest in Tanzania, the opportunity to increase trade is there and needs to be explored by both countries," he said.

Ghazzali said Malaysian companies have so far invested some US\$180 million (US\$1 = RM3.80) in Tanzania in various fields, including telecommunciations, banking, plantations and power.

For instance, Celcom Tritel, has been operatating the global system for mobile communications since 1995, has secured a total of 11,700 subscribers in Tanzania.

"We also have a Malaysian-owned bank in Tanzania and a joint venture company through Golden Hope Plantations in the palm oil sector," he said.

In this regard, he said, Malaysia and Tanzania can cooperate in the development of agricultural estates as both countries have their respective capabilities in estate management.

"Probably, both countries can share their experience in estate management. Tanzania develops cotton and coffee, while Malaysia has the experience in developing the palm oil industry," he said.

Referring to Mechmar Corp Bhd's joint venture with Tanzania Electric Supply Co Ltd in the power industry, Ghazzali said discussions are still on going.

"Discussions are still going on, especially on the certain aspects of the operation of the joint venture company (Independent Power Tanzania Ltd).

"However, the construction of the plant was completed last September and it is ready for operation," he added.

Ghazzali also said that Malaysia and Tanzania have pledged to work together to increase trade between both countries.

Malaysia exported RM84 million worth of goods to Tanzania last year, and imported products valued at RM14 million from the African country. Malaysian exports were mainly palm oil and rubber, and main imports were cotton, copper and tobacco.

Ghazzali said Malaysia is keen to increase its sales of cars and Malaysian-made vehicles in Tanzania. "Currently, 30 Proton cars have been sold in Tanzania. The automotive industry is one the areas that we will pursue, not only to increase sales of Proton cars but also other vehicles, including reconditioned ones."

Mkapa, who arrived Kuala Lumpur yesterday, is on a three-day state visit to Malaysia. He was accompanied by his wife, Anna.

His delegation includes Acting Minister of Foreign Affairs and International Cooperation Zakia Meghji, Minister of Local Government Ali Haji Ali, Minister of Energy and Minerals Abdallah Kigoda and senior government officials.

Bernamea reports: Speaking at a state banquet in honour of Mkapa at Istana Negara last evening, the Yang di-Pertuan Agong Tuanku Ja'afar said the long-standing cooperation between Malaysia and Tanzania can be developed into a strong partnership.

He said both countries can seek partnership in areas such as science, trade, economy and sports.

"We trust that during this visit, new areas for collaboration will be explored and built upon," the King said.

"Mwalimu Julius Nyerere had, from the beginning, shown interest, support and friendship for Malaysia. Mwalimu brought forth to Malaysia and other developing countries a paradigm for self-reliance, independence and for building a new nation founded on multi-culturalism."

Dr Nyerere was the first president of Tanzania and is now chairman of the South Commission.

Tuanku Ja'afar said Malaysia is committed to building on that foundation to foster closer ties with Tanzania.

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