

Reflections Auditor General Report 2019: Towards transparent & accountable public finance management

Today we are looking at the Auditor General's report of twenty nineteen. That is Zimbabwe's Auditor General's report. eh eh Chiri. We've been doing a fantastic job over the years. And with little or no acknowledgement um in terms of the the requisite attention that should be paid to the to the reports. We as SAPESTRUST um 3 years ago had AA palsy dialogue on this subject. Uh with respect to the earlier reports. They were very disappointed to see that the response the attendance was very limit, was very very, very, very, very small. Whether that reflected on the extent which Zimbabwe is become immune to scandals, immune to the abuse of public finance. I hope that with this report twenty nineteen, that that will have changed in Asian. Immensely. Something else I can help with. So uh my job today is simply as convener is to thank all of you who have joined us so far. And also to understand. And also to introduce uh the moderator Simba Makoni. Simakone is a reduced day in the flyer as former Minister of Finance. of Zimbabwe eh to a 2,000 to 2,000 two. Eh but it's more than that eh eh known Simba since our young days. We were much older now. He is a public intellectual, a thought leader.

One of our leaders thought
leaders in this country. Eh the
businessman is alright. The
farmer.

clearly I couldn't think of a
better person to moderate us.
Especially given this
experience as a foreign
minister of finance but also as
a person who has been very uh
influentially committed. With
our our politics, our
economics, our debates, not
only on this platform, but
elsewhere. So Zimbabwe and GS
call upon you to take over from
us. Thank you.

thank you Igbo, good afternoon
colleagues. I am honoured and
delighted to be in your company
this afternoon. And hopefully
to facilitate our conversation
or conversations. I hope
Today is unusually unstable and
I'm blinking out almost every
two minutes. So we agreed with
every time we blank out he will
step in. Uh please do do uh
I am terribly sorry. I was
truly unstable today. And so
when I do blink out, please
Igbo just step in and let's
proceed so as the conversation
is uninterrupted. We have a
very important subject today.
And as Ibo says, it's not new
to us, but every auditor
generals knew report brings out
new surprises for us about the
extent of the yeah I don't know
whether to call it incompetence
or inability to manage our
public resources to
satisfaction. Ah let me share

with you without diminishing
We're sorry about that. We'll
wait for Smith to come back. I
think he's making an
introduction uh which is very
important. And then uh when
he's finished doing the
introduction you will ask each
of the panelists beginning with
Rusty. To introduce themselves.
Zimbabwe you back.
where we are, each of the
panelists will introduce
themselves not move emit.
And that we will go to the
presentations in this order. Uh
Rusty Markham. Not more than
thirty minutes. Uh Brian Dube
not more than the the other
panelists. Dubeau and Fazwa not
in twenty minutes. And then we
will have a full sum discussion
thereafter. So kindly take
I think Rusty, you can come in.
Okay, thank you. Um, I am Rusty
Markham. I'm the member of
parliament. For Harari North,
which covers uh, Boridale and
Hatcliffe. Um, and I serve on
various committees at
parliament. Thank you.
Honourable Dube.
honorable Dube
Thank you very much. You hear
me now? Can you hear you? We
are in the darkness. Can't see
you. I don't know. I don't know
what, what, what, what happened
That we can hear you. Alright,
it's okay. Due Brian is my
name. I am member of parliament
for Borib and constituency and
the chairperson of the Public
Accounts Committee

Political scientist by training. I'm a social and economic justice activist by passion. Um I just love Zimbabwe . Thank you. Yes, uh, good evening colleagues. My name is Tafagza Chikumbu. I'm the acting executive director for transparency international Zimbabwe . Uh, I'm an economist by profession. But I've worked in the development sector for uh, over fourteen years, uh, working on um, uh, the budgets, the general reports , so I've done a lot of analysis around the issue, so I'm quite happy to be here.

very much brief and science uh Rusty over to you now for your presentation. Thank you. Thank you very much Simba. Um I would just like to uh explain what I believe is a problem is that the Auditor General is producing these reports year in and year out. And we end up with the same nasty surprises all the time. And a lot of it comes from the difference between condemnation of debt. Or the condemnation of expenditure But we are tending to be told way after the event. And uh so I'd like to highlight today what I see as a problem and I'm going to give examples. These are general issues covering the Auditor General's report. Uh because I know that the chairman of the uh PAC will go into uh some detail of what's happening there. Um I'd

just like to take and I I'd like to point out before I start I'm a very simple man. So my my logic will be simple and I will uh notify where I'm getting my information from as we go along. But the first we must remember is that section 1193 of the constitution as well as two nine nine. All work on the accounting uh money coming in and the condemnation et cetera et cetera and even it also covers in terms of section 3071 of the constitution. What to do when um we have an emergency and we use funds and the bottom line we must all remember is that everything has to be reported within sixty days. So I will with that in the background the auditor general has done the work over many years and I will show you through this press presentation. What happens now is we've got a big cloud of debt hanging over us. And there's more to come. And that's what's worrying us and it's it's alright that it stays in the papers. And it's alright we talk about uh cartels. We talk about corruption . But what are we doing about it? And the issue is people are starting now to drag their heels. We wouldn't have this problem if everyone reported as they were supposed to report uh under all the uh Finance Acts when they report uh 30 days or 60 days or quarterly or by annually. If this was done and

was done in the past, we would be up to date and that is the fundamental problem we have is this is not being done. Now, as a result of the first report uh in august 2,000 nine, uh the first report uh was the the the compliance of the finance ministry and then we went on to the Reserve Bank. As a result, they are starting to do it. But it's it's showing us horrendous issues. So let's just start with the recent document which came out well when I say recent this year. Uh the 2020 annual public debt bulletin which was issued by the Minister. There the bilateral and multilateral debts that we have are uh from the ministry are 8.4 8.4000000000 dollars. Now the reserve bank have a debt there as well of 2.1 billion. Giving us a total foreign debt of 10.5 that's accepted. The domestic debt is very small and that is a factor of um the people involved in lending the money, taking a bath money because of the exchange rate, which over the years moved from one to one, started 2.5 and the official one is about eighty-five or a bit more. The budget for last year showed that if you took the 10.5 billion, that was seventy-one point 71.2% of the GDP. So we just under what we allowed to borrow. when you look into the uh public uh debt bulletin there are two issues there. And the first one is the Reserve

Bank. Um the issue of the Reserve Bank. The the Reserve Bank have two sums that they are auditing at the moment. Okay and that's two point 2.9 billion. Or what they call blocked funds. Now that has not been explained to anyone in detail. Now the audit is happening on these block funds. presume it means that the money has been stopped until the audit is done to see who's being paid what. But there's also a 370 379 million what they call a current running debt with the Reserve Bank. I presume that's work in progress et cetera. But that has not been fed back. Now the issue here is it is pointless telling us these issues with the Reserve Bank and they don't bring back the detail. The vouchers, who's who and explain it, both to parliament and also, cos this is unauthorised. It has not come before parliament. So that is a major issue. That is the first point I'd like to raise on the debt issue. The the second issue, which is by far the biggest, and, and, and we must pay attention to this, is the finance adjustment bill has been tabled in Parliament. Now, the finance adjustment bill is a very small document which details over expenditure SX various ministries, over twenty, in fact, I want to say all, but not quite all. From 2,000 fifteen, 2,000 sixteen,

