

**THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF FINANCE AND ECONOMIC AFFAIRS**



MILLENNIUM CHALLENGE ACCOUNT – TANZANIA

**MCA –T STARTS TO COMPENSATE PERSONS AFFECTED BY ZANZIBAR
INTERCONNECTOR PROJECT**

Millennium Challenge Account-Tanzania (MCA-T) has started to make payments to Project Affected Persons (PAPs) for the Zanzibar Interconnector Project. Compensation payments to 552 Zanzibar based PAPs and 67 Mainland based PAPs including those of religious structures were paid in September 2010, while payments for the remaining 16 PAPs in Zanzibar and 9 PAPs in Mainland will be effected in October 2010. A total of Tshs. 3,269,726,146.30 has already been disbursed, out of which TShs. 818,397,200 are for the relocation of religious structures of Mosques and Madrasa.

A set timeframe of relocation of between 1-4 months has already been agreed by MCA-T and each of the PAPs to allow them to move to other residential areas or build new homes and relocate religious structures to sites of their choice as well as finding other farming areas. This is an important milestone as the relocation exercise will pave way for clear construction path for the Interconnector Overhead Line.

During the official handover ceremony of Bank Statements and Cheques to 9 Zanzibar based PAPs who represented others, at the Office of the Regional Commissioner for Urban West Region in Zanzibar, Hon. Abdullah Mwinyi Khamis, said to the PAPs that “I do expect that you will utilize the funds to build better homes, restore your shops and construct improved religious structures for the betterment of your lives”. He also made a remark, “I am informed that you have an agreement with MCA-T of set timeframe of between 1-4 months of moving out of the designated area to allow for the construction of overhead line. Now you have been compensated, I urge you to honor the respective agreements, so as not to delay construction works”. The colorful function was also attended by other Senior Government of Zanzibar and MCA-T Governing Board members, MCA-T officials including Fiscal Agent staff and representatives from AFRICARE, an NGO from United States of America which has been engaged to work on resettlement issues of MCA-T Energy Projects.

The President of Zanzibar and Chairman of the Revolutionary Government, His Excellency Amani Abeid Karume and Ambassador of the United States of America to Tanzania, Hon. Alfonso Lenhardt witnessed the signing of the contract between MCA-T and M/s VISCAS Corporation of Japan for the Design and Build of the second 100MW Submarine Cable Project on 30th April 2010 at the State House in Zanzibar Stone Town. MCA-T has also signed a contract with Symbion –Areva, a joint venture of USA and France firms respectively on August,

27th, 2010 for the Design and Build of the Sub stations of the Interconnector Project as well as for Transmission and Distribution network for the six regions on the mainland.

This project is part of the five years \$ 698.1 million grant, extended to the United Republic of Tanzania by the Millennium Challenge Corporation of the United States of America, with the objective to reduce poverty and stimulate economic growth. The project will play a key role in Zanzibar's development by adding to its 40 megawatts dilapidated power transmission infrastructure to meet the growth demand for electrical power created by the rapid expansion in domestic use and investments including tourism.



Regional Commissioner for Urban West Region in Zanzibar, Hon. Abdullah Mwinyi Khamis (R) handing over cheque to Ms. Mwatima S. Khatib one of the 552 PAPs during the colorful event which took place at Regional Commissioner Office, in Unguja on 1st October, 2010 .

Witnessing the handing over: (L-R) Urban West Region Regional Administrative Secretary Mr. Amour Haji Nassor, MCA-T Deputy Chief Executive Officer (Zanzibar) Mr. Ahmed Rashid and Deputy Principal Secretary Ministry of Finance and Economic Affairs Zanzibar Ms. Amina Khamis Shaaban.

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Millennium Challenge Account-Tanzania (MCA-T) is an autonomous and independent Government Entity established to implement a \$698 million grant that will reduce poverty by improving infrastructure and thereby promoting economic growth. MCA-T is supported by Millennium Challenge Corporation (MCC), a United States government agency designed to work with developing countries. For more information visit www.mca-t.go.tz or www.mcc.gov .