Ladies and Gentlemen of the Press,

**Purpose of Visit**

My visit had 3 components. The first was a State Visit to the Federal Republic of Germany, at the kind invitation of President Prof. Dr. Johannes Rau. It is a mark of the long and good relationship between our two countries that each Tanzanian President since independence has made a State Visit to Germany.

A State Visit should reflect the political and economic reality of a country in question. And we are nurturing a pluralistic society, characterised by multiparty politics. So I found it in order to ask one leader from the opposition to accompany me. It was Hon. Fahmi Nassoro, National Chairman of the UPDP.

We also had a Tanzanian Trade and Investment Conference, hosted by the Hamburg Chamber of Commerce. The Confederation of Tanzanian Industries, the Tanzania Investment Centre, and the Zanzibar Investment Promotion Agency all took part. Their presentations were exceptionally good; and they were very well received. Clearly, this presents us with a new and big opening for investments in tourism and other areas, including agro-processing and infrastructure.

I even used the example of the German engineering firm, Gauff Ingenieure, teaming up with Biwater International from the UK, and a local firm, to win a concession to manage the water and sanitation services of Dar es Salaam, as the kind of relations we should work towards.

The second component was the visit to Tokyo to attend, along with 22 other African Heads of State and Government, the Third Tokyo International Conference on African Development (TICAD III). This year also marked 10 years of the TICAD process. I spoke on Agriculture and Rural Development, and participated in discussions in other areas such as Peace, Capacity Building, and Human Centred Development. I also had the opportunity to meet government officials, beginning with the Prime Minister, Hon. Junichiro Koizumi and Civil Society in Yamagata, under the auspices of the Yamagata-Tanzania Friendship Association, and the Yamagata Chamber of Commerce—Yamagata being a prime food and fruit producing prefecture.

The third component was a stop over in Geneva to check on the progress of the work of the World Commission on the Social Dimension of Globalisation, of which I am Co-Chair.

**Bilateral Cooperation**

Both Germany and Japan are our very important development partners, both bilaterally and multilaterally. The successful reforms we have undertaken in this country, and for which we
are highly and rightly commended, have benefited from the generous support of our development partners. Germany and Japan are highly prominent in that group of our partners.

This is a partnership based on mutual trust and confidence, and mutual respect. Increasingly ownership of the development process is vested in our own hands, with the donors helping in empowering us to do that which we determine to be our priority.

So I thanked both countries, in public and in private, for years of continued support, which increasingly takes the form of budget support; not negating the value of other forms of support to our development process.

**External Debt**

Tanzania is one of few countries in Africa to qualify for debt relief under the enhanced HIPC debt relief initiative. Our experience has shown two things. First, that the conditions for reaching completion point for debt relief are such that few countries manage to qualify. Second, even after accessing debt relief, the impact is felt largely in terms of reduced burden of debt service, but not so much in terms of total debt stock. I gave them the figure of Tanzania’s external debt stock of USD 7.6307 billion at the end of July 2003.

So, in Germany, I thanked them for a positive attitude towards debt relief. They have cancelled all official bilateral debt. They were also part of a group of countries that established a fund to enable us service our multilateral debt. From them I only asked for their help to talk to Non-Paris Club creditors who have not yet agreed to grant us Paris Club treatment for our debt to them. I also argued the case for total debt cancellation for least development countries. The reality is that most of the LDC debt is unpayable, and just as companies have provisions for bad debts, so should creditor governments make similar provisions in respect of LDCs.

In Japan, I thanked them for a similar positive attitude towards debt relief, although they have a different way of granting such relief. I made similar arguments like the ones I made in Germany, in relation to Non-Paris Club creditors, and commercial debt.

In both countries I explained how we have used debt relief very well, effectively, and in a very transparent manner, to increase government intervention, with peoples participation, in priority sectors for poverty reduction such as education, health, water, rural roads and HIV/AIDS. They were all encouraged by what we have done, and pledged continued sympathy and support.

**HIV/AIDS**

The SADC region is the epicentre of the HIV/AIDS pandemic. As President of Tanzania, and in my capacity as SADC Chair, I took up this matter during the State Visit to Germany, and during TICAD III.

We welcome the WTO decision of 30 August 2003 that allows poor countries to manufacture generic drugs for the treatment of AIDS patients and other serious diseases; or to import them from other generic drug manufactures. We agree on the need to ensure those generic drugs do not find their way to the markets of richer countries not entitled to this leeway.