2,000 seventeen, 2,000
eighteen. The total amount of
money there has laid out in the
bill is nine point 9.6000000000
dollars of over expenditure
over four years. Now the law
says this should have been done
within sixty days. Well it
wasn't. Now we are being asked
under the finance adjustment
bill. This is not finance
adjustment bill. This is a
acquisition of another debt.
over in the top of all the debt
we've already talked about. So
we got 9.6 billion. So I'll
choose three of the two of the
biggest ministries. By far the
biggest problem is the ministry
of agriculture and irrigation
and became Ministry of Lands
and everything else. That total
debt is 5.2000000000 of this
nine point six. IE fifty
percent. Now my issue with this
is very simple. How could we
let it go to that extent and
where did the money come from?
Where did the money come from?
Now the the Auditor General
picked it up and obviously it's
been investigated both by by by
PAC and again by the Auditor
General . The PAC are current
and I won't go into it because
I'm sure the chairman will
cover is the vote eight uh is
being debated now and I believe
the one on the agriculture
side, the command agriculture
side, it's about and due to
come out. But the point is we
are now talking of a huge sum
of money. 4 years after the

event, 3 years after the event
and 2 years of after the event.
My biggest concern of the whole
lot is if you take the year
2,000 seventeen, agriculture
was two point 2.5 2.5000000000
over what they were supposed to
be allocated. And in 2,000
eighteen, there were
1.7000000000 over as per this
bill. Now the issue here is
very simple. Bees huge sums of
money. It particularly in 2,000
seventeen, occurred at the end
of the year. So what that means
is we had a new Minister of
Finance, we had a new
government, but we had the same
problem. It didn't change. So,
why we identifying the
problems, we're not tackling
the issues. And the issue is
very simple, and that's why we
have the constitution, and
that's why we have the finance
management act and all these
things, and we have these
report dates, is so that we can
do it and the duty of
parliament is to be the
overseer. We are supposed to
have a oversight role. You have
no oversight if these bills and
these expenditure s are not
brought to parliament. And then
what happens is as we get
further down the road we just
kick the tin down the road and
we don't solve the problem. And
then 1 day we gotta acquire the
stead. It doesn't matter what
anyone tells you. You have to
acquire this debt. And the
issue is it's too late. The

second ministry with the biggest portion of the debts actually in the ministry of finance. And it overspent by 8.1 percent. And game. I have the issue of how can the ministry itself overspend by 8.1 percent. I don't care what on. But they didn't bring it to parliament. So what oversight role are we at? We haven't. We've got a hindsight role where we have to rub a stamp bad debt. Which the people of Zimbabwe end up paying for. And we get all our credit lines cut off.

So this is quite AA serious issue. I want to divulge into one issue. And and and I seem to think sometimes that these things are set up. The Ministry of Finance uh the Ministry of Agriculture when a delegation came into the public finance committee on oral evidence led by the then perm sec. Stated categorically on 3.1000000000 he did not know where the money was, where the vouchers were and what. Because the whole issue of command agriculture was being overseen and run under the office of the president in the cabinet and then they get the money the the the bill dumped. They are the Lion Ministry. Money should not be going through the Reserve Bank. Money should not be going to another ministry. It should be going through the Lion Ministries. And in this case this money which was picked up

by the auditor General is basically unaccountable. Now if you look at the latest audit report in vote eight and you go through all the questions of the Auditor General. You will see ninety 95% there is no movement. So that is what I'm talking about when I say we are kicking the can down the road. And this is a major issue because if you accumulate this debt on what I've already told you ten plus 2.9 plus 300 plus nine point. You now start getting a bit of a front. Probably the most stark of all these. Is a global deed settlement which has been signed by uh the government. They have ceremony and it it it committed us to 3.5 3.5000000000 dollars. Now I have a problem with the global deeds settlement for one reason is most people haven't even seen it. Certainly parliament hasn't even seen it. And land is a burning issue here. And if there's a explanation we must explain it must get explained to us in parliament. Before we sign the document before we commit to paying which by the way we've already extended. In other words what we're showing is we've got no chance of pain. Now my issue with global deeds settlement it deals with white farmers. It actually deals with white farmers on their development only. It does not deal with the land issue. The white farmers will sit on their

title list. It does not deal on the biological assets. Things like coffee, pick a nuts. Those that are value. So those will all come to bite us. And why I say this? There's been a couple of court cases internationally. The Dutch farmers took us to court. And in in the voice of the minister himself, the Minister of Justice told us categorically in parliament, we lost hands down. From Pinsult took it to court in the States. Again we lost. The Campbell case closed the the the the officers. Purely because of the judgement. Because they couldn't stomach the reality of the problem. Now, the problem is solvable. That's not the point. The point is we are now talking of committing 3.5 billion. And even if the donors give it to us, they still let them solve the problem. There are two issues which are, are, are, are, of interest here. The first one, which is easy to, to, to talk about, is the beeper and the BIT investments in this country. Those are covered by um SI sixty-two of 2020 I believe or twenty nineteen. That SI states categorically that they can go back. I don't know one that's gone back. 2 years down the line. How can you give back that land first before you've considered solving our problem internally of Zimbabwe ans? But it's worse than that. All say in sixty-two we cover the

indigenous farmers who can go back to their land. Now the indigenous farmers there's nearly 400 other. Now, the egg here is very simple. What happens to those people who are given the offer letter on those farms? What happens to the development that is no longer there? How does that farmer, that indigenous farmer go back onto that farm and solve and get credit and start again. How do we move those people with offer letters there? These are all major issues. So the 3.5000000000 is the figure. There's no argument about that. But we have all these other issues which we had not even resolved yet. Finally and probably the the the, the most sensitive, which I must be careful how I talk about this, because um, I'm now talking about the African bank loan. Because of a court case, the government had to declare the African bank loan, which they did on the twelfth of February. Now this is typical, we have borrowed money from bank, from way before I was a member of parliament. But, obviously it was renewed, rolled over, we don't know, cos we haven't seen the docs. But what was gazetted on twelfth of February uh in 168 of twenty twenty-one, one six nine, one seventy. Is 500 thousand, uh sorry, 500 million, 600 million, and 300 million. So we now talking of a debt, a formal

debt, a 1.4 billion, which parliament has no oversight and does not know what's happening. And I say that categorically for one reason only. The debts were taken in may 2 uh in may 9 uh 2019 and in december 2019 and in december 20 nineteen. There is no chance that there's only 60 days from the time that they've gazetted it. We don't know where the money went. We don't know what securities of the loan are and they should all be with us in parliament so we know what we're borrowing and what we getting ourselves into. So the issues there are six that I was talking about of this cloud. If you add up that money it more than doubles. It more than doubles what the Reserve Bank uh what was declared as ten point five. In fact it's closer to twenty-eight. Now that is the debt. That is what has been exposed. If you take the uh finance uh adjustment bill has been exposed by the Walter General. And I just want to take a and just mention the Auditor General's Office is in my view, purposely underfunded. They have very few cars, they have very few IT, their staff is totally poached as soon as they uh, trained because of the wage. And yet they do a fantastic job. Their office is appalling. And if you look at the contributions or the money that was paid out to various ministries, by the admission.

And from a document, from the Ministry of Finance, you will struggle to find a ministry that was paid more than 30% halfway through the year. That incapacitates everyone more so the Auditor General . Because don't forget when an auditor general does her sums and does her audit. We get it in 2020 or 2021 for for the ending 2019 because it takes her a year to order. So we're already lagging behind. But when we talking of figures that are blatant from 2,000 2,015 and nothing's been done we got a problem. So that is the dark cloud. But we got some grey clouds on the horizon as well. Now the grey clouds are a warning warning because it is exactly what has happened and we already there with the Auditor General tackling a lot of these saints. But in the in the silver and the grey cloud lining we got a problem. When we talk of Justice of Chennai report. The Justice of Chennai report was delivered to the president in in december 2,000 nineteen.

Now, the Justice Uchena report is a fantastic report, I believe, but no one seen it. Now my issue would be, would be, would be Justice the General Report is very simple. These are losses we incurring and we continue to incur and we do nothing about it. The intrinsic value from his report of land The intrinsic value of

the land is 3 billion 3 billion dollars that we've lost. He claims that we've got less than 10% of the money of the value of the land. However, the outstanding balance uh of the land value is 2.9 2.97 2.977 2.977000000000 dollars. Now my question is this, we know this is a problem. It is a burning problem because people in uh these informal settlements particularly in a rare all over the place. Do not have so they can't borrow. That is the same issue with the land reform. The the farmer can't borrow it genuinely cos he got no title deed that he can trade. And that has to be sorted when you do the global deed settlement. But same in time. Why do people in time buy a plot of land, build a house on it with no services and they haven't got title D. Is that empowering people? So that is a major issue. But the shocking thing on the justice of General Court. In order to supply the services which was supposed to be supplied by the developer, by local government by coops, by investors, whatever. The missing infrastructure for water, sewage, and roads is 2.5000000000 dollars. And there's only one person who's gonna pick up that tab and that's us the people of Zimbabwe . So that's a that is a grey area we have. And that report must come out so we can fix it quickly because it's

continued. The other grey areas which I just like to mention and they they they are I would just mention very quickly. Right now on the auction uh rate which is a burning topic and it was burning yesterday in the pre budget. But the auction is anywhere between six and 14 weeks behind. How much money is that? My estimate can be anywhere between three and 500 million. I don't know. But why are we auctioning and taking that long? Because it doesn't hammer the big boys. It hammers the small boys. The guys who have to wait with their money locked up for three weeks. Can't afford it. Six weeks. Can't afford The bigger guys are 9 weeks can't afford it. So what they do? They take the hiding. They go to the black market. So that is a grey area which is going to come back and bite us. We also have a total silence on the state owned enterprise on the debt. Now I know PSE are looking at certain but you know what? When you consider what the Auditor General has to go through with ninety-two authorities uh on local government. About 105 state-owned enterprises. Twenty-nine odd ministries. It is impossible to chase everything. And she has to be capacitated. Because corruption is our biggest issue. So the state enterprise debt is unknown in my view. We also have a grey area on some of our

foreign um uh debts coming in.
The Chinese debts. Yes Wanky.
Uh the airport. Til one. Tell
one network expansion. Poverty
alleviation. Um first education
small holder, uh revitalation,
revitalization to 100 189 189
million has been declared.
But has it been bought in
detail to parliament for us?
What have we done for that?
What are we giving for that?
What is our security? Is it
export? Is it concessions?
The last in the burning issue
because it's agriculture for me
On the um grey clouds on the
horizon. Is this issue of the
GMB being a cartel on the three
main crops of maize, wheat, and
cotton? I'll just talk about
maize. Maze, we're talking of a
crop of 2.4 uh million tonnes.
If they retain locally a
million and only sell one and a
half at the new rate of 32
thousand dollars. We're talking
forty-eight billion. I don't
believe we got forty-eight
billion. So farmers, yes, I get
paid, but I don't know when.
But in the meantime, the rate
is that 32 thousand at today's
rate because the only way you
gonna spend that money
is that the um parallel rate.
So that is a major issue. We
know cotton farmers even from
last year have still got some
outstanding problems to be
paid. Okay. So those are the
two areas and III relate this
back to the Auditor General's
office. It's no use of doing

all that work if nothing happens. And it's alright us talking about it. But someone has to do something. So in conclusion, I would just like to mention a few things. I believe that because of our policies, the exchange rate is beyond redemption. I also believe we have a major problem with uh our encouragement for domestic production because domestic production, your goods are being priced and by the time you get paid, the exchange rate has moved. The second issue is, if you domestic producer and you're exporting, a portion of your exports will be held at the official rate. And the rest will be tied up in your nostril and then you're gonna have a problem getting it out of there as well. So the issue is for an exporter, his product is being paid at the official exchange rate. The day he walks out of that bank, he's now buying inputs on the parallel rate. So when a importer comes, it's actually better to be an importer, because you're gonna price everything, and I'll be frank, even if it's on the auction exporters, uh importers are still pricing goods at the parallel rate. And it doesn't matter what the government do, they will find a way around it. There is no ways you can solve the situation. We've waited too long. And we must remember, my final wrap up is, as far as I'm

concerned, our major issue is corruption in this country. If we don't solve the corruption issue if we don't solve the cocktails, we got a problem. And it's not going to go away, and we cannot continue kicking the can down the road. I just want to reiterate, the auditor, General's Office has to be capacitated to look at all our problems, So that we can then move on and manage them. I'm so pleased that the PAC has broken up into subcommittees to go through the Auditor General's reports because they are vast.

I thank you.

Thank you

Yes, I can hear you.

does everybody hear me?

I can hear you. Very

very fertile remarks there that eh

traversed the terrain of what's wrong with us Uh but the Auditor General's report does provide an appropriate uh vehicle for examining all that's wrong with us. Thank you very much Rusty. Let us quickly to the next presentation. Uh honourable Dubec.

thank

you very much Doctor

Makoni. I'm sure the the the video is coming bad. It's terribly bad. I don't know what is happening but anyway III will proceed. The the major issues relating to the 2019 Auditor General's report uh according to me in terms of trying to summarise them. with

the E three sets. The one that must be dealing with the fund appropriation and fund accounts. Then the other one dealing with the state owned enterprises and local authorities and in a brief I'll just run through those and uh he explained briefly what the auditor observed there. And also I'll quickly indicate that realising that it was very difficult for the public accounts committed to do these things at once. It was by the time I went there the the volume of work was so much and no single reported being tabled in parliament. then we decided to actually subdivide our committee into three. So that we are able to actually deal with the volumes of work that are continuously coming. So relating to the appropriate and fund accounts. Like indicated we have serious issues in terms of our votes. Where actually the line ministries are acting outside the law. The first issue in our finding relating to appropriation and fund accounts. It relates to governance issues. We want governance issues we have unauthorised excess expenditure from the ministries. So our ministries are actually exceeding their expenditure s without even coming back to parliament and the unallocated reserves uh transferred by the treasury to different ministries without actually

following the proper uh
procedures. And as a result in
twenty
over 500 508 508 million was
exceeded uh in the budget
Contrary to provision s of
section three or five of the
constitution. Treasured as a
manager of the public pays did
not adhere to the legal
provision s on the sanction of
excess expenditure by
parliament. So our biggest
problem is actually with the
ministry of finance itself. As
the custodian of uh our
resources, our moneys. It is
actually shocking that they
actually at the forefront of uh
doing things wrongly We also
have issues relating to
payroll, reconciliations
Treasury secular B 1885 june
2018 requested directors of
finance in line ministries to
perform monthly reconciliation
of build amounts by salary
services periled. But this has
not been done. He saw their
serious issues letting to pay
or reconciliation. We also have
serious challenges relating to
appropriation, account
expenditure variations. General
noted with concerned
expenditure variances between
the figures reported in the
appropriation accounts by the
number of ministries and those
in the system application
programme. The computerized
system used to process
government transactions. They
reported the expenditure s to

be in agreement with what is reflecting in the system but it is not happening. We also have a third challenge of outstanding revenue. In the of the year ending twenty eighteen. The order general allotted that rape from of and 2,009 remained and collected. The Gise circumvent effect of such non-collection prejudices in the state. And actually the values here are around 400 444 million. a expenditure of health and health check will not avail supporting documents payments of over 2 million made to other suppliers of good payment watchers did not invoice and since confessed is not confirm the amount this was contrary to the provisions of the public finance and management act. So this is only the ministry of uh who health which is in this habit. We also have the ministry of home affairs and Honorable Dube. Honorable Dube. producing Honorable Dubet. I don't know what happened. Some money had cut me.

Yes I'm back. II don't know what had happened. II just been booted out. You hear me? I can hear you uh Thank you very much. So I was now actually discussing on the issue of the fact that the Ministry of Home Affairs is also one such ministry which is actually in this habit of actually the aspects relating to over expenditure s. Then the risk

management, a number of ministries not have an updated this and no formal risk assessments were done to cover key processes in the air. Under review. So as a result like Girasti was indicating you may not actually know the level of prejudice that you have suffered as a nation. Because systems and controls are not in place to actually assist you to follow and monitor. the procurement of goods is still a serious challenge. He has indicated in the Oja General's report. There is none compliance with the public procurement and disposal of public assets act and ministries are still choosing suppliers without actually following proper and due procedures and you may not be able then to tell whether government transactions have been done to the best advantage of the government was in terms of the constitution. We must be able to perform our transaction transactions economically and to the best interest of uh the nation. But you we have no guarantee because the procurement is not done well. The equity of payments made is not properly done and in the process you are not even able to know the the exact amount of goods purchased in their values and you'll find that in a majority of the ministries. Some purchases hê were done and payments were made in advanced

contrary to the provisions of the law. But making it worse those they have not been delivered. For example, we have motor vehicles from the Ministry of Youth which were paid for but not delivered. We also have uh a lot of other ministries that still have undelivered goods and if you check also maybe I would also relate with the COVID-19 report on the use of COVID-19 resources . It also confirms these very things of advanced payments and non delivery of goods. So the government is just dishing out money and not receiving goods or services from the suppliers.

to actually gender main steam in government ministries and the programs and policies are not in place to make sure that requirements of the constitution are fulfilled.

what I can say facilitator is that the auditor general made recommendations in the previous year. And 356 recommendations were made to ministries.

Ninety-four were fully implemented . Eighty-eight were partly implemented and 174 were not implemented at all. Which means that the government is unwilling to actually reform and implement the recommendations by the general as the professional advisor of the government. So that's it relating to the appropriation and fund accounts. And going to take on the enterprises and

parcels. Ah I will not repeat what Markham actually said letting to mystery around that those institutions. The over observations and opinions are that the public finance management laws are not being implemented at all in these ministries. The public till then he had also suffered seriously as a result of the exchange rates and the ULR components being now distorted has also resulted in serious issues and difficulties in checking the values in those ministries. He he Zimbabwe continuously dated diamond company and subsidiaries or could not account a lot as a result of the fact that data and such as the majority of them are US dollars and the the accounting systems is in RTG dollars. So these are some of the problems that are there in the parastaters where they transact in forex but they are supposed to make their reports and acquittals in bond more in in bond currency. So the consequences of SI thirty-three of 2019 was probably unforeseen. But Jesus its results are devastating. Also these account these parastatas have also a problem of late preparation of financial statements. And debate examples are as Zimbabwe , national museums and movements, Zimbabwe Broadcasting Corporation, Zimpost and Zimbabwe Youth Council. The General

Observation that out of sixty-nine he issues he raised by the Auditor General . Fifty-three lettered to areas of governance Principally the payment of fees and allowances to board members without ministerial approvals. This is with NASA the impacts tobacco industry marketing board. MMC Z Noek, ZT, DC, NRS, Z, Z, ET, DC. The mode members are failing to declare their personal or financial interest in issues. So you would find that the board members are also maybe suppliers indirectly or indirectly and they are not declaring their conflict. This is actually the case with the the petrol trade, the nara, Zimra, Zeke, Zexi, DC, S Zimbabwe Women's Microfinance Bank. So I would say relating to these parastatals and state enterprises. We we have serious challenges of poor corporate governance as well as serious leakages of resources and non-declaration as well as criminal abuse of office where board members and senior management are actually taking these institutions as their personal investments and actually benefiting more than the government. So in conclusion, there is need for a more stakeholder, wide ranging engagement, come up with real and long lasting solutions to these problems which are not only governance problems, but some of them are ethical

problems as well as ignorance problems in some instances. Then lastly, on local authorities, the local authorities have not been spared from the bad practices in the government government structures of Zimbabwe. They are also in serious problems and they are not only failing to abide by the acts that govern them like the urban Council of Act and Rural District Councils Act but also the procurement laws as well as the public finance management laws. The local authorities are operating without key documents. They, they, they, they have no policies in place to guide how they can do their work. And this has resulted in seriously leakages as well as under performance failure to properly deliver services. There is also a serious issue of poor revenue collection accounting and management systems and this is more visible in the examples that were given by the Order General for Gweru City Council, Mtara City Council, Bendura city, Municipality, Mashingo City Council, Marundira City Council to mention but a few. And also the issues of Yusuf and Wesuf were expenditure is still coming out these local authorities mainly in Bindura, Mutare and Urua local board. Improper management of public resources is more pronounced in the city of Masingo. a lot of

issues to be observed by the auditor general And one is not to be told. The reason why we are now then having the last challenge that we have in the local authority which is poor service delivery. Poor service delivery is actually also as a result of the challenges in terms of the current issues as a result of that US dollar and other teachers company that I spoke about but mainly as a result of poor policies and systems to relating to how to prioritise issues and this is more visible in Masinggo City Council, Marondira City Council Egu the Auditor General he has made serious observations and recommendations. Council should prepare and implement the operating procedures. Human resources , manuals, and also benefit policies to increase uniformity in terms of how these things are done. Councils need to review and strengthen their revenue collection structures. As they are in shambus. They must also keep proper inventory and records of assets. There are no known assets and at times you cannot be able to distinguish between the property of the individuals in some city councils. Or some municipalities and the individual properties and in some of the councils. Actually kinds of vehicles are purchased in the names of the directors. Which is actually shocking. So

this is all I can say
moderator. We are actually in a
serious eh crisis relating to
all the three sets of our the
finance management in the
ministries, parastatas and in
local authorities. And a lot
needs to be done to make sure
that we need to get this
disaster. Thank you.
uh Brian uh very poignant end
line there. A lot needs to be
done. May I suggest as we
receive the next two
presentations that both uh
Rusty and Brian, Tony, Caps,
and take us from the narration
and analysis of the problem to
from your vantage point in
parliament. What can we do? uh
some homework for you there in
the next few minutes. Uh
meantime may I have the
pleasure of inviting Janet
please. Thank you. Thank you.
Thank you very much uh Doctor
Makoni for this opportunity and
thank you SAP and uh
transparency International
Zimbabwe for this opportunity
that uh we have given me to
speak briefly to the Auditor
General uh reports and um my
interventions were really to
look at um the local author
priorities um set of the audit
reports . But um I think the
two presenters have really done
um tremendous work in terms of
uh doing the analysis for the
parastatals uh for the line
ministries themselves and also
for the local authorities. And
um what has been clear from the

analysis that we have done is uh the Zimbabwe coalition on debt and development Is um the huge accountability deficit in terms of uh complying to laws Um that call for accountability uh for transparency . Um and for oversight that we are talking about. So we when you look at the auditor general's reports and the recommendations . The analysis that we did. It shows that um the Auditor General made recommendation I think 300 um fifty-six recommendations. And of those 356 recommendations that have been made year in year out recurring. Only ninety-two have been fully implemented. Which is why um we are having this huge problem of non-compliance. Uh but of impunity as well. Because when you look at them the the findings uh of the auditor General . For me they border on one incompetence Actually by our public service. Particularly the high public officials that are not playing uh their oversight. Um role in terms of managing of public finances. The border on theft. Some of them. And corruption. As has been highlighted uh by honourable Markham. By honourable Dube as well. Then the misappropriation of course of funds. But the prob problem then is on the impunity. And lack of um you know compliance and and ensuring that we follow up. so that the recommendations are implemented by the Auditor

General . And where the deeds of the public officials border on criminality. They must actually be handed to the national prosecuting authority. Who should then do uh their work. But this is not been done. And we really have to as as we continue to talk about this issue. I think it is high time we think in terms of how do we force accountability to ensure that for example 356 recommendations all of them are actually implemented and they don't continue to be um recurring. I also wanted to highlight that um the auditor general's reports are echoing the different reports that have come out. Either is forensic forensic audits or as a commissions. Um reports and also the parliamentary portfolio committee reports that have been done before. And in Zimbabwe we suffer one on the issue of um transparency in terms of procurement , in terms of contracts. I think this is a big issue that we have not dealt with, and that we really have to ensure that we deal with, how do we enhance contract transparency And ensure that our parliament is playing its role, and ensure that the different accountability institutions and structures that are put in different um parasettals, local government um structures play their role. If it's counsellors, if it's audit

committees, if it's the different parliamentary portfolio committees, they are able to play their role. So from the different reports that we have seen, the issue of contract transparency remains a big issue. Another issue is the issue of oversight, which has already been spoken about, I think the oversight by accountability institutions like parliament is not being played. Or is being um fully implemented. But we also have an issue around information deficit. Such that even those that are supposed to play the oversight role. They are also in the dark. In terms of exactly what is happening. I think um Honourable Markham laboured a lot around the debt question and I will not uh go into that because he did justice to that. Um but how does parliament for example play its oversight role when the debt information is not publicly available. And there is so much opacity. In terms of how we are acquiring our loans and our debts. Both at the central government level. But also at the local level at the local government um level as well. So the issue of information around debt or our public funds remains just in the domain. Um of the executive most of the time. When he was talking about the debt. I also from the analysis that uh we did. We realised that also

local author it is, most of them, we did a snap survey of twenty. Sampled twenty local authorities after the General's report. And we realised that most of them have got huge and unsustainable debts. And these are either domestic level because they are owing to uh Yazesa, Zinara, Zinwa, Zimra, Tijuana, SA, they have employment costs that they haven't met. They have pensions that they haven't paid. They owe to public works, they owe forestry commission, agritax, Emma, national parks, uh complex, some of the local authorities as an example. So they also have very huge debts. And these have got impact on social service delivery . That we have to talk about. Because when we look then at the social service delivered we are talking about people's social and economic rights that are provided for in the constitution. But that are not going to be met. And when they haven't been met the citizens have subsidize those public services. So they have to dig boreholes. They have to dig wells. They have to go um move on on on on port hold roads. Because the councils cannot uh rehabilitate roads. Uh or the government uh cannot do so. Because then the fiscal space is constricted by the huge public debts that we are seeing. So the citizens will not have the water, the clean

water from the council, they will not have refuse collection. Public service are affected. And therefore, social and economic rights that are provided for in the constitution and that are primary And form our wellbeing. Become impacted one. So we really have a crisis of uh a humanitarian crisis as we have seen it. We are talking about a humanitarian crisis of 7.7000000 people. That medium and certain age as an example. But we also have a human rights crisis. When we then have typhoid, when we have cholera, when we cannot um respond enough or adequately uh to COVID-19 and the different other crisis that we have to face. So this this this is the impact of what we are seeing in the Auditor General's reports. And it is caused by corruption , by misappropriation, by non-compliance, um by institutional dysfunctionality. Actually that we are seeing at the central government level. And then it it cascades to the local uh government level when then we don't have parliament, we don't have uh provincial councils as an example that are then um doing oversight around uh devolution funds , ensuring that we get our development priorities, right. So this is, um, this is, this is a, a huge uh, problem that we have in terms of the human rights crisis, the human um, rights

impact and the humanitarian impacts, uh, of what the auditor general is actually binding. So we see a balloon in huge debt. But deployable public services that are the burden is then born by the women, by the youth, by people that are living in the high density suburbs who cannot respond as individuals. And sink boreholes. Um like some people can do. So they have to then depend on community boreholes as an example. Um they have to depend on on unclean and unsafe water sources. uh is example. As a examples and also live with garbage um in their in their backyards because they do not have the options that a few uh people in Zimbabwe do have. So we we really have um this challenge of lack of accountability and impunity. Because nothing happens if they don't implement the recommendations and um there are no sanctions to it. To ensure that the those that are found wanting and with major findings and with qualified uh audits. They do uh the scientist that have to come with it and I think um the backstops with with parliament uh the parliamentary portfolio committees in their uh different uh ways in work that they have to do in terms of playing the over side even when it comes to the budget performance uh quarterly budget

performance reports that have to be submitted by the different line ministries and government departments to the different parliamentary portfolio committees and of course the the public accounts uh as well. So this, this, this, this for me, um, is one of those uh, big issues that we, we have to deal with. I also then wanted to say that when it comes to the issue of non-compliance, when you look at them, I looked at the auditor, the, the local authorities uh, audit as well, and realised that we have ninety-two local authorities in Zimbabwe . But only twenty-three would say a kind of up to date. So this is also one those big issues of accountability issues. In twenty nineteen, only two local authorities submitted their financial statements for twenty nineteen. In twenty eighteen, only nine local authorities did so. In twenty seventeen, Six did. In twenty sixteen, six as well. For 2015 two, local authority. Authorities. And this is out of ninety-two. So how does, you know, council play their oversight role when finished statements are not submitted. And ah within this there are also audit committees. But how do they play their oversight roles? So it would seem to me that we have audit committees in the different line ah line

ministries for internal audit systems that are not functional. Ah that are either non-existent or non-functional or not competent. Or benefiting out of the different corruption that is actually taking place at the different um governance levels. Um at my workplace we always um try to do the analogy in terms of the mismanagement of public funds that we see. Um at an honorable Duve has already alluded to this finding that there is mismanagement uh of funds and say mismanagement will be the virus that is actually harming our economic development, the enjoyment of our our social economic environmental rights and public service delivery . So it destroy the social contract ah that that that we we we have with our government. It's different ah levels. So we have this virus of mismanagement . And we believe that the immune system that must dictate this is a strong public finance system. Um by government which is through an audit system. So this immune system will therefore detect, resist and weed out this virus of mismanagement. But this is not happening. So it's it has become a pandemic. If we look at it. In the in the context that we are in. And we we have to find ways of dealing with this pandemic of non-compliance, of mismanagement . Um and this has

to come from of course strengthening the accountability institutions as uh Honourable Markham and Honourable Dube have spoken about. But I also want to bring in uh the idea that I think in Zimbabwe we really need citizens. It is high time I think I said this uh over and over again. That sometimes I feel like we need less of politicians and more of the citizens. And when I'm talking about citizens I'm talking about that urgency. That is able to hold accountable and to ask the different um accountability questions from the citizen's perspective. I think when we look at the auditor General's reports we are expecting too much from the politicians and from the of the day and living out the citizens to be asking the critical questions and stimulating that urgency. Because at the end of the day it is us who are mostly affected uh by what is happening within the public domain, in the public finance management system. So I would want to believe that it is high time that we we begin to talk to citizens. Um engage. There is no harm in us supporting citizens to go to full council meetings. Uh to go and sit in the parliamentary gallery and hear their parliamentarians to go to the public hearings by parliamentary portfolio committees. So that they are

able to take up some of these issues. And I think a tracker of the Auditor General uh recommendations is important at this particular point in time. So that the citizens are aware of all the recommendations that have been made by the Auditor General And we are able to track them and continue to um close the information gap that currently uh prevails. So we have an information um diet deficiency. Where information is always answering to the what? Uh so we get all the what and the good good stuff that is being done by our government. At different levels. But um I think we need to continue to poke in the walls to really go deeper. In terms of um what the, the, the auditor, uh, General's reports , uh, are bringing out. So for me, I think as we continue to create these spaces, it is time that we come together as civil society organisations, the citizens, in the parliament and capacitate each other, come up with a tracker, that's going to track all the recommendations , such that when we are giving a new budget, say for twenty twenty-two, Parliament is able to ask the questions around the financial adjustment bills which is which is a debt as Honorable Makami said the publicly ah guaranteed debts that are coming as open cheques ah to local authorities and to public institutions, private

institutions that are having the government ah guarantee dates. So that we are able to relate and refer to them and we have the those ah resolved and those that require prosecution. They also ah go through the same. So I would say that um this is where we are, otherwise, I think what we are noting is that we will end up with this advocacy, fatigue. Where we'll continue to, to talk, but without responses, um, that are very incisive and that are action oriented. Who become fatigued by continuing to see recurring issues in our lives and livelihoods continue to deteriorate when we do have the resources, but are leaking. They are leaking because of corruption. They are leaking through illicit financial flaws. They are leaking through theft. And tenderpreneurship, the procurement level, at the execution level at different levels. And uh, we definitely need to, to deal with this, and we have to carry with us or be carried by those who are affected the most. So it's to ensure that we have the youth, uh, at the forefront, we ensure that we have the women at the forefront, in terms of demanding this accountability because it it is their rights uh that are being affected. Uh it is their rights that are being denied and violated. When when resources are leaked and they're only benefiting a few.

Exacerbating inequalities by the way. If you remember the World Bank report that we spoke about which has seen deep inequalities now. This is the reason because only a few are benefiting out of out of the resources. If you look at the Auditor General's because this is the reason because most and the majority are not Ben from the public funds. It is only a few that are benefiting through tenderpreneurship or in the positions that they are sitting in. Abuse of power is one of the key findings as well I think of the auditor general. The abuse of power that we are seeing. So if you look at the findings as we try and find uh solutions as I conclude. It's on the governance front. Uh over 35% of the findings. They are on governance. They have to do with governance. So we have to do with governance and leadership issues Uh so this is about the boards. This is about policies. This is about systems and policies . Um and structures being put in place around the governance. So about 35% of the findings. If you look at them they are actually governance related. Uh then of course the revenue collection, employment, procurement and the like. They are around uh twenty-five or so percent that we have to deal with. So as we try and come up with with with solutions. Our solution lies in governance. So we have to

address the governance uh, the governance side of things. and when we address that, revenue collection is going to improve um, the employment, conditions for, for, for the employees is going to improve, procurement is going to, everything will fall into place. So I think we need to be talking about governance, and as we talk about the governance, in very last words, we have then to put at the centre, uh, the issue of the citizens in the communities that we, we, we are working with, um, so that, because they are the ones who be the the brand uh in all this. So I think I'll end there in back to you moderator. Thank you Janet. Ah passionate plea there for Citizen Agency. Ah for a tracker on the recommendations more passion on active engagement. Thank you very much. Uh we will take uh Dafatswa as our last panelist. And uh just to remind us after the analysis and information sharing. Let's apply our minds to how can we solve the problems And with who? Over to you. Thank you very much uh Doc for giving me the opportunity to speak. Thank you very much to uh the director for SAPES honorable members of parliament and my colleague Janet for for the elaborate presentations. And of course as the last speaker um I think my task is quite um uh easier. But I just want to emphasise that

um for us as transparent international Zimbabwe. Our major um looking at all the audit reports issues to do with the recurrent of irregularities in all the reports . Um the issues that are emanating from the reports are the same issues uh that we were getting uh as far back as twenty thirteen, twenty fourteen. And of course uh the non-implementation of the auditor general uh recommendations . And I think for us it's something that um worries us, and most of the recommendations, like what Janet has said in the honorable members, is towards ensuring that ah the recommendations of the OAG actually implemented. Um I also want to mention that the 2019 Auditor General's report came um almost a year after ehm the debt that it was supposed to to to come out and ah that is in April ah yet it was supposed to come out in June ah 2020 And of course um reasons for the delay are attributed to COVID-19 ah pandemic Ah of course ahm we do understand that but then there's also another issue around the comprehensiveness of the reports. The report are not as comprehensive as um they used to be. Of course um in terms of individual ministries, they did not look into detail in terms of um the reports . Maybe it's simply because there was um limited movement and interaction between the OAG's

