

# 78th ANNUAL CONFERENCE & LOGIC 2019 REPORT



**“Urban Local Authorities: Embracing Devolution Towards  
Attaining Vision 2030”**

**ZIMBABWE INTERNATIONAL TRADE FAIR, BULAWAYO**  
**13 - 15 November 2019**



**LOGIC**

## OUR VISION

Empowered urban local authorities for  
sustainable service  
delivery

## OUR MISSION

To promote excellence in the governance of  
urban local authorities

## OUR VALUES

Transparency  
Respect  
Accountability  
Professionalism  
Equity  
Integrity  
Innovation

Membership Support and Capacity  
Development  
Advocacy and Stakeholder Relations  
Institutional Development and Governance

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# Executive Summary

This is a comprehensive report on the proceedings of the Urban Councils Association of Zimbabwe (UCAZ)'s 78<sup>th</sup> Annual Conference and Local Government Investment Conference (LOGIC) 2019 held jointly at the Zimbabwe International Trade Fair (ZITF) Exhibition Centre in Bulawayo.

*The purpose of the combined conference was:*

- To create a dialogue platform between local authorities, government and other stake-holders.
- To clarify the provisions of devolution and its implementation plan.
- To proffer solutions to challenges affecting service delivery at local authority level.
- To market local authorities for investment by local and international investors.

The three-day event, which ran under the theme **“Urban Local Authorities: Embracing Devolution Towards Attaining Vision 2030”** was delivered through three dialogue days namely the Local Government Policy Day (LGPD), the Local Government Investment Day (LGID) and the National Policy Dialogue Day (NPDD). The two combined annual programmes created a dialogue platform between local authorities, central government, business, civil society and other stakeholders. The dialogue clarified the provisions of devolution, its implementation plan and proffered solutions to challenges affecting service delivery at local level. Local authorities and the corporate world were afforded an opportunity to exhibit on the side lines of the event. The exhibitions offered exhibitors a platform to showcase themselves to both local and foreign investors.

The Local Government Policy Day was dominated by presentations, plenary discussions and exhibitions. A paper entitled “Towards a Devolved Governance System” was presented on the LGPD. It clarified roles and responsibilities of the various tiers of government under devolution as provided for in Section 264 of the Constitution of Zimbabwe. The paper unpacked the devolution matrix, key actors in service delivery and local authorities' preparedness for devolution. A devolution matrix was developed during the plenary discussion and presented to the responsible government ministries for feedback and approval. The second session of the LGPD was delivered through plenary presentations and

discussion on intergovernmental fiscal transfers under devolution.

The session discussed the methodology through which intergovernmental fiscal equalisation can be implemented as provided for in the national constitution.

The (LGID) featured presentations and discussions. The first presentation was on the Ease of Doing Business with a bias on the experiences of the private sector, industry and commerce in particular. The discussion offered the private sector a platform to give feedback on the prevailing business environment and an assessment of the role of local authorities in facilitating the Ease of Doing Business. Detailed presentations on the subject matter were delivered by the Procurement Regulatory Authority of Zimbabwe (PRAZ), Zimbabwe National Chamber of Commerce (ZNCC) and the Environmental Management Agency (EMA), Zimbabwe Revenue Authority (ZIMRA) and UCAZ Technical Forum led the panel discussion. The second session touched on Retooling Local Authorities and Financing Infrastructure Development. The local authorities took the opportunity to present service delivery deficits caused by ageing and dilapidated infrastructure and proffered effective retooling strategies in the face of un-friendly macro-economic conditions. The two sessions paved the way for a presentation on the Urban Resilience Programme (URP) which is being spearheaded by United Nations Development Programme (UNDP).

The National Policy Dialogue Day (NPDD) was strategically set aside for the identified ministries to present on key actors, roles, mandates and relations in service delivery under a devolved governance system. The ministries that presented included the Ministry of Lands, Agriculture, Water, Climate and Rural Resettlement, Ministry of Environment and Tourism, Ministry of Public Service, Labour and Social Welfare and Ministry of Transport and Infrastructure Development. The NPDD dovetailed with a presentation by the President of the Republic of Zimbabwe, His Excellency Emmerson D. Mnangagwa who responded to all the issues that were raised during the first two days of the conference



The president pledged full support to the devolution exercise and urged all key players to collaborate towards a common goal. He also assured delegates that central government is prepared to fund the implementation of the devolution exercise.

## Background

The UCAZ Executive Committee made a resolution in 2016 to hold the first ever Local Government Investment Conference as an initiative by UCAZ members to attract investment to their areas. This was after the realisation that all investments take place within local authorities and most local authorities have experienced the closure of companies and the dearth of new investments which left councils with the residents as one of the major sources of revenue. It was then noted that residents, due to high unemployment were increasingly finding it difficult to pay council bills, hence the need to come up with new ways of widening the revenue base of urban local authorities through investment promotion.

UCAZ members agreed that the investment conference would be held annually starting 2016 and the event became a major annual event in the local government calendar, covering key issues in promoting investment in urban local authorities in Zimbabwe. Each year, UCAZ brings together relevant ministries, local government practitioners, development partners, researchers, captains of industry, local and international investment promoters, sister local government associations in the region, community activists and other stakeholders from across the country to showcase and deliberate on investment opportunities that can be tapped into by urban local authorities.

As a norm, UCAZ picks a specific theme of topical interest. LOGIC 2016 which ran under the theme: **“Repositioning Urban Local Authorities for Industrialisation, Investment Promotion and Socio-Economic Development”** concentrated on collective rebranding, creation of a marketing platform for urban local authorities as investment destinations, reaffirming the position of urban local authorities in the national governance and economic framework and showcasing service delivery innovations. LOGIC 2017 ran under the theme **“Local Government: Promoting Investment and Industrialisation for Socio-Economic Development”** and LOGIC 2018’s theme was **“Local Authorities: Ready for Investment”**. LOGIC 2019 set a platform where urban local authorities and stakeholders stopped and reflected on last year’s recommendations. The event also came at an opportune time when the nation is deliberating on realigning investment creation strategies to the devolved system of governance.

LOGIC provides local authorities with the leverage to attract investors to establish operations in their areas of jurisdiction. The event will go a long way in rescuing urban local authorities that are reeling under poor service provision which is deeply rooted in lack of adequate resources. Local authorities are mandated by the constitution to provide services to the citizens, unfortunately citizens are increasingly reluctant to pay rates hence the need to tap into investment opportunities that enhances their financial capacity and improved service provision which is expected to encourage residence to pay rates.

## Welcome Remarks

**The UCAZ Secretary General Mr. Livison Mutekede** welcomed delegates to the 78<sup>th</sup> Annual Conference and LOGIC 2019. He thanked the delegates for creating time from their busy schedules to attend the annual event. He went on to explain that the 2019 event was well structured in three dialogue sessions that were meant to set a clear roadmap on the implementation of devolution towards attaining Vision 2030. He went on to thank government ministries, local authorities, development partners and corporates for working hard to make the event possible.



*Mr. Livison Mutekede, UCAZ Secretary General*

**His Worship Mayor of the City of Bulawayo Cllr. Solomon Mguni** welcomed delegates to Bulawayo “the city of Kings.” He shared the main objective of the conference, which was to pursue devolution and work towards attainment of Vision 2030. He went on to mention that the three dialogues namely the



*His Worship Solomon Mguni Mayor of the City of Bulawayo* Local Government, Investment, National Policy and National Policy Dialogue would result in clear responsibilities that cover all aspects of development. He added that the conference should lead into the crafting of legal frameworks that guide the implementation of devolution. Cllr. Mguni

concluded by urging urban local authorities to relate discussed issues to situations currently existing in their localities.

**Cllr. Kasipo, speaking on behalf of the UCAZ President** said that LOGIC 2019 theme showed local authorities’ commitment in complementing the efforts of central government in achieving the middle



*Her Worship Mayor Angeline Kasipo of Kwekwe and UCAZ Presidential Committee Member*

class economy by 2030. She stated that the conference was a platform for dialogue between local and central government in order to strengthen the pillars of devolution. She said that to achieve the objectives of the conference, UCAZ would present a paper on devolution, financing and capitalisation of local authorities for devolution. She further said panel discussions on the Ease of Doing Business and Retooling Local Authorities and Financing Infrastructure Development were to be conducted to review the status quo and come up with sustainable solutions. She emphasised the importance of the dialogue conducted at a time when local authorities had been incapacitated by the prevailing macro-economic environment. She went on to urge delegates to tour the exhibition stands to have an appreciation of the commitment by local authorities in driving the development agenda.

**Chief Director in the Ministry of Local Government and Public Works (MLGPW) Ms. Erica Jones** applauded UCAZ for coming up with a new structure for the conference. She urged delegates to fully utilise the local government and investment dialogue slots and come up with good quality resolutions that would attract sound responses from the mandated ministers scheduled to present on the third day of the conference (national dialogue day). She added that the resolutions were



set to be approved by His Excellency the President of the Republic of Zimbabwe.

She concluded by reminding delegates of the expected result of the conference, that is a fully devolved governance system which is characterised by good quality service provision. She added that the Ministry of Local Government and Public Works was fully committed to assisting local authorities to achieve their development objectives and make devolution a success.



*Ms. Erica Jones, Chief Director, Ministry of Local Government and Public Works.*

## **Towards Devolved Governance System**

His Worship, the Mayor of City of Bulawayo and Chairperson of the UCAZ Management, Manpower and Legal Subcommittee Cllr Solomon Mguni chaired the session. Bindura Town Clerk and Town Clerks' Forum Secretary Mr. Shangwa Mavesera, presented the paper.

Mr. Mavesera began by outlining the objectives of the paper, that is, to catalyse dialogue on devolution among the key actors in service delivery, create consensus on the roles played by different actors in service delivery under devolution, share an appreciation of the level of urban local authorities' preparedness to implement devolution and come up with a position on devolution implementation in Zimbabwe. Mr. Mavesera clarified roles and responsibilities of the various tiers of government under devolution as provided for in Section 264 of the Constitution of Zimbabwe, Amendment No.20 of 2013. He reiterated that the absence of an enabling Act and policy guidelines make it extremely difficult for the lower tiers of government (Provincial Councils and Urban Councils) to effectively participate in the implementation of the constitutional provision. Mavesera stated that lack of clarity led UCAZ to engage the relevant ministries to discuss and resolve sticking issues relating to devolution and its entire implementation framework.

### **Constitutional provisions of devolution**

Mr. Mavesera gave a detailed analysis of the provisions of the constitution on devolution. He cited Section 2 (1) of the Constitution of Zimbabwe which

emphasises the supremacy of the constitution stating that "this constitution is the supreme law of Zimbabwe and any law, practice, custom or conduct inconsistent with it is invalid to the extent of its inconsistency. He explained that according to Section 2 (2) the obligations by the constitution are binding on every person, natural, juristic including the state and all executive, legislative and judicial institutions and agencies of government at every level and must be fulfilled by them. He reiterated the objectives of devolution of governmental powers to provincial and local councils that range from giving powers of local governance to the people, enhancing their participation in the exercise of powers of the State and in making decisions affecting them; promoting democratic, efficient, transparent, accountable and coherent government in Zimbabwe as a whole; preserving and fostering the peace, national unity and indivisibility of Zimbabwe; recognising the right of communities to manage their own affairs and to further their development; ensuring the equitable sharing of local and national resources to transferring of responsibilities and resources from the national government in order to establish a sound financial base for each provincial and metropolitan council and local authority.

### **Three tiers of government in Zimbabwe**

Mr. Mavesera explained Section 5 of the Constitution which provides for three tiers of government in Zimbabwe. He went on to list the three tiers as national government, provincial and metropolitan councils and local authorities (both urban and rural). He further explained that





*Bindura Town Clerk and Town Clerks' Forum Secretary Mr. Shangwa Mavesera*

these institutions were the drivers of devolution which is a governance and development strategy aimed at improving the livelihoods of citizens through efficient service delivery.

### Key actors in service delivery under devolution

The session led by Mr. Mavesera explored the key actors in service delivery under a devolved system of governance.

#### Citizens

On citizens Mr. Mavesera said that Governments and governmental structures were created by citizens to provide services that enhance and sustain their livelihoods. He said that the needs of citizens were impacted by services such as water supply, roads, public lighting among others and that citizens reserved the right to choose services that are needed in their respective areas and prioritise them. He added that citizens choose or elect some among themselves to lead in the process of acquiring and distributing goods and services while they contributed to enable the provision of these services through taxes, fees and penalties.



*Delegates following proceedings during the conference*

#### Local authorities

On Local Authorities Mr. Mavesera said they were the lowest tier of government under Zimbabwe's devolution model. He said that local authorities were the government closest to citizens and that they were charged with the delivery of service. He added that their task areas included collecting, grouping and documenting citizen's needs, clarifying and prioritising the needs in consultation with the citizens, turn the needs into programmes and projects, mobilising resources through participatory budgeting, engage in processing and delivery of services, enlist evaluation from citizens to inform services and account to citizens on utilisation of resources and the level of services provided. Mr. Mavesera further explained that services mandated to the National and Provincial levels should be delivered by the respective local authorities within the local context.

#### Functions of Provincial and Metropolitan councils

Mr. Mavesera explained the service delivery functions of Provincial and Metropolitan Councils and he outlined the functions as provided for in Section 270 of the Constitution.

Mr. Mavesera then analysed the functions as follows:

- An Act of Parliament must provide for the establishment, structure and staff of provincial and metropolitan councils and the manner in which they exercise their functions.
- The Act of Parliament as stated in Section 270(2) was work in progress and it is difficult to understand the relationships between these provincial and metro councils in terms of service delivery to citizens.
- Planning and Implementation of development activities need to be clarified in the proposed Act.
- In the absence of this Act, the functions/ roles of these council may lead to duplication, interference and conflict thereby negatively affecting service delivery to citizens.
- The fact that members come from different jurisdictions where they are leaders except the ten (10) elected members speaks to some functions namely:
  - Collating local authority needs, projects, programmes and budgets into one Provincial or Metropolitan document for its coordinative role and forwarding to National Government.
- Sharing experiences, good practices and facilitating collaborations between and along member councils.
- Motivating and capacitating local authorities so that they are capable of delivering quality service to citizens.



- Monitoring the services offered to citizens directly from National Government e.g. birth and death registration.
- National Government may also delegate to provincial and metro provinces national services provided for at provincial level and enjoyed by citizens from member local authorities e.g. provincial hospitals.

Mr. Mavesera emphasised that all the activities of the second tier of government should be done through local authorities.



Annual conference in progress

## National Government

On national government, Mr. Mavesera said that the roles and functions of this tier of government were spelt out in Chapter 2, Sections 8-34. He summarised the roles as coordinating national activities, creating enabling environment for citizens to enjoy services through legislative, regulatory and administrative instruments, establishing or creating institutions necessary for the provision of services, cooperating with other states and international institutions in its quest to provide for its citizens.

## Other Actors

Mr. Mavesera described business or private sector as the fourth player or actor in the service delivery matrix and he outlined the following. Mr. Mavesera also described Civic Society organisations as philanthropic in nature. He said that they offered assistance to vulnerable individuals and groups through local authorities. He said they were also engaged in community capacity development through projects, training and sensitisation

## Service Delivery Matrix

A panel discussion on the Service Delivery Matrix established that there were several players in service delivery. Every player had a part to play in the delivery of services. For example supplying water to an individual. Participants noted that for efficiency and effectiveness it was imperative that the part each one played was clear and known to all. Participants suggested that roles should be participatory with each level getting what it was capable of doing initially and then add towards the ideal levels as its capacity developed. Participants argued that it would promote better coordination, monitoring and evaluation of developmental programmes.

## The level of preparedness for devolution implementation

The panel established that the success of any change process depended on the level of preparedness of the actors in the change process. The Constitution and other Acts were enablers of devolution thereby enhancing the state of preparedness for local authorities. It was noted that disbursements of at least 5% of the national budget had started in 2019 which was a positive step in capacitating local authorities and readying them for devolution. Apart from looking at the constitution the discussion looked at other legal instruments such as:

- The Public Finance Management Act which elevated Chief Executive Officers, Town Clerks and Secretaries to Accounting Officers. It gives them the power and authority to raise, spend and account for revenue. Raising funds and accounting for them in a devolved responsibility, the Act therefore has prepared local authorities for implementation of devolution.



Representatives from government ministries listening attentively to the presentations

- The Procurement and Disposal of Public Assets Act: local authorities are now Procuring Entities by law. The responsibility to procure and dispose assets has already been devolved and local authorities continue to be capacitated in order to enhance their capacity to implement this devolved responsibility. National Government has run a series of sensitisation workshops for stakeholders including urban local authorities. The Auditor General's jurisdiction has now been expanded to include local authorities with reports now being presented to Parliament. This has increased their preparedness in terms of accountability which is key under devolution.
- Human Resource Management: One of the major responsibilities to be developed was the appointment and management of staff. To a large extent, local authorities have been doing this and have demonstrated their ability. There are 32 urban local authorities under UCAZ and there is collaboration, peer reviews, exchange programmes and group human resource development within associations of local authorities. Local authorities have structures for policy formulation (council), for implementation and for citizen participation. Urban local authorities are engaged in Service Level Benchmarking where performance is measured and compared to international benchmarks to identify gaps for improvements generally known as Performance Improvement Plans (PIP). Local authorities are prepared for intergovernmental fiscal transfers and are ready to efficiently and effectively utilise these resources to finance PIPs. The level of preparedness is hampered by the absence of the enabling Act and the realignment of the existing Acts to the constitution.

### **What needs to be done to ensure effective and efficient implementation?**

The panel discussion suggested that in order for local authorities to be fully prepared for devolution, there were a number of things that should be done internally by the local authorities and also with or among stakeholders. Development of internal capabilities to implement devolution was cited as the entry point and suggestions were given on the development of internal knowledge and appreciation of what it was that was being devolved. It was suggested that the acquired knowledge must be shared by all internal stakeholders and that there was need for clarity on the devolution model and processes that the country wishes to pursue. researched and documented base line on implementing institutions to establish preparedness

and fair resource allocation. Participants agreed that there were specific technical skills that must be developed internally so that a local authority is able to implement devolution. These skills range from the ability to make by-laws which will enable the local authority to govern on its own initiative, the ability to engage in participatory governance to top notch financial management skills because local authorities will be expected to mobilise their own resources and account for them. This means that the local authority must be creditworthy and produce audited accounts in terms of the law.

It was suggested that ministries and government agencies must come up with shared devolution programmes detailing the distribution of powers, responsibilities and resources. The need for intergovernmental fiscal transfers from budgets of ministries and agencies to enhance the capacity of local authorities in the fulfilment of their shared mandates was emphasised.

The participants suggested the need for a change agent or independent commission with power and authority to call to order all players in the devolution process, that is, all the three tiers of government. National government was urged to speedily come up with the relevant legislation and guidelines on devolution. Lastly, the need for a multi-stakeholder approach in developing a devolution strategy to enable all players to appreciate devolution was tabled.

While wrapping up the presentation, the presenter expressed the willingness of urban local authorities to embrace devolution as espoused in the Constitution, to participate in all processes, facilitate and collaborate with all actors towards the attainment of Vision 2030. It was declared that urban local authorities remained committed to the noble cause and were geared to implement the devolution agenda.



*Councillors following proceedings at the conference.*



## Plenary Discussion: Towards a Devolved Governance System

During the plenary discussion, delegates highlighted that UCAZ must spearhead capacity building programmes and lead in the creation of a robust devolution framework. It was also suggested that Local Economic Development must be placed at the centre of devolution for the sustainability of the new initiative. The discussion touched on the need to replicate devolution best practices from other countries so as to enable a smooth shift from the two-tier to the three-tier system of governance. Delegates argued that Devolution is provided for by the constitution but it had remained on paper since

2013 to date and a call for action was made for increased political will for the full implementation of devolution. The discussion went on to suggest the amending of Section 264 (1) to make devolution an absolute provision. The argument was based on the fact that devolution is not an absolute provision and central government reserves the right to assess capacity and competency before they devolve. Consequently, the discussion emphasised on the need for the lower two tiers of government to build competency and abide by the provisions of the constitution.