But for the very poor countries, even the cost of generic drugs is way beyond the means of the majority of the people. The health infrastructure has to be improved and strengthened. Staff have to be recruited and trained in fields such as counselling, testing and monitoring patients’ development. Quality of generic drugs has to be ensured.
The Global Fund for HIV/AIDS, TB and Malaria is an important partner for our countries in this struggle. Last July in Paris, commitments were made by many rich countries to finance the Global Fund. I used the visit to thank the Governments of Germany and Japan for this support. But the Global Fund still needs an additional USD 3 billion between now and the end of 2004. Only then can its programmes to support us, including the WHO initiative to get 3 million people on anti-retroviral treatment by 2005, succeed. So, at every available opportunity I argued and pleaded for more resources for the Global Fund.

**TICAD III**

The TICAD process fits nicely with NEPAD, for it provides space for Africans to determine and own their development process, with development partners helping only to empower us to meet our goals. It is a reaffirmation of self-rule and ownership, both at the national level, as well as collectively at the regional level.

Identifying and launching regional projects, such as those within SADC or EAC, are examples of ownership and partnership. The low take of African ownership and responsibility is when we have to depend too much on aid and charity. We need to focus more on solidarity for self-development, rather than accept to be perpetual objects of charity.

But the TICAD process, and indeed I made the same point in my capacity as Chairman of SADC in Germany, gives prominence to good governance and respect for human rights; including human security obtainable through decent work, decent life, food security, education and health, and other basic human needs.

Africa is taking initiatives, including the Peer Review Mechanism of NEPAD, and the Organ for Politics, Defence and Security of SADC, to focus on governance, and on peace and security. For, these are our own responsibilities. We have no one else to blame for weaknesses in governance and in peace and security.

It is our duty to ensure good governance within the borders of each country, and ensure peace and security in the region. The Great Lakes Region provides a special challenge. As hopes begin with respect to the DRC and Burundi, we can look forward to negotiations for comprehensive safeguards against future resurgence of violence, genocide, and instability in the region; as well as contain cross-border criminality, including drugs, small arms, and illegal immigration.

The land question is a sensitive matter, not only in Zimbabwe, but in the whole of Southern Africa. I made this point in both Germany and Japan. The region needs to ensure all its people have fair access to land, within fair rules and laws. Zimbabwe has shown that the sooner this is done, the better and smoother it can be for everyone.

I was honoured for the opportunity we had to visit His Imperial Majesty Akihito, and Her Imperial Majesty Empress Michiko. I used the occasion to express our deep condolences on the death last year of His Imperial Highness Prince Takamado, who we had received less than a year previous to his death, and who used his visit to publicise Tanzania pictorially.

In public and in private discussions, I also spoke in my capacity as SADC Chairman, to assure the Japanese government that we welcome and treasure the evolving relationship between Japan and SADC, in terms of programmes, especially after the SADC Summit in Dar es Salaam in August 2003.
World Commission on the Social Dimension of Globalisation

On my way back from TICAD III, I stopped over in Geneva, where work is going on to finalise the Report of the WCSDG, which I am honoured to Co-Chair with the President of Finland, H. E. Tarja Halonen. The Secretariat, Co-Chair Advisors, and a few of the Commissioners were in Geneva for that purpose and I thought I should see the progress they were making.

I was briefed on the progress and I had time to look at the draft report. I was pleased with its outlook, and content. When addressing the United Nations General Assembly recently, Secretary-General Kofi Annan warned that the world had reached a fork in the road. At national, regional and international levels, in many areas, we are indeed at the fork in the road. The disappointing outcome of the 5th Ministerial Meeting of the WTO in Cancún shows we are at a fork in the road of creating a global trade regime for the 21st Century. Will it be fair for all, beneficial to all, or not. Institutions for global governance are under strain in view of international developments. Are we headed for unilateralism, and bilateralism, or are we ready to choose the correct path of mutually beneficial multilateralism.

All these developments reinforce the timeliness of the WCSDG. Without prejudice to the final Report, we intend to show it is still possible to take a correct turn at the fork on the road we are at.

- We can still have a kind of globalisation that works for the interests of all people, based on global values, including values of fairness and equity.

- We can still have a world guided by rules and guidelines arrived at democratically within nations and at the global level, rules that must progressively be made fairer.

- We can still choose the path of dialogue, not of confrontation. Only dialogue, and commitment to a value-based global system, can ensure those who benefit from globalisation can do so in a sustainable way, and those who are not benefiting can have a fair chance, and hence not be pushed to desperation, and to protests of various intensities and consequences.

- Standing at the crossroads of our world, we need to rethink, at all levels. We need to rethink at the local, the national, the regional and the global level. At all these levels, we have reached the fork in the road. We need to rethink the political and economic order in which we live and operate. The world, at all levels, is changing. We too, must have the courage to change, and make sure it is change for the better, for all people.

I thank you.