report and the government ministries, local authorities and parasite house. Um then the other issue is that um contains local authorities. I think I'll just mention my concern around local authorities which has been um well presented by the previous speakers. What I've noted the fact that um there are no audit reports for Harare and which are the major cities in Zimbabwe. And of course it's an issue to worry about. Ah when um such cities are failing to submit reports . Um the last was the 2018 Water General's report. Where um uh state council uh submitted audit reports for twenty seventeen. A blower is submitted for 2013 and fourteen. So I think we need to reflect in terms of our major city visa V, the corruption that happens in this particular cities. So I want to go back to The main report for appropriation accounts or um government ministries to to to mention that uh only 16% uh in terms of audit opinions. 16% were classified as unqualified um reports without material issues. Um and of course we have uh unqualified reports uh 42% uh with material issues And um about about 42% again constitutes qualified uh audit opinions which means that uh the audit reports are quite daring and of course um there is need for the government departments and ministries to actually uh up their game in

terms of uh following the rules, regulations, uh and status is provided by our different legal frameworks. Uh just putting this into context. I've had uh about the specific numbers of um recommendations that have been implemented . But I just thought I should put this into percentages so that people can actually relate. And um so based on this uh only 26% of the Auditor Generals reports were implemented. And of course if you go back to 0 level. When you talk about 26% we are talking about uncredit. So this is a very poor performance by all the government ministries and departments. Only 25% were partially implemented . And uh 49% were not implemented at all. So I just wanted to put that into context uh in respect of um how the recommendations were implemented in terms of percentages. And of course um I don't want to repeat what the honourable members have said earlier on with regard to governance issues that emanated from the report. Specifically on unauthorized excess expenditure. You know the uh Ministry of Government Ministries are supposed to seek approvals from parliament in terms of excess expenditures. But government departments , the Ministry of Agriculture, the Zim Treasure itself is actually embarking on an authorised excess expenditures. Uh which are over and above

even the the approved budget itself. So when the ministry of finance uh which is supposed to be leading in terms of coming up with guidelines on compliance and enforcement is actually also lagging behind. Uh it leaves a lot uh to be desired. And uh the issue of excess expenditure s actually happening across uh government ministries, departments , local authorities and also uh uh state owned enterprises. Uh this is coupled with unsupported expenditures. Where expenditure s take place, but there are no supporting documents in the form of receipts and invoices. Ah, to show that, ah, indeed a payment was made. And of course, um, one ministry, which is the ministry of health and childcare, failed to avail documents for payments worth 2.9 2.9000000000 dollars. Uh, or to various supplies and um, of goods and services. So this is actually um in contravention of uh section eighty-one of the public finance management act. Janet has spoken about it where of course we do have illegal frameworks. But they are not being implemented . And the major concern is that these are some of the issues that are emanating. On an annual basis. And this remains um an issue of contempt for us. And of course where they are unsupported expenditure s. Uh they are most likely to be high risks of

corrupt um corruption . High risks of um collusion between the service provider in in government departments. Prejudicing the government of the much needed resources . And of course we then link this two. The achievement of social and economic rights uh to the citizens. And this is something that um uh the government needs to to address. Um of course I will also talk about um issues of audit committees. Which the honorable uh honorable has mentioned where audit committees are supposed to ensure that there is ongoing auditing of the books of accounts in ministries where recommendations are made. And the same committees then responsible for ensuring that the accommodations are being implemented. So in most government departments the committees were not there. Away they were there. They not actually um functional to the extent that um the the the government, ministries and departments just left irregularities to go on without um without any anything uh being done. Then in terms of a bit hours of payments where um the ministry of primary and secondary education made displacements to provincial offices amounting to about fourteen point 14.5000000000 dollars. Uh but of course they to, to, to, to, ah, get documents, in respect of,

probably, procurement , committees, minutes that have been recorded, competitive quotations, inquisitions, invoices, so there are no documents that verify that indeed, um, uh, something like that happened, and this is happening across government department as well. And of course, uh, the Ministry of Youth, Sports and Recreation, they bought cars in twenty seventeen, validated US dollar 600 seventeen. thousand dollars. And these vehicles have not been um delivered to the ministry. And nothing is being done in terms of the recommendations because they've uh emanated in previous reports . And of course the ministry deliberately is not taking any action. Uh then there's also a major concern around budget credibility. Budget credibility entails a situation where there's a budget allocation to a specific ministry. But then by the end of the implementation here. The resources are not dispersed Do the government ministries. Uh one particular case is a case where resources amounting to 155 155 million dollars were allocated uh for the procurement of ambulances in major uh referral hospitals buying of equipment uh and refurbishment of these health institutions. Out of 155 155 million ah Zimbabwe an dollars. Treasure only released two

million. Which constitutes about 1% of the approved budget. So this is something that um a civil society we should keep keep watching for because sometimes we celebrate the allocations. But then when it comes to disbursements they are quite um uh they are quite low to the extent that um the goods and services are not made available to citizens. And of course for us we know that the poor and vulnerable who are actually supposed to benefit from the provision of uh public services not actually uh having those benefits. Uh then in terms of um long outstanding government revenue, the government is supposed to receive revenue either in the form of levies, in terms of fees, in terms of rents, in terms of surcharges. And the government is not collecting such revenue. Uh which amounts to 400 445 uh million dollars. So there's no deliberate. There are no deliberate efforts by government uh ministries. Several ministries public service, lab and social warfare, lands, mines, local government, primary and secondary energy, youth and recreation, they are not collecting revenues. So where we complain about unavailability of resources . For me I would rather think that ah the government is not doing enough in terms of collection of that revenue.

Which of course affects in terms of um implementation, achievement of ah ah human rights and broadly the achievement of ah sustainable development goals for the country. And of course the medium and ah long term plans for the country. Ah so and also what was ah quite daring for me in the main report was the fact that ah the Zimbabwean corruption commission did not submit financial financials for audit purposes for both 2018 and twenty nineteen. Ah for me then ah Zimbabwean corruption commission does not have AAA moral ah obligation uh to then question in terms of irregularities that are happening in other government departments. The same applies to the Zimbabwe Electoral Commission. There were no um audits that were submitted or audit reports that were submitted for analysis. And it's something that um worries us quite a lot. Uh especially as transparency on National Zimbabwe. We do work closely with the Zimbabwe and corruption commission. But the fact that they also don't submit their audit reports. Uh bring a lot of questions in terms of um their uh integrity as well as an institution. Um then in terms of just a moment I need to drop a call. sorry about that. Um of course the uh parliament of Zimbabwe, I just want to mention this

That uh there were no serial numbers for about 11,004 11,400 litres of diesel. And 11 thousand 11,200 litres of petrol. That were dispersed to Chief Wips in twenty nineteen. So we are talking about 11,400 plus 11,002 hundred. Only this to Chief Whips. I look at the ah pantom but at the same time there were no serial numbers in terms of um the coupons that were actually dispersed to them. And this will actually compromise in terms of accountability for public resources especially at the uh institution that we expect uh to be highly valued. Then with regard to public service, lab and social welfare. Um for several years. This ministry has been failing to disburse resources to the beneficiaries. And uh they could only um in care costs associated with um interbank um charges. Um amounting to 414 dollars. Uh instead of um the 57 thousand that have been dispersed. That was supposed to be uh utilised and is being dispersed already. To the ministry. So some of the vulnerable groups that we have in our societies. It's not because the government does not have resources. But resources are made available. But then the ministry does not disperse the resources until thirtieth of December. Where all ministries are supposed to return all the money back to the ministry of um to to the

ministry of finance. Uh
Then there was also excess
expenditure in the Ministry of
Defence Um and of course um
excess expenditure is cutting
across government uh different
government departments . So I
just want to also go to the
Ministry of industry and
commerce. Um which is
outstanding uh advances for
foreign travels. Amounting to
about 5,900 forty-eight. Where
people travel at their money.
But they fail to come back and
do a quit hours. Uh and this eh
is outstanding for more than 2
years and the ministry is not
doing anything to recover the
money. Ah the same goes to
furniture amounting to over 160
thousand Without um obtaining
any competitive quotations. So
the public procurement and
regulator authority of Zimbabwe
ah is specific eh provisions
for public procurement . But
they are not being um uh they
are not being adhered to. And
this is a cause for concern ah
across government departments .
I don't want to keep talking
about the inefficiencies but I
also want to just go to the
council of chiefs. Uh I think
council of chiefs uh they are
familiar and famous for the
purchase of vehicles. Uh so
they did not follow any
procurement guidelines and
procedures to the extent that
the procured vehicles four of
them at a cost that exceeded
the authorised amount by 297