### The parking management system: City Parking (Pvt) Ltd

A City of Harare owned company City Parking (Pvt) Ltd representative Mr. Francis Mandaza expressed interest in partnering urban local authorities. The entity whose sole purpose is the development of modern city parking systems, highlighted the challenges being faced by local authorities that led to inefficient parking management resulting in congestions, loss of business and revenue leakages.

Mr. Mandaza highlighted the challenges as shrinking revenue base versus high costs of service delivery, global trends demanding councils to be innovative and responsive and the failure to create sustainable solutions and move from over reliance on rates accounts. He said that the parking management company was willing to partner local authorities and resolve the highlighted problems in line with Urban Councils Act Chapter 29:15 Section 189 that provides for parking management. Mr. Mandaza further said that the aim of the company was to ensure improved access to parking, trafficability of roads and improved revenue remittances.



*City Parking representative, Mr Francis Mandaza making a presentation*

He added that all these would be achieved through a digitalised parking management system. When partnering City Parking, he said local authorities did not have to worry about seed capital because City Parking would pay for everything. He said that local authorities could enter into revenue sharing arrangements or joint ventures with City Parking for efficient parking management system.

### Intergovernmental Fiscal Transfers Under Devolution

The second session of the first day was chaired by His Worship, the Mayor of City of Kadoma and Chairperson of the UCAZ Finance and Audit Subcommittee Alderman A. Nyamukondiwa. Redcliff Municipality Clerk Mr. Gilson Chakauya presented a paper on “Financing and Capitalisation of Local Authorities for Devolution.” The session discussed the methodology through which

intergovernmental fiscal equalisation as provided for in the Constitution could be implemented to meet the objectives of devolution while paying particular attention to the low fiscal capacities of local authorities. The discussion was triggered by the fact that a number of methodologies had been proffered, some of which proposed the use of Gross Domestic Product (GDP) as a measure of wealth at local



Others had used complicated formulas which are difficult to understand. Despite these variations the session pushed for a common ground that ensured that all tiers of government had a fair share of their local resources and contribution from the national fiscus. Mr. Chakauya made it clear that local authorities in Zimbabwe were not well resourced and were threatened with viability issues. He then looked at the financing and capitalisation of local authorities in the context of devolution with special emphasis on resource sharing, fiscal transfer, tax sharing and equalization grants.

The objectives of the devolution of governmental powers which were discussed during the session are outlined below:

- To give powers of local governance to the people and enhance their participation in the exercise of the powers of the State and in making decisions affecting them;
- To promote democratic, effective, transparent, accountable and coherent government in Zimbabwe as a whole;
- To preserve and foster peace, national unity and indivisibility of Zimbabwe;
- To recognize the right of communities to manage their own affairs and to further their development;
- To ensure the equitable sharing of local and national resources and
- To transfer responsibilities and resources from the national government in order to establish a sound financial base for each provincial and metropolitan council and local authority.

### Resource mobilisation

On resource mobilisation, Mr. Chakauya pointed out that once there were financial resources, effective service delivery in the local governments could be achieved under devolution. He went on to appreciate Government's efforts and political willingness to implement devolution through rolling out a number of workshops and conferences on devolution. He cited Section 301, of the Constitution of Zimbabwe which provides for the allocation of revenue between provincial and local tiers of government. He further explained that the section stipulated that not less than five percent (5%) of national revenue raised in any financial year must be allocated to the provinces and local authorities as their share in that year.

Mr. Chakauya placed more emphasis on resource sharing and fiscal transfer and appreciated the disbursement of the 5% inter-governmental transfer.

He however questioned the methodology which was being used to arrive at the rate of "at least 5%" that is provided for in the constitution. He argued that the methodology was not clear. Mr. Chakauya proposed that if the methodology was not available the allocation of funds should come as a percentage of decentralised functions and responsibilities to local authorities vis-a-vis the functions which remain with the central government. A suggestion to compare responsibilities such as health, education, water, social services and roads against the same functions which the central government is taking care of and then come up with percentages was put forward.

It was finally agreed that the inter-governmental transfer should be adequate to cover the devolved functions and responsibilities, hence the need to compare the functions under local authorities and central government to come up with equitable percentages. The presentation proceeded to touch on the timing of disbursements and suggested an improvement. It was noted that disbursement of inter-governmental funds only took place depending on the availability of funds at treasury and that most of the times the funds came late for projects to be completed in the current year. In addition, to the untimely and delayed disbursements, the situation was said to be compounded by the lengthy procurement processes.



*Delegates closely following the presentation*

The presentation brought to light methods of disbursements and made it clear that other effective methods needed to be invented for the smooth flow of operations within the devolved governance system. Further explanation was given on the disbursement of the inter-governmental funds through the Ministry of Local Government and Public Works (MLGPW) which in most cases took more time before releasing the funds to local authorities. It was then suggested that there had to be a defined route

through which these funds should flow to local authorities and that the grant should have the component of conditional and unconditional grants.

**Services offered by Local Authorities**

To avoid conflict in the devolved system of governance, Mr. Chakauya listed the services offered by local authorities. These are health, education, social services and roads. Whilst government provided salaries for teachers and supervision Mr. Chakauya argued that local authorities played an equally crucial part as central government in the provision of education services through constructing schools and other related infrastructure. He also argued that government’s focus was on provision of medicines in clinics but local authorities on the other hand played the role of hiring medical personnel and payment of salaries. On this service Mr. Chakauya further stated that

local authorities support several unfunded mandates such as those for the old age, maternity and infants care. He requested national government to fund provision of services to the elderly, infants and pregnant women. He further said that social services involved public safety, libraries, recreation facilities and many others and local authorities were said to be the sole players as it was argued that it was not a shared obligation with the national government. Finally, the effort of national government to cushion local authorities on roads maintenance and rehabilitation through the Zimbabwe National Roads Authority (ZINARA) funds was noted. However, it was argued that the problem with ZINARA funds was that the figures were based on a formula which was not known by local authorities.



*Plenary discussion in progress*

**Devolution Matrix**

The delegates were divided into three groups, that is, central government representatives, local government representatives and members of the corporate world. The groups were given a devolution matrix template and asked to fill up roles and responsibilities of all

the three tiers of government. Below is the combined devolution matrix drafted by the delegates and submitted to central government for feedback and adoption.



# Devolution Matrix

	National	Provincial/Metropolitan	Local Authority
Health	✓National Health Policies ✓Health Act & SI ✓Funding ✓Oversight role ✓Resource mobilisation ✓Specialist hospitals e.g. major referral hospitals and rehabilitation centres. ✓Subsidise health services for infants, pregnant women and the elderly. ✓Payment of nursing staff. ✓Napharm to operate efficiently and effectively and provide drugs to all LA facilities	✓Oversight role ✓Crafting needs and priorities of provincial projects ✓Local economic development strategy ✓Provincial hospital.	✓Primary health care. ✓Formulation, implementation and enforcement of Urban by-laws and policies. ✓Levying and collection of user charges. ✓Implementation of health budgeted projects.
Water and waste water	✓Water policies ✓Water Act & SI ✓Funding oversight role. ✓Provision and management of raw water. ✓Raw water supply infrastructure management	✓Oversight role ✓Crafting needs and priorities ✓Local economic development strategy ✓Water utility companies.	✓Water treatment and distribution. ✓Water authority. ✓Formulation, implementation and enforcement of Urban bi-laws and policies. ✓Levying and collection of rates related to water services. ✓Implementation of budgeted water projects
Settlement	✓Housing policies ✓Housing Act & SI ✓Funding - revitalise the National Housing Fund ✓Land for national projects. ✓Acquisition of land for transfer to LAs	✓Oversight role ✓Regional economic development strategy	✓Allocation of land. ✓Deed of grant to all urban councils in line with Cabinet decision 2002 ✓Formulation, implementation and enforcement of Urban by laws and policies. ✓Levying and collection of rates ✓Implementation of budgeted housing projects ✓Way leaves ✓Local economic development strategies
Roads and Transport	✓Infrastructure policies ✓Infrastructure (Roads & transport Act) & SI ✓Funding ✓Oversight role ✓Trunk roads. ✓Interchanges and large bridges	✓Oversight role ✓Construction of new provincial roads.	✓Construction, maintenance and rehabilitation of local roads. ✓Formulation, implementation and enforcement of Urban by laws and policies. ✓Levying and collection of rates ✓Implementation of budgeted infrastructure projects (dams, roads etc)
Judiciary Services	✓Superior courts ✓Administration of lower courts		✓Municipal courts and arresting powers for municipal police.
Licensing	✓ZINARA to collect licences for instant distribution to LAs ✓Zinara to maintain a shared vehicle data base ✓Zinara to assist in collecting fines for L/A traffic violations ✓Liquor licensing Board sets standards and regulates ✓Licensing of inter-city buses		✓Shop, vehicle, mining, hotel levies, property licenses and management of Licensing of local transport e.g. buses, taxis and omni-buses grants. ✓Liquor licensing
Tax distribution	✓Collect central government taxes		✓Fiscal transfer to be increased to 15%
Deconcentration	✓PRAZ offices ✓Ministry of Finance offices ✓Napharm depots		✓Birth and death registration offices in all urban centres



UCAZ Health Services Sub-committee Chairperson Cllr. L. Sithole who is also Rusape Town Council Chairperson chaired this session, which focused on the private sector, specifically commerce and industry experiences and expectations in doing business in local authorities. The session gave the private sector an opportunity to give feed-back on the prevailing business climate and an assessment of the role of local authorities in facilitating ease of doing business. Three speakers from the Zimbabwe National Chamber of Commerce (ZNCC), the Procurement Regulatory Authority of Zimbabwe (PRAZ) and the Environmental Management Agency (EMA) delivered presentations that were followed by a panel discussion involving panellists from EMA, PRAZ and UCAZ.



*Panelists leading the discussion*

## **The Role of Public Procurement Regulations in Doing Business with Local Authorities: PRAZ**

The aim of the presentation by PRAZ representative Mr. N. Chizu was to address 5 key areas namely background and purpose of the procurement re-form programme and the benefits it seeks to achieve; the main changes to the public procurement system and the intended benefits; the objectives of the Act and how they are achieved; functions and powers of PRAZ and to explain the role of the Special Procurement Oversight Committee.

Mr. Chizu gave a background to public procurement reforms for the delegates to have an appreciation. He said that following the

implementation of a new public procurement framework, the Government of Zimbabwe had since established the Procurement Regulatory Authority of Zimbabwe (PRAZ), the Special Procurement Oversight Committee (SPOC), and independent review panels. He added that these institutions would ensure effective monitoring, evaluation and professionalisation of the decentralised procurement, which was taking place in the Procurement Management Units (PMUs) within the individual Procuring Entities (PEs).

The presentation went on to unpack the new Act and zeroed in on the changes that took place. It was noted that the procurement authority was no longer involved in the adjudication and awarding of tenders as before and the awarding of tenders was now done by accounting officers in various state departments and companies, with the authority only playing a supervisory and monitoring role to ensure government entities comply with the new Act and other set standards. Furthermore, other changes highlighted by Mr. Chizu included the regulation of procurement practitioners so that they abide by the code of conduct and the provision of Electronic Government Procurement (E-GP) and use of framework agreements.

Mr. Chizu explained reasons behind the changes highlighted above. He made it clear that government had been losing public funds through inefficient and ineffective procurement processes which often resulted in the acquisition of substandard goods. He said that the changes were necessitated by the need to redeem the state tender procedures, which had in more cases been dogged by controversy hence the need to put into place technical experts who would manage the processes.

The presentation explained the applications of the new Act and isolated exemptions, limitations and special provisions. According to the presentation PRAZ may exempt a PE from compliance with any provision, minister with approval of procurement authority and by notice in the Government Gazette may exempt any public asset from disposal provisions in the Act and application to joint ventures is limited due to the Joint Ventures Act.

**Table 2 below is a dashboard of the objectives of the Procurement and Disposal of Public Assets Act and how they are intended to be accomplished:**

Objective	How this is achieved
To ensure that procurement is effected in a manner that is transparent, fair, honest, cost-effective and competitive	<ul style="list-style-type: none"> <li>✓Preparation of specifications and tender documents that are neutral and that are based on performance or functional requirements.</li> <li>✓Consideration of life cycle costs during the evaluation and award of tenders.</li> <li>✓Publication of procurement plans, pre-qualification, bidding and contract award notices.</li> <li>✓Public bid openings</li> <li>✓Shared procurement and framework contracts for common use items.</li> </ul>
To promote competition among bidders	<ul style="list-style-type: none"> <li>✓Use of competitive bidding (or request for proposals for consultancy services) as the preferred method of procurement.</li> <li>✓Use of pre-disclosed evaluation criteria.</li> <li>✓Bidders able to seek written information on unsuccessful bids.</li> </ul>
To provide for the fair and equitable treatment of all bidders, leading to procurement contracts that represent good value for Money	<ul style="list-style-type: none"> <li>✓Bidders permitted to participate regardless of nationality.</li> <li>✓Clear eligibility criteria and consistent application of evaluation criteria to all bidders.</li> <li>✓Application of preference of award in certain circumstances of some classes of domestic bidders.</li> </ul>
To promote the integrity of, and fairness and public confidence in, procurement processes	<ul style="list-style-type: none"> <li>✓Challenge mechanism for bidders who believe a procuring entity has breached the rules.</li> <li>✓Monitoring and supervision of procurement by an independent regulatory authority.</li> <li>✓Keeping of procurement records in a manner prescribed by the law.</li> <li>✓Declarations by procurement officers to abide by the Code of Conduct.</li> <li>✓Undertaking by Accounting Officers to abide by the provisions Act and Regulations.</li> </ul>
To secure the implementation of any environmental, social, economic and other policy that is authorised or required by any law to be taken into account by a procuring entity in procurement proceedings	<ul style="list-style-type: none"> <li>✓Domestic preference to promote Zimbabwean suppliers and manufacturers, women-controlled entities or technical solutions originating from a Zimbabwean institution.</li> <li>✓Consideration of safe disposal of equipment at the time of the design of the specifications</li> <li>✓Evaluation may take into account factors such as environmental and social benefits, energy consumption or recycling costs</li> </ul>

## Functions of PRAZ (S. 6)

- Monitoring and supervision
- Providing resources such as technical guidelines and instructions, standard documents, templates and Electronic tools
- Providing advice and assistance to PEs on request
- Promoting training and professional development
- Registration of bidders or contractors
- Registration of bidders or contractors
- Advising Government on how policies may be implemented through public procurement
- Implementing an independent review mechanism
- Consulting with stakeholders
- Recommending amendments to the law
- Exercising any other function conferred by the Act or any other enactment



## Special Procurement Oversight Committee (S 54)

Especially sensitive and especially valuable contracts shall be scrutinized by a Special Procurement Oversight Committee, which shall report to the Minister and PRAZ. Its members are high-level staff from:

- The Attorney General's Office (shall be chairman)
- The Accountant General's Office (shall be deputy chairman)
- The Principal Director Public Works, or a high-level delegate from here.

Work period for the Committee:

After the evaluation but prior to the contract award notice.



## Threshold PEs own management when authorised by PRAZ - PPA Section 15

- PPA Section 15 sets the terms for how PRAZ can authorized PE to have higher threshold for own management.
- PPR, Second Schedule (Section 8(5)) sets the threshold for 3 classes of procurement – where class C is the outset.
- Three 'classes', where Class C is starting class for all PEs.

Procurement Type	Threshold Class A	Threshold Class B	Threshold Class C
Construction Works	USD 500,000	USD 250,000	USD 200,000
Goods	USD 250,000	USD 150,000	USD 100,000
Consultancy Services & Non-Consultancy Services	USD 100,000	USD 75,000	USD 50,000



## Challenges: from bid notice to contract signing

### 1. After bid notice but BEFORE the bid opening:

- Issues relating to the pre-qualification & bidding document period, such as:

### 2. After bid notice but BEFORE issue of the Award Notice:

- All issues, except those relating to the pre-qualification & bidding document, such as:

### 3. After issue of the Award Notice but BEFORE the contract signing:

- All issues related to the Award Notice, such as:

### After the contract signing:

No complaints related to the procurement process or the award of contract.

The picture collage above shows the functions of PRAZ (s.6), Special Procurement Oversight Committee (s.54), Threshold PEs own management when authorized by PRAZ—PPA (s.15) and Challenges from bid notice to contract signing.

## Ease of doing business: Zimbabwe National Chamber of Commerce (ZNCC)

The focus of the presentation was on the existing unfavourable business environment characterised by cash shortages, competition from informal sector, high unemployment levels, limited Foreign Direct Investments (FDIs) inflows and high cost of doing business. Inflation was also cited as the major stumbling block that was preventing the smooth flow of business. Other challenges that were weighing on the performance of the industry according to the presentation included lack of competitiveness that is arising from a plethora of regulations for both exports and imports of raw materials. The presentation went on to highlight that many regulations negatively affected competitiveness of Zimbabwean products both in the domestic and foreign markets and Zimbabwe was

ranked 128 out of 140 countries in the 2018 Global Competitiveness Report.

The high cost of doing business was further tackled by the presentation whereby companies were currently running production on generators that is 9 hours on a daily basis which translated to 150 litres per day, 750 litres per week and 3,165 litres of diesel per month. The paper translated the quantity of fuel into monetary value and put the cost of running a generator at ZWL53, 805 per month. The presenter further argued that production had been significantly affected due to unavailability of fuel and electricity. He stated that companies were losing business and the situation had implications on the cost of production and pricing.





## High cost of doing Business Transparency International Index Ranking

Country	Rank out of 180
Rwanda	48
Namibia	52
South Africa	73
Zimbabwe	160

## Industry experiences and expectations in doing business in local authorities

The session shared the expectations of the industry in doing business with local authorities and below is a list of summarised expectations:

There has been a rise of informal sector players in the streets and these are competing with formal businesses.

- Billing is not speaking to what is on the ground, those not receiving utilities are being billed.
- Parking martial's approach is dreary for business and it is a concern for business.
- Confidence of stakeholders is low.
- There is need to publish financials from time to time – there is need for transparency.
- Rates have to be competitive comparable regionally.
- There is need for efficiency in refuse collection because it has health implications there is need to even increase refuse bins in city centres.
- Poor road network is of concern to business as it adds to the cost of doing business- there is congestion in the city centres.

On procurement by city councils first preference should be given to local suppliers/ businesses.

- There is also need for the provision of clean water by city councils.
- Corruption; has been rampant when dealing with city councils especially on acquiring land for commercial and residential purposes.

## Ease of doing business: Environmental Management Authority (EMA)

The presentation was made by Mr. Christopher Mushava. It started by unpacking EMA's mandate as sustainable management of natural resources and the protection of the environment with stakeholder participation, prevention of environmental degradation and pollution, ensure a clean, safe and healthy environment for all citizens. It went on to give a visual presentation of the general state of the environment in urban areas to create lasting impressions in the minds of delegates.



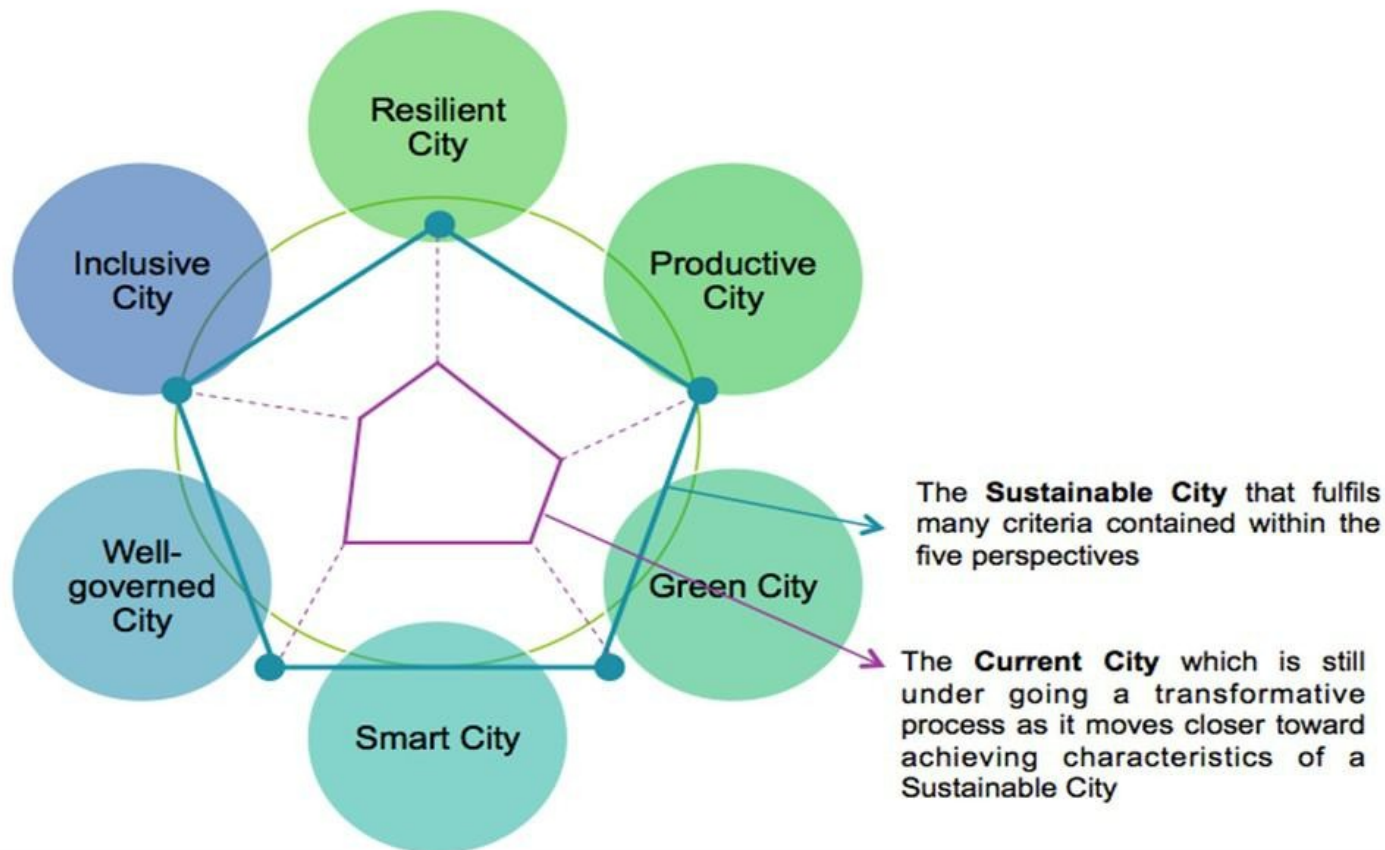
Fig 6 above shows water hyacinth thriving in heavily polluted streams.

## Increased water treatment costs as a Result of Pollution; a comparison between Harare and other cities.

City	Harare	Masvingo	Mutare
Water treatment Chemicals used	1. Powdered Activated Carbon 2. Sulphuric Acid 3. Aluminium sulphate 4. Chlorine Gas 5. Soda ash 6. Ammonium 7. White Hydrated Lime 8. Flocc builder 9. Calcium hypochlorite	1. Alum 300000kg 2. lime 9300kg 3. Chlorine gas 1671kg 4. Hth chlorine 100kg	1. Aluminium sulphate 2. Chlorine gas
Water production per month	13 500 mega-litres/month @ \$ 3million	816 mega-litres/months/ \$ 38 860-00	2.7 mega-litres/month @ \$4 278.80
Cost of treatment of 1KL	22c/1KL	4.39c/KL	0.16c/KL

## This is the way to go

The presentation highlighted the importance of a clean environment to investment and suggested a roadmap to Vision 2030.



### Easy of Doing Business

On ease of doing business, EMA explained that it was part of all the committees on easy of doing business at national level, the role that it has played since 2017. EMA participated in the formation of the One Stop Investment Services Centre (OSISC), Zimbabwe Investment and Development Agency (ZIDA). In its endeavour to play a significant role in ease of doing business initiatives, EMA fully participated and sub-scribes to the One Stop Shop for plans approval set up by Harare City Council and it reviewed licensing procedures to cater for small scale enterprises. Most importantly, the environmental agency subscribe to the digitalisation of the licensing process to achieve the ease of doing business set objectives.

### Devolution: is EMA Prepared?

On the issue of devolution EMA pledged to abide by the provisions of the constitution, fully participate and add value to the devolution process. The presenter stated that EMA's structure was al-ready devolved to the district level and licensing activities would be fully decentralised in the second quarter of 2020. He went on to say that there would be an EMA Laboratory in Bulawayo by 2020 to give services to the southern region of the country. It was reported that the environment agency was currently building

offices in Umzingwane, Binga, Tsholotsho, Shurugwi and Mvuma. Other activities that add value to the devolution on EMA's agenda included a Memorandum Of Understanding (MOU) with Bulawayo City Council for ISO Certification, Formation of Environmental Management Inspectorate Unit in Masvingo and Beitbridge and formation of national environmental law enforcement and compliance unit with the Zimbabwe Republic Police.



*Panelist leading the discussion on Ease of Doing Business*

### Strategic Environmental Pillars for Devolution

EMA presented the following strategic environmental pillars for devolution:

- Mainstreaming of Local Environmental Action Planning into Council planning processes.

- Coming up with robust environmental by-laws (model environmental by-laws are available).
- Strengthen Environmental Management Committees of the Council for sustainable decision making.
- Embrace the National Cleanup.
- Establishment of fully fledged environmental departments within councils for easy coordination and compliance assurance.
- EMA to coordinate natural resource inventories for local authorities.
- Strengthen environmental governance and rule of law to ensure environmental compliance.

## Panel Discussion: Ease of Doing Business

A panel discussion on ease of doing business was conducted and the following issues emerged:

- PRAZ is a stumbling block to the success of many development projects in urban local authorities and a call was made for the entity to reform.
- PRAZ must come up with modalities to speed up the tendering process to counter economic inflation because the value of prices is being eroded before the lapse of the 14 day advertising period.
- PRAZ must come up with a checklist on what local authorities must do during the tendering process.
- PRAZ is taking too long to approve projects and the situation is making the projects more costly.
- The Procurement Act must be repealed because it is no longer applicable in the current hyper-inflation environment.
- PRAZ must revisit the definition of ease of doing business because the time it normally takes to approve proposals is too long.
- Delegates were encouraged to read and fully understand the regulations because the challenges they are currently facing are emanating from lack of understanding of the regulations.
- The entire procurement process is the local authority's responsibility and PRAZ does not approve or disprove projects.
- PRAZ's involvement normally comes in when a local authority wants to purchase goods worth more than \$ 200 000. When dealing with values more than the stated figure the local authority is required to submit documents to PRAZ before signing the contract and the later will set up a committee that will review the documents within seven days.
- The new regulations have given local authorities too much power on procurements and any delays are a result of poor application of the regulations by councils.
- The Procurement Act is in place and it is the checklist required by local authorities for detailed information on what should be done.
- It is not the intention of the Procurement Act to prevent projects from taking place but it is there to ensure that government gets value for money in every project being implemented.

- On the issue of corruption and undue influence on accounting officers, PRAZ stated that modalities were in place to prevent corrupt activities or undue influence. It was said that the existence of a Special Procurement Oversight Committee that reviews procurement process before execution prevented corruption or undue influence.
- Delegates were eager to know why PRAZ



*Panel discussion in progress*

was not devolved and it was explained that the procurement authority was still looking for the best way to devolve.

- Local authorities complained that the regulations were leaving them at the mercy of the lowest bidder who normally provided poor quality goods or services. In response to this issue PRAZ argued that a contract is awarded to the lowest bidder to specification or to the most economically advantageous bidder.
- The formal sector has invaded the streets while the informal sector has invaded the streets. The situation has created chaos on the streets and there is need to maintain order.
- Local authorities must take seriously local economic development because it is a stepping stone to the attainment of Vision 2030.



# Retrofitting Local Authorities and Financing Infrastructure Development: UCAZ Technical Services.

The session offered a platform where local authorities presented the nature, form and size of the infrastructure and financing deficits in their localities. Urban local authorities made presentations that were followed by a plenary discussion. It came out during the session that urban local authorities in Zimbabwe were faced with huge service delivery deficits and the situation was attributed to ageing and dilapidated infra-structure that required huge financial support. It was agreed that the prevailing macro-economic challenges had exacerbated the situation, with council sources of revenue dwindling by each day and low revenue collections had made it practically impossible to re-tool or replace obsolete infrastructure.

The focus of the presentation was on infrastructure re-tooling and financing for five services that were being benchmarked since 2013 to date. The services were listed as water supply, wastewater management, solid waste management, corporate governance, roads and public safety. The presentation made it clear that these five services provided options for investment opportunities for all actors, that is private investment, Public Private Partnerships (PPPs) and Joint Ventures (JVs).

The presentation touched on the benefits of Service



*CLGF and UNDP staff following proceedings at the conference.*

Level Benchmark (SLB) and it was noted that it provided framework for performance management of assets, rationalised decision making at various levels through better planning and allocation of resources and strengthened accountability through transparency and citizen centric approaches. It was further explained that SLB facilitated intercity and intra-city as well as time series comparisons, helped in identification and transfer of best practices, helped in the identification of performance gaps commonly known

as performance improvement plans and built blocks for regulation in the sector.

## Challenges in rebuilding basic infrastructure: Transport sector

Below is a list of cited challenges in rebuilding basic infrastructure in the transport sector:

- Economic challenges which led to difficulty in ensuring the continuous rehabilitation and maintenance of transport infra-structure.
- The quality of Zimbabwe railroad and road infrastructure is ranked by the World Economic Forum at 86 and 116 respectively out of 137 in 2018. This is down from 83 and 101 for railroad and road infrastructure respectively.
- Over-reliance on road transportation is resulting in an accelerated depreciation of road networks which are already in need of extensive rehabilitation.
- The government implemented various road user fees to collect revenue but the fees collected are insufficient to rehabilitate and maintain the road network.
- Funds collected are not effectively rationalised with administrative costs outweighing maintenance funding.
- Road authorities have limited institutional capacity to undertake their mandates.