297 thousand US dollars. So just look at the figure. We are talking about four four vehicles. Ah for council ah for chiefs which were bought. Ah and the amount exceeded the market value by 297 thousand. Just imagine how much those vehicles were purchased for. And it's something that um keeps on cropping across government departments . I just quickly got to to my recommendations. Janet has done justice to them. Uh but just to mention that um there's need for consistency in terms of implementation of OAG's report. And uh I've mentioned this before that the West approach that we use in Zimbabwe Where the audit office is only responsible for conducting the audit and pass on the report to the ministry. Um for presentation before parliament. And of course recommendations being implemented by different and corruption institutions. But I do believe that the audit office should actually be empowered to to have powers beyond just doing the audit but also following up on the recommendations. In ensuring that those recommendations are actually being implemented . And of course there's need coordination amongst anti corruption institutions. The audit office does its job. Parliament cause people to answer for questions. And thereafter and issues uh passed

onto this barber and corruption commission which sometimes does not um do the investigations. If done sometimes when the issues are passed onto the uh national prosecuting authority. Then uh the issues are not taken to courts. And they uh keep uh issues on the without actually ensuring that um justice is delivered. So there's need for coordination and collaboration amongst these institutions. And of course the government um I think in the recent months they've been shrinking uh Civic and Political Space for citizens to come together and would the government to account. You know it's for the common good that citizens should come together. But of course through the different letters such or instruments and acts of parliament. They're actually tua the efforts of civil society and the major recommendation is that the government should open up spaces for civil society to do their work. And um my final uh recommendations I would regard to civil society organisations. Even ensuring that they do their representative role. Uh where they um do an analysis of the report. Uh demystify the information. Uh to and also pass on the reports or analysis in uh in venecular language languages where citizens are able to understand and fall up on the recommendations

especially those that are implemented by uh the local authorities in pursuit of the devolution agenda that is being implemented and of of course continue with our oversight in terms of revenues, education, raising awareness and also creating spaces for dialogue like this where government officials, members of parliament come together and agree on common positions in terms of the way forward. Um I end here and end over back to to our moderator. Thank you so much.

Uh thank you uh very interesting observation about Zach Begs the question that normally arises of eh who guards the guards. Or who guards the policemen. Um thank you all for a few panelists for very incisive analysis and eh some eh eh challenging recommendations. We Now in the time for discussion it's uh not very extensive, but I'm sure if we keep our comments or questions very short and precise, we will cover ground. Me, uh, again, underline, the we try and find tooth problems Of impunity, problems of uh lack of governance, uh problems of uh uh lack of care really for husband uh public resources. Kindly those of you who can indicate that you would like to make a contribution by raising your hands on the uh reactions

panel. There is a facility for raising or lowering your hand.

Uh I see Rusty has raised his hand being a panelist. Let me sit on you for half a minute just so as I can challenge other participants to to come up uh

I see Tony Rila. Please you have the flow.

Go ahead Tony. Thank you I'm gonna assist my video cos they look like something from a movie. Thank you very much for all of you for these presentations. I'm echoing Evo's comments at the beginning. kind of shocked that this critical issue about where does the money go has such low attendance. what I would really put to the panelists is can I join the dots? Um the Auditor General's report is a really critical report. Uh it talks about local leakage, mismanagement, corruption . and I noted yesterday that uh the basil institute for governance in its uh assessment worldwide uh money laundering rated Zimbabwe the twelfth most vulnerable country or the worst country in out of 178 countries Poor corruption and illicit money Lord. So there's a series of things that need to fit together here somehow. In order to generals report leaks into uh money disappears from the fiscal s. That's unaccounted. Then we have serious problems with illicit financial flows. That's agreed by the government

under the uh Eastern Southern African money laundering groups reports . It's amplified by a series of reports that are coming out now on cartels and the links between business and government and money flowing out the country. And all of these speak to some kind of problem that I think Janet raised. And that's about governance. So it seems to me that the heart of the problem here is really about governance. Um and so we are beginning to talk in the framework of political economy. Not just economy. Not just uh how we spend money or don't spend money or account for it or not. We're talking about systems that are failing We're talking about structures of the state that are not functioning properly. So it seems to me that if you join all the dots then we are really raising a deep political problem. And that is, we need something called the reform of the state. Um, and that's a big political question right now, and certainly, ahead of the coming election. And I would hope that the speakers can join about how these issues are going to be fundamental to uh any kind of election process Uh and to the platforms that parties will adopt. About how they gonna reform the state. And the problems that are inherent in the Auditor Generals report.

And not be talking about whether we gonna have high speed railways or a middle economy by such and such a time. But actually how they are going to fix the problems. The night out, the auditor general's problem and fly out through all of these things in this financial flows. cocktails, corruption , etcetera. Thank you. Thank you, Tony. I see Tabit, could I challenge more of us to please participate? Particularly in indicating the solutions. Cape Loro, thank you. are you there? Okay. Okay, uh I would like to thank the can you hear me please? Yes, we can hear you. I can also see you as well as hear you. Yeah. Yeah, I would like to thank the presenters for the very powerful uh presentations I am just wondering as a citizen, how can we strengthen the accountability our institutions. I think this is very very uh important. I know that you mentioned this. Uh is it possible actually um for citizens to uproot uh the appointment of some of these uh people in senior positions. Uh especially critical positions Uh you find that some some of the people are appointed to these critical positions when they are not qualified in those positions. Uh I think something should be done. So that eh citizens can approve the

appointment Like eh in the past you know someone would be appointed. Minister will finance. When that person is not even in a economist. So honestly how can we expect go to the south, ah, where we have some people who are not qualified, and you can't challenge it, some of these people because they are politicians.

Thank

you. Thank you. Uh I see love more Kadene. Please you have the flow.

Love more, are you there?

Hello, love more, are you there?

Um love more is not connected.

Yes I am. Alright. Welcome.

You're fine. Thanks uh Doctor Makon. But thank you very much.

Um eh for very good presentations I noticed that from the various presentations including by Janet Ro. Where we are saying reasons for the failure, for the problem we face. Ah, incompetence, there is theft, there is corruption , honorable duvet spoke of ignorance. But I think at the end of the day, Zimbabwe , pride itself, of having an educated labour force. And I am uh, a member of an organis called the Institute of Chartered Secretaries and Administrators. And I know there are other institutions like Institute of Charit Accountants and Sima. And they are being there is to train

people to run organisations properly. And I'm wondering my question is to the various especially members of parliament. And others where we are seeing deficit In leadership in issues of governance. don't we use some of these institutions or take advantage of them and their members. Because they are training they are training is to make sure that the organisations are run properly. So maybe by by issue is there is a need of political will. Because these issues are raised every now and again the world need to raise the number of these issues. But we have people who are qualified. Who can do these jobs. And uh we need political will eh in terms of employing people who are qualified And also like what Janet mentioned eh and some other mentions that this issue of impunity. Because if issues are raised that things are not being done properly. Respect there is corruption . They must be a penalty. But when people are not penalised for stealing. For like what Honourable Makam was talking about. They will continue doing these things. So I think collectively as civic society like what Janet was saying. The citizens must take this issue up. And make sure that we are in charge of the process. Otherwise we will continue complaining. Thank you very much.

Ah thank you love more Uh call for more citizens and agency. Ah before I pass the floor on to Rusty, let me just indicate ah the balance of our tongue. Ah when Rusty finishes I would like him to combine it with his own concluding remarks and then we will take not more than 3 minutes from each panelist. In concluding remarks. And then eh I will have uh a few observations to make before Igbo thanks us all for being here with him. Rusty, over to you. Uh thank you Simba. I'll I'll I'll cover it all as closing remarks really. Uh in answer to your question, um I believe that there should be better coordination literally to a meeting a month between uh the Auditor General's Office, the NPA the parliamentary accounts committee and Zach. Because it's no use finding all the problems and leaving them smoking there. We should get Zack involved and they must get onto it. And and I love the last speaker's uh uh question. And the bottom line is when you got an account when you got an accountability and you've got non transparency. It leads to corruption and cartels and these things can only survive and I'll say this time and time again they can only survive with political cover. Otherwise it would never happen. With political cover you can do what you want and you know you are safe. And when I say this we

should be looking at the Governor of the Reserve Bank. We should be looking at the Speaker of Parliament and saying why aren't ministers attending question time? It's contempt. And we are in this downward spiral of saying it. And and so that in my uh immediate thing is we could solve that quite quickly by doing that by saying guys you gotta be in the party. I'd just like to comment on a lot of things that uh uh Janet said in my wrap up. and uh um uh Tefazo. The the I've got three things here. All corruption at local government occurs in three or four places. The allocation of stands, employment of people, procurement , and the planning stroke uh uh landsperson. The issue of massive deaths are left out purposely because I promise you, if we go down this, we need another complete thing on local government. The debts are massive at local uh government and there is no chance we can get any service delivery . That I assure you, I'll give you one example. City of Rory paid for a whole lot of waste management trucks. I think it was thirteen and only half were delivered. 2 years ago, three dollars is outstanding and no one's done anything about it. I have here as a slogan always ask the question and if you want it done, do it yourself because

it's not gonna happen. One solution I have for local government is very simple. Any local government committee meeting and any full council meeting, the minutes should automatically be sent to all the residents associations involved. Because they're lies all the information you need. And they will not do it. I've been pushing that for five years. They will not do it for the simple reason is they covering up what they do. And the second issue I have on local government, every single internal audit done at local government level, including what they term now, special reports , should automatically be sent to the Auditor General's Office. I thank you. Thank you Rasti. Very precise. Uh Brian, I see your hand is up. Combine what you would like to say with your hand up and your concluding the mask. Thank you. Thank you very much. My my reaction to the questions is actually that I think, our, our main challenge relates to culture that the country has, the culture of impunity. as well as lack of clear ideology and the what I can call an economic development strategy or plan. Which is why ministries at times seem to be confused in terms of what is it that they are supposed to be doing. But by and large the aspect of also not knowing what they are doing in the offices

is also as a result of nepotism and corruption. But I can confirm to the person that was speaking that in parasite house and local authorities actually it was confirmed that there are a lot of people who do not know what they are doing. So it is true. Despite the allegations that we are in educated nation. They appear in places do not know what they are doing. But I can also then say by way of recommendation what we have done is public accounts committee is that in the committees that we have is now said the members of Zac already the the order general is part of the that committee but members of Zac we have now been invited to come and be observers and listen. So that when issues arise where we need immediate action we may actually call for that to be done. So I can actually say we have been proactive as parliament but we can only do so much. A majority of the things then will fall at other levels. Like for example you are the MP. You will not be the arresting person. Neither will you be the prosecutor or the judge. So even if you are convinced that he is something wrong was done. It is dependent upon the competencies of the national prosecuting authority Zac. As well as the judiciary. To convict or acquit individuals. So he MPs have already pointed issues I've

seen. Honourable Makami has said a lot of things.

Honourable Mliskwa, myself, I think a lot of other MPs have always been saying a lot of these issues, but that's the oversight role that EMP do, they are not the ones that have powers to arrest and prosecute people or then try them. So hê, the other institutions must also play their role. We, that's the main challenge.

Doctor Makon, and here for purpose of time.

Thank you very much, Brian Uh reemphasizing the importance of coordination and cooperation among various agencies. But also underlining big uh problem of impunity. Um thank you uh Janet. Your three minutes? Yes thank you Doctor Makoni. Uh so in my concluding remarks I think we we really have to deal with the issue of uh impunity and lack of uh accountability . And uh in doing this I think I have about four issues that we need to address. One it's the issue of optics. in our advocacy Um who is asking the critical questions, I think is really key.

who is at the forefront, who are we putting at the forefront and expecting to be asking the questions I think is a critical question as we are putting in, in courts, politicise the auditor general's reports is very important. So the optics around putting the human face to what this bleeding of public

funds and squandering of public resources is doing should be visualis um at the very, you know, community level or or grassroots uh level we should also be able to pick from the optics and put those who are actually vandalizing these resources and squandering the resources so that we really understand you know the political economy and the root causes of our problems if we are to have um a common sustainable future that has got systems in place that safe our resources . Um Honourable Dube has spoken on the second issue I wanted to speak to which is the issue of our ideology. And ideological grounding in terms of the economic model that we want to pursue as a country. I think that will allow us to think about the different sectors of our society who are affected and how we want the economy And the responses that we make when it comes to public funds, public finance management is to then be at the centre. I want to think that if we do have that kind of an ideology, it will give us stronger oversight By those that have the mandate to play the oversight role. Because it scissors to be a personal issue Um to being a societal social contract issue. That we have to deal with. And grapple with. And ensure that that those who have the mandates are accountable and are willing to

be under public scrutiny. For the resources that they are stewards for. The third issue is on understanding our state's craft. I think we we have such a difficult uh state craft in Zimbabwe I think the cartel issue has been spoken about which almost operates as a parlor government. So we need to understand our state's craft So that our advocacy is also pointed very deliberate in terms of where we want it to get to. I think it's high time we move from the omnibus kind of advocacy. We just say we are working with parliament. We want to strengthen the role of parliament. But we need still to disaggregate that parliament and say who is sitting where in parliament. Who has got what power you know the power dynamics around you know our political sphere and the different arms of government and see how we penetrate and capture um those that we can work with and have allies in our advocacy. So I think it's high time that we really understand that state craft and we unscramble it. So that our advocacy is really pointed if we are to get results and make use actually an optimum and maximize on the findings of the auditor general How are they taken up? Either do we have the public uh prosecutor? Do we want to go to the Human Rights Commission with some of them that we believe have prejudiced

human rights? Do you want to go to the Zimbabwean corruption committee? But they all have issues. So it's we need to really deal with our state's craft. I think that is one of the big issues that I would want to put on the table. The last issue is on the language. we will need to yeah, deal with, with our issue of the language. I, I struggle When we're talking about the auditor general's reports and whether my mother can understand these findings. Is to make sure that we speak in very simple languages, Or language for them to really understand and be able to hold accountable. Cos they're talking about raising the citizens agency here. when we are talking about misappropriation of funds or corruption or whatever. I want to go with, let's go and say, yoh, MP, or your minister, that one of you would stole money last year. And this is how they stole the money. And we explain to them, we simplify these, these, these documents, and the jargon and the accounts, and the economics that we are talking about. And so that it is, it is relatable with their day to day lived realities. They can really tell why their garbage is not being uh, collected, why they don't have water, why they don't have health facilities, why they don't have education and their children are just playing on

the roads, if it's lockdown,
and we can you know the auditor
general's reports as a basis
for those conversations. So for
me I think we want to take
these conversations to the
streets, to the people and the
language has to be made in such
a way that the people that we
want to target, if we want to
change the optics as well of
our advocacy, the language is a
big issue that we have to deal
with. I think language remains
a hindrance for us to build um
strong agency and I will put it
there that as as a follow on
and as we continue to to go on
with this work, we have to
reflect on how we've used
language to exclude others, to
exclude the most, most of the
citizens that are affected
would be part of this big
conversation that we are
having. We have used language
to, to, to exclude others. And
um, we should be turning that
around and ensure that we use
language that is more inclusive
we ensure that we build a broad
social movement for these
issues. Thank you very much
Doctor Makon. I hand back the
mic to you.

Thank you, Janet Very important
point is, let's deal with the
optics, let's make it visual,
let's have a visual impact.
Let's review our national
ideology. So as we can deal
with things that affect the
people in their everyday lives.
Then let's be pointed or

targeted in our advocacy. Not make it too general and too broad. So as it has impact. Finally let's use language that enables everybody to understand what we're talking about. Over to you. Okay, uh, thank you very much uh, doc. Uh, for me, my concluding remarks, uh, such that, um, I don't think we have a problem of non availability of resources in the country, uh, which necessitates the government to either borrow more money, uh, or uh, allocate more resources , but I think for me, it's about failure to manage our own resources . So, this across in terms of the public resources that are already in the national pace. It also extends to our natural resources. We have a challenge of managing our own resources. This is associated with lack of transparency and accountability in the way the government uh operates. So I just thought I should emphasise that um our efforts as civil society organisations as members of parliament should actually be focused on ensuring that we reduce the resource ages. Not the leakages that emanate from um the investments, non-payment of taxes. But rather leakages that emanate