## Key Cross-Cutting Challenges

- There has been sustained deterioration in the quality of infrastructure assets stemming from very inadequate levels of public expenditures for routine and periodic maintenance of the infrastructure networks
- Where services are provided by parastatals, prices have been kept low, and as a result, the economic costs of the deterioration have emerged in the form of large and, in some cases, unsustainable operating losses.
- The deterioration in the physical infrastructure has been accompanied by lack of progress in building institutional capacities for management and regulation of the basic services associated with these networks. Problems in this area stem from a disjointed approach to regulation and oversight among the ministries responsible for these sectors, compounded by a substantial loss of skills in the public workforce.

- The deterioration in Zimbabwe's basic infrastructure in the past decade has had a serious impact on other productive sectors of the economy and on the level and quality of services to the public at large. The country's perceived risk has decreased private sector appetite to invest in the country as well as decreased donor level engagements due to arrears. There is an urgent need to restore the human capacity abilities. The tough economic conditions led to a significant "brain drain" or skilled workers out of Zimbabwe.

The loss of skilled workers is exacerbated by the low levels of training and capacity building particularly within the scope of under-taking, overseeing and managing large infra-structural projects.

- Low levels of periodic and routine maintenance over the past two decades have been the main cause of the deterioration in the quality of the basic infrastructure of the country
- Lack of routine maintenance of the four sectors infrastructure over the past decade also contributed substantially to the deterioration of assets and this resulted in large backlogs of capital outlays required for rehabilitation.
- Subject to the availability of adequate levels of funding to restore these assets to full working condition., the challenge will be to ensure that there is adequate provision for maintenance of these rehabilitated assets.
- Failure to increase maintenance budgets will repeat the cycle of the past decade.

### Water Supply Infrastructure Needs Based on 2018 SLB Data

Raw water sources (dams)

Water treatment plants

Raw and treated water conveyancing infrastructure

Plant and equipment

Water pumps

Water meters (bulk and domestic)

Water testing stations and equipment

### Economic and legal perspectives on infrastructure finance for local governments: ZB Bank

The presentation by Mr. Gutura proved that there was a case for infrastructural finance in Zimbabwe and it supported the argument by citing the prevailing situation whereby economic growth and turn-around largely depended on adequate infrastructure. It was noted that local investor

community was showing signs of readiness but the country had only managed limited investments in capital projects lately and there was need for re-engagement with other economies to unlock investment. The presenter made it clear that the achievement of that goal was based on private sector partnerships and below is a summary of the prevailing constraints in the public sector and traditional banking.

ECONOMIC FACTOR	POSSIBLE IMPLICATIONS FOR LOCAL GOVTS' INFRASTRUCTURAL DVPT PROJECTS
Prevalence of a cautious lending approach in the banking sector and subdued financial intermediation.	The size and number of loans potentially available for infrastructure is set to remain constrained.
Overnight borrowing rates continue to increase and have recently been adjusted to 70%	Bank lending is becoming increasingly expensive and too unstable for infrastructure financing initiatives
Transfers to Provincial Councils & Local authorities projected at 4.85% of the 2019 total Government revenues. A budget deficit of between 3.3% - 4% of GDP projected (after a half-year budget surplus)	National budgetary constraints & limited transfers from Central Government set to increase pressure on the need to establish alternative funding.
2020 Capital Development Budget is only 28% of total Government revenues	Constrained growth of Government-funded capital goods means LAs need to consider filling in the gap.
Execution of at least 9 BIPPAs targeted by end of 2020 and the operationalisation of ZIDA	Strengthening of private financier rights and ease of establishing local investments set to improve infrastructure investment promotion efforts.

The presentation by Mr. Gutura went on to identify 13 funding mechanisms out of a total of 16 PPP in the joint venture Act including Build-Operate-Transfers (and alternative variants), Build-Lease-Transfers (BLTs), Contract – Add – Operate (CAOs), Supply – Operate – Transfers (SOTs) and Rehabilitate – Operate – Transfer (ROTs). It also went on to identify other funding mechanisms that are outside the Act that include Non-Recourse Project Finance, Municipal Infrastructure Bonds and Private Equity.

The presenter chronicled the key considerations for project funding and implementation and advantages of PPP mechanisms. The presentation was concluded by declaring ZB Bank's belief in infrastructure and gave examples of the past activities. In 2017 the institution used USD 105m, in 2018 it used USD 150m in the same area and it also participated in residential electrification, prepaid water for councils and solar street lighting for universities and councils.

## Panel Discussion: ZINARA, ZB Bank, IDBZ,

A panel discussion with ZINARA, ZB Bank and IDBZ representatives as panellists was conducted and the following issues emerged:

- ZINARA is facing challenges in funding the construction of roads in urban local authorities. The situation was said to be caused by currency instability and while giving comparison with the previous years, ZINARA's revenue collection was amounting to USD 200m per year and current collections are pegged at RTGS 800m and after subtracting services only RTGS 200m would be left to be disbursed for road infrastructure development.
- For the 2020 budget, ZINARA is set to collect 30% of RTGS 800m from vehicle licensing and 60% from toll gate fees and the remaining 10% will come from fuel and abnormal load levies among others.
- The economy is facing pressure and local authorities can no longer rely on banks or central government for funding allocations and they must engage the private sector and formulate partnerships.

authorities with suggestions on resolving water challenges to approach the entity and form partnerships for a lasting solution on water crisis.

- Delegates queried the safety of toll fees from corruption and ministerial directives. ZINARA admitted that people were manipulating the toll gates systems and assured the delegates that the money collected was safe from any form of corruption or ministerial directives.
- An emphasis was placed on the need to revamp the current operating systems and re-structure divisions and departments responsible for revenue collection before engaging private partners.
- Local authorities must be given garnishing powers to deal with the "culture of not paying" that had developed in our country.
- Delegates demanded a breakdown of ZINARA's RTGS 800 million budget because they were of the view that RTGS 200 million being allocated to local authorities was not justified.
- Local authorities requested a date when ZINARA is going to pay outstanding balances for the road construction services provided by contractors. ZINARA responded by saying that it committed itself to the payment of several projects at a time when the exchange rate was 1:1 and the changes negatively impacted on the planned action but the arrears were going to be met despite the delay. Local authorities then argued that ZINARA was the one that must enter into contracts with road maintenance service providers so that they bear full responsibility and avoid a situation whereby local authorities will be taken to court for breaching agreed payment terms.
- Local authorities must be given licensing powers.
- ZINARA was requested to provide diesel and plant equipment.
- Local authorities requested for a formula currently being used to disburse funds resulting in rural local authorities receiving more funds than urban local authorities.



*Panelists leading the panel discussion*

- IDBZ has a revolving fund for project preparation and development for local authorities. IDBZ also extended a call for local



- IDBZ has entered into agreements with some local authorities on project development and implementation but it was re-reported that it had demobilised before the completion of the projects.

IDBZ responded by arguing that not all projects done by IDBZ had stopped and all contractors not paid by IDBZ must approach the institution.

## Urban Resilience Programme (URP): United Nations Development Programme (UNDP) Zimbabwe Country Office and Commonwealth Local Government Forum (CLGF).

UNDP presentation emphasised the need to develop resilience within local authorities for the attainment of devolution and Vision 2030. To achieve this UNDP and its partners came up with the programme of building urban resilience in Zimbabwe. The relevance of the resilience programme to the devolution initiative has made development partners to commit them-selves to take the programme from rural areas and also implement it in urban areas. The idea was said to have emerged from an appreciation of the current challenges like hunger, poverty, diseases among others facing urban areas. Other issues that influenced the programme include infrastructure development and attending mala-dies like congestion among others. The urban resilience programme had already started and a call was made to all 32 urban local authorities to adopt the project. Delegates were then tasked to stop, introspect and check if they were building resilient institutions that will fulfil the objectives of devolution.

provides that the state and all its agents at every level must work towards development of their local area. He described LOGIC as a constitutional responsibility and not an option hence the need for local authorities to support each other towards meeting that constitutional obligation. Mr. Bhoroma went on to emphasise that for lo-cal authorities to be relevant in local economic development in their localities they must be resilient and sustainable. It was explained that lo-cal authorities should take full responsibility of local economic development and take lessons from the past. He further said that past mistakes that needed corrections stemmed from the decision by the central government to take over management of development activities soon after World War 2. This coupled with the introduction of Economic Structural Adjustment Programmes that were introduced in the Sub-Saharan Africa impacted negatively on development because they failed to embrace the role of local authorities, said Mr. Bhoroma. He said that LOGIC was a move to correct the misnomer and make local authorities reclaim their position at the centre of business. The presentation went on to explain the importance of local authorities for national development. Local authorities were urged to change the logic of being administrators and service providers to facilitators and enablers of development. The presentation touched on the intention to develop a framework that makes local authorities hubs of business information to save investors from accruing extra cost on research.

The presentation concluded by emphasising the significance of LOGIC, that is, to make local authorities investment destinations in terms of geography, give local authorities a platform where they can define the projects that they want investors to take up and enable local authorities to be core producers of ser-vices and goods through private partnerships. Furthermore, it was suggested that the next LOGIC must be a platform where delegates must evaluate the achievements made.



*UNDP and CLGF representatives*

### Commonwealth Local Government Forum (CLGF)

CLGF Project Manager Mr. Leopold Bhoroma described CLGF as a long standing partner and friend of urban and rural local authorities. He said CLGF was conceived in Zimbabwe and that it shall continue working with local authorities. Mr. Bhoroma stated that LOGIC is a very important activity that they fully supported every year. He reiterated the fact that the support CLGF give to LOGIC stemmed from the Section 13 of the Constitution of Zimbabwe which

## Private Sector Presentations

Corporates like William Bain, TM Group and Croco Motors were given a platform to showcase their services and products and extend partnership requests to local authorities. TM Group called for

partnerships in roads, sewer and water reticulation. William Bain and Croco Motors presented an array of light and heavy vehicles that can be used by local authorities in conducting their business.

## South African Local Government Association (SALGA)



*Ms. V. Kowayi— Economist (SALGA)*

South African Local Government Association representative Ms. V. Kowayi expressed SALGA's support to the devolution initiative through the

longstanding partnership with UCAZ. She said that South Africa had already gone through the devolution process and that it had a lot to share with Zimbabwe. She went on to say that South Africa had three tiers of government that operated in harmony. The presentation showed how local government in South Africa had direct access to funding grants and total control of service charges.

She urged all players in the governance system to remove red tape and promote ease of doing business. It was however noted that the devolved governance system usually comes with problems such as lack of coordination which must be dealt with to achieve the set goals. SALGA wrapped up the presentation with an appreciation for being part of the conference and promised to implement the lessons learnt during deliberations to further strengthen their devolved system of governance.

## National Dialogue Day

### Opening Remarks

**UCAZ Acting President Cllr. Blessing Tandi** welcomed delegates to the National Dialogue Day and briefed the Ministers on deliberations conducted during the past two days. He went on to say that a position paper was drafted during the two day deliberations and handed over to the ministers for responses and the delegates were eagerly waiting for the feedback. He concluded by urging delegates to value the conference which he said was set to transform local government.



*Mayor of Mutare City Council and Acting UCAZ President Cllr. Blessing Tandi.*

### Minister of Local Government Hon. July Moyo

urged all players in the local governance system to ensure that all three tiers of government are operating within the confines of the constitution. He pointed out that the operations must be seamless so that the beneficiaries of the services could give credit to the government of Zimbabwe and not to a single tier of government. He informed other government ministers that the two-day deliberations had come up with a devolution matrix which showed responsibilities of key actors in the devolved system of governance and synchronise activities.

He added that the proposed matrix had been submitted and that it was going to be reviewed and adopted. He applauded the commitment of the government of Zimbabwe in working towards achieving the devolution goal. He went on to emphasise the need to decentralise responsibilities such as health, education, water, social services and infrastructure among others. He said that the Urban Councils Act had 116 areas on which local authorities could make bi-laws that are supported by a legislation enacted by Parliament and administered by central government



ministers. He explained that there was no by-law that could stand alone without being supported by an Act of Parliament which is administered by government ministers hence the need for these actors to operate seamlessly. He went on to give a rundown of the key issues that needed urgent attention:

- All programmes must be synchronised. For instance in the health sector the policy position which exempts infants, pregnant women and the elderly from paying for services at Provincial or Central government hospitals. There must be a policy shift whereby local authorities provide services to these groups but get paid by central government.



*Minister of LGPW Hon. July Moyo*

- Development of programmes and systems related to food for work and how local authorities can lever-age on the labour to enhance development of cities.
- Collaboration of infrastructure development. Section 301(1) provides that central government must give capital expenditure to local authorities but the funding has not been coming. Central government used to lever-age the donor community such as the World Bank and the African Development Bank for the provision of capital expenditure but the case is no longer the same. All local authorities are allowed by the Urban Councils Act to apply for bonds.
- Restore public transport systems to attract investment while promoting the growth of industries. Every local authority according to the Urban Councils Act must support an omnibus system hence the need to review the current chaos created by commuter omnibuses in most towns and deal with it once and for all. Central government has introduced ZUPCO to deal with the chaos in the transport system and local authorities must support the initiative through ensuring availability of infrastructure like termini.
- Creation of frameworks and mechanisms to promote collection of property tax through collaboration with central government
- Review of the road maintenance funding to be

submitted to the President for feedback.

- Increase of tax from 5% to 15% to be submitted to the President for feedback.
- All urban authorities must become economic hubs and work to-wards achieving Vision 2030. Government recognises three tiers and the local authority is the first line of production hence the need to articulate the asset base, the development agenda and areas that are lacking.
- Ministers to help in coming up with Gross Domestic Product (GDP) for local authorities that will contribute to provincial GDPs.
- In line with the government's new devolution thrust efforts must be directed towards strengthening the pillars of growth.
- Public participation must be promoted and local authorities exist to serve the interests of the citizens. All three tiers of government are required to adhere to the constitution.
- Adoption of integrated development systems that are sustainable, secure and inclusive.
- Metro and provincial councils must champion development programmes.

### **Ministry of Lands, Agriculture, Water, Climate and Rural Resettlement**

The Deputy Minister Hon. Vangelis Peter Haritatos presented on behalf of the ministry. He explained the importance of agriculture to the entire economy. He said that agriculture was the backbone of the economy and that it was critical in ensuring the attainment of Vision 2030. He added that agriculture



*Deputy Minister of Agriculture, Water, Climate and Rural Resettlement Hon. Vangelis Peter Haritatos*

contributed 15% to the GDP, accounted for 40% of exports, provided 16% of raw materials to the industry and provided livelihoods to 67% of the population. He said that the success of agriculture was very critical to ensure that the nation was food and nutrition secure.



The Deputy Minister explained the role of the ministry as formulation, reviewing and implementation of land, water, agriculture, climate and resettlement policies; ensure production of food, economic growth and export; provide agricultural engineering and mechanisation; identify and develop effective markets for agricultural products. He added that the management of water and land resources among other responsibilities was critical to the ministry as provided for in Section 77, Section 161(b) of the ZINWA Act. He added that as the Ministry responsible for the availability of raw water to all citizens, local authorities must treat and distribute portable water to areas under their jurisdiction.

The Deputy Minister noted that urban local authorities were expanding and encroaching fertile soils like in Mazoe that there was need to take on board construction of high rise buildings. He added that the ministry had resolved to assist in provision of land and look for alternative land for urban growth.

### Ministry of Transport and Infrastructure



*Ministry of Transport and Infrastructure official*

The Ministry official who presented on behalf of the ministry said that the ministry's thrust on devolution was decentralisation of department operations and service enterprises to provincial and district levels. He said the departments of Central Vehicle Registration (CVR) and road motor transportation were moving to provinces to bring the services closer to the people. He added that the activities of the roads department were funded by ZINARA and other departments such as District Development Fund (DDF) were responsible for rural areas and farms. He said that the railway division had been devolved and that it was now represented at provincial level.

### Ministry of Environment and Tourism

Hon. Minister N..M Ndhlovu called for collaboration

towards the attainment of vision 2030. He urged local authorities to be investment centres of excel-



*Hon. Minister of Environment and Tourism, S. Ndhlovu, MP*

lence. He urged local authorities to keep the environment clean as this attracted investment. He further encouraged local authorities to play their part because a clean environment has long term benefits. The ministry called for an end to the use of dump-sites and urged councils to replicate the Kadoma case study on solid waste management. Climate change due to environmental degradation was said to be a real threat to the people.

He reminded local authorities to be guided by climate change national policy and ensure the implementation of the Paris Agreement.

The Ministry expressed concern over planned and unplanned settlements that were encroaching wetlands and said that there was need for collaborative efforts to ensure that wetlands were protected.

### Ministry of Public Service, Labour and Social Welfare

The Ministry's representative highlighted the National Action Plan for Orphans and Vulnerable Children. He went on to explain the milestones covered through harmonisation of social cash transfer programme for ultra poor households.

He unpacked the need for effective medical aid, burial and repatriation facilities. Furthermore, the Ministry called for drought relief programmes in partnership with development partners.

The call was necessitated by the fact that 2,2 million urban population was in need of food (ZimVac).

He urged local authorities to take seriously their pivotal role in school feeding programmes and creation of homes for the disabled and the elderly.

## Panel Discussion



### Questions from delegates

#### **Ministry of Lands, Agriculture, Water, Climate and Rural Resettlement**

- What is being done so as not to issue offer letters for the same land given to local authorities?
- There is an increase in farming activities around dams causing siltation, what is the position of the ministry?
- Need for clarification on the allocation of mining claims in urban set ups without the consent of local authorities.

#### **Ministry of Transport and Infrastructure**

- Why ZINARA is not providing plant and diesel equipment?
- Why the licensing power is not being retained to local authorities?
- Why ZINARA is failing to pay contractors on time?

#### **Ministry of Environment and Tourism**

- What is being done for local authorities to deal with ozone depleting substances?
- What mechanisms are in place to deal with the violation of wetlands on state land?
- Why is the Ministry taking time to own up its funding promise (Victoria Falls)
- Local authorities lack knowledge on climate change, can they be capacitated?

#### **Ministry of Public Service, Labour and Social Welfare**

- Why Victoria Falls is not benefiting anything under the drought relief programme?
- Why urban local authorities are not allowed to distribute food?
- What is being done to assist vulnerable groups in urban areas?
- What is the role of the councillor in the food alleviation programme?

### Responses from ministries.

#### **Ministry of Lands, Agriculture, Water, Climate and Rural Resettlement**

- The ministry's role is to avail land to the local authority and give them the mandate to do what they want with the land.
- Environmental Management Authority must deal with the issue of farming activities around dams and ensure that farmers leave the required metres between streams or dams and their fields.
- The issue of illegal mining is a serious problem that needs consented effort to find a lasting solution.
- The responsibility of water distribution in Victoria Falls to be retained to the local authority.
- According to the Water Act the central government's role is on raw water and the local authority must purify and distribute water.



## Introduction of the Guest of Honour

The Vice President of the Republic of Zimbabwe Honourable. Kembo D. Mohadi introduced the President of the Republic of Zimbabwe His Excellency Emmerson D. Mnangagwa. In his remarks he described the President as a person who was fully committed to the fulfilment of a devolved governance system. He also stated that Vision 2030 was at the heart of the President and that he worked tirelessly to ensure that the great goal of transforming Zimbabwe into a middle class economy was achieved.



*Vice President of the Republic of Zimbabwe, Cde K.D. Mohadi*

## Keynote address

### Address by the Guest of Honour, the President of the Republic of Zimbabwe, His Excellency Cde. E.D. Mnangagwa.

The President said that the success of the nation was based upon provisional economies and local authorities collaboration. He said that local authorities should create jobs, modernise economies and stop relying on central government. He added that citizens had given local authorities an obligation to foster development and services required by citizens such as roads, health among others could only be realised through constant dialogue. He went on to urge local leaders to exercise servant leadership and treat citizens as the masters. The President said that urban local authorities should be the summation of what Zimbabwe is and what it ought to be. He then urged councils to streamline available opportunities to the national development agenda.

The President pushed for the quick implementation of the devolution concept. He said that the days of Harare being a “bambazonke” in development should come to an end. He added that local authorities must rise to the occasion and compete for the growth and modernisation of the economy. The President emphasised the need to nature integration within the three tiers of government. He urged all key players in the devolved governance system to focus less on politics and more on the economy. He further said that the period in-between elections must be dominated by development and growth., adding that functional provincial local authorities must be quickly established to achieve the set goal.

The President also said that the 2020 national budget had a bias towards supporting local authorities. He said that funds availed to local

authorities must be used to fund capital projects like water, roads among others and not on luxury. He urged all stakeholders to come up with innovative ways for plant and equipment procurement. The President went on to say that climate change was a reality and that there was need to enhance disaster mitigation preparedness. He added that local authorities were allowing the abuse of wetlands and that regulations must be put in place to ensure that wetlands were protected. He called upon local authorities to embrace the national clean-up campaign and applauded Harare City Council for the efforts it had made in doing landscaping and beautifying Samora Machel Avenue.



*The President of the Republic of Zimbabwe, HE Cde. E.D. Mnangagwa*

The President promised that no one would die of hunger adding that government had put in place social security nets. He also said that government was working towards reliable power and energy so that when Kariba hydro-electricity power station was down, electricity supply would continue.



President Mnangagwa expressed his delight on the fact that for the first time in history the country had realised a balanced budget. He then said that central government was going to assist local authorities in water reticulation to alleviate the current water challenges. He however added that local authorities should nurture innovative ideas. He went on to pledge support to Mutare City Council if the council managed to achieve the vision displayed on its exhibition stand.

The President bemoaned the culture of not paying for services rendered so that local authorities would be able to serve. He further said that devolution funds were disbursed in the 2020 budget and work was already underway for the creation of a new Housing Ministry.

He added that there were plans to modernise rural growth points. To avert the transport challenges he said that he was set to commission a new fleet of 76 buses for Bulawayo.

While wrapping up his speech, President Mnangagwa expressed concern over high levels of corruption among councillors and council officials. He urged delegates to guard against putting personal interests ahead of public interests.

He emphasised the need for transparency and accountability. He added that councillors and officials must lawfully undertake their duties. He expressed the desire of central government to assist local authorities to grow.

## Conclusion

The conference successfully achieved the set objectives. Delegates had utilised the Local Government Dialogue Day and managed to discuss issues affecting their operations. Of importance was the fact that, in line with this year's theme, delegates managed to draft a devolution matrix that was presented to the ministers and the state President for feedback, review and adoption. In response to the devolution matrix draft that was crafted during the Local Government Dialogue Day, the ministers presented on roles and responsibilities of key actors under a devolved governance system. The exercise created a clear roadmap that will lead to a successful implementation of the devolution concept. The dialogue had served a special purpose of creating cooperation among key actors and the document will be a constant reminder that will guard against undue influence while ensuring that the relationship of

conflict and unhealthy competition will not find its way into the corridors of the three tiers of government.

The investment dialogue day gave the private sector an opportunity to interact with local authorities and give them feedback on ease of doing business reforms. It emerged that some strides had been made in the implementation of ease of doing business reforms although a lot still needs to be done to create a conducive investment environment that is in line with the attainment of Vision 2030. The three-day workshop paved the way for the UCAZ Annual General Meeting (AGM) and a dialogue between local authorities and PRAZ. The two parallel sessions were successfully conducted after the three day conference and marked the end of the important deliberations whose implementation will be reviewed in 2020.

## Recommendations

- Development of internal capabilities to implement devolution was cited as the entry point and suggestions were made on the development of internal knowledge and appreciation of what it is that is being devolved. It was suggested that the acquired knowledge must be known and shared by all internal stakeholders and there is need for clarity on the devolution model and processes that the country wishes to pursue.
- Need for a researched and documented base line on implementing institutions to establish preparedness and fair resource allocation. Specific technical skills that must be developed internally so that the local authorities are competent to implement devolution ranges from the ability to make by-laws which will enable the Local Authority to govern on its own initiatives, the ability to engage in participatory governance to top notch financial management skills because local authorities will be expected to mobilise their own resources and account for them. This means that local authorities must be creditworthy or bankable and produce audited accounts in terms of the law.
- Ministries and government agencies must come up with shared devolution programmes detailing the distribution of powers, responsibilities and resources.
- Facilitation of intergovernmental fiscal transfers from ministries budgets and government agencies



*Delegates at the conference*

- to enhance the capacity of local authorities in the fulfilment of shared mandates.
- There is need for the formulation of a change agent or independent commission with power and authority to call to order all players in the devolution process that is all the three tiers of government.
- National government must speedily come up with the relevant legislation and guide-lines on devolution.
- There is need for a multi-stakeholder approach in developing a devolution strategy to enable all players to appreciate devolution.
- UCAZ must spearhead capacity building programmes and the creation of a robust devolution framework.
- Local Economic Development must be placed at the centre of devolution for the sustainability of the new initiative.
- There is need to replicate devolution best practices from other countries so as to enable a smooth shift from the two tier to the three tier system of governance. Mechanism must be put into place to avoid conflict during the transition phase.
- Devolution is provided for by the constitution but it had remained on paper since 2013 to date. There is need for political will for the full implementation of devolution.
- Section 264(1) must be amended to make devolution an absolute provision. In the meantime devolution is not an absolute provision because central government reserves the right to assess capacity and competency before it devolves.

competency and abide by the provisions of the constitution.

- An alternative way to deal with the ZI-NARA funds is to localize the motor vehicle licensing at the local authority level. Once vehicle licensing is localised the alleged distortion of funds disbursement by ZINARA will have been dealt with since each local authority will be getting what it deserves. If there are some local authorities which will be disadvantaged by this approach that gap will be addressed through the equalisation grant.
  - The disbursement of the inter-governmental funds must be based on a percentage of de-centralised responsibilities. Given this back-ground it is difficult to see how the unfunded mandates can be covered by the current inter-governmental transfers.
- Central government must come up with a fiscal transfer for local authorities which is based on the percentage of the devolved functions which local authorities are meeting as compared to that of central government on the same service.
- Direct and indirect tax collected by government is not being shared with local authorities despite the fact that some of the activities which generate those taxes are carried out in some areas which are under the jurisdiction of local authorities. There is need for a clear formula that can be used on tax sharing between central government and local authorities.
  - The Government of Zimbabwe introduced a 2% tax on all money transfers. The only transactions which are exempted from the 2% tax are the transactions for the central government and its departments. Local authorities are currently not being exempted from the 2% tax, hence the need to reconsider the



- decision because local authorities are a lower tier of central government and by taxing them government will be taxing itself and this is tax on tax.
- On the appropriation of funds by the central government, the 5% disbursement to local authorities should be based on the percentage of the devolved functions of each local authority.
- There should be a steering committee on the disbursement of inter-governmental funds and the composition of the steering committee should include local authorities.
- Disbursement of the inter-governmental funds
- Local authorities must be given licensing powers.
- ZINARA must enter into contracts with road maintenance service providers so that they bear full responsibility to avoid a situation whereby local authorities will be taken to court for breaching agreed payment terms.
- Local authorities must stop relying on traditional revenue collection methods but devise new income generating methods.
- There is need to refurbish infrastructure in urban local authorities so as to attract investment and increase revenue.



*Panelists leading the discussion on resolutions and the way forward*

- should be done on time.
- Government should consider sharing of taxes with local authorities.
- The formula on the disbursement of ZINARA funds has to be agreed on by local authorities. Both central government and local authorities should commit themselves to resource mobilization on devolution.
- Government is able to charge services in foreign currency and there is need to give local authorities the same privilege so that they will be able to import equipment and other goods needed for service provision. Tax sharing must not only be limited to local currency but it must include foreign currency.
- Tax sharing is the only way to achieve Vision 2030. If local authorities are failing to get taxes from vendors on the streets they must get the tax when the vendor purchases goods in a local supermarket.
- Central government must plough back taxes generated from local authorities.
- There is need for an equalisation fund because urban local authorities are currently at different stages of growth.
- The Procurement and Disposal of Public Assets Act must be repealed because it is no longer applicable in the current hyper inflation environment.
- Local authorities must take seriously local economic development because it is a stepping



stone to the attainment of Vision 2030.

- Local authorities must be given garnishing powers to deal with the “culture of not paying” that has developed among citizens.
- All programmes must be synchronised. For instance, in the health sector the policy position exempts infants, pregnant women and the elderly from paying for services at Provincial or Central government hospitals. There must be a policy shift whereby local authorities provide services to these groups but get paid by central government.
- funds but the case is no longer the same. All local authorities are allowed by the Urban Councils Act to apply for bonds.
- Ministers to help in coming up with Gross Domestic Product (GDP) for local authorities that will contribute to provincial GDPs.
- Restore public transport systems to attract investment while promoting the growth of industries.
- There is need for the creation of frame works and mechanisms to promote collection of property tax through collaboration with central government.



*President Mnangagwa receiving a gift from UCAZ representatives*

- There is need to develop programmes and systems related to food for work and how local authorities can leverage on the labour to enhance development of cities.
- Collaboration of infrastructure development. Section 301(1) provides that central government must provide funds for local authorities but it has not been provided. Central government used to leverage the donor community including the World Bank and African Development Bank for the provision of capital
- Review of the road maintenance funding be submitted to the President for feedback.
- Increase of tax from 5% to 15% be submitted to the President for feedback.
- All urban authorities must become economic hubs and work towards achieving Vision 2030. Government recognises three tiers and the local authority is the first line of production hence the need to articulate the asset base, development agenda and areas that are lacking.



**UCAZ**

## **OUR VISION**

**Empowered urban local authorities for sustainable service delivery**

## **OUR MISSION**

**To promote excellence in the governance of urban local authorities**

## **OUR VALUES**

**Transparency  
Respect  
Accountability  
Professionalism  
Equity  
Integrity  
Innovation**

**Membership Support and Capacity Development  
Advocacy and Stakeholder Relations  
Institutional Development and Governance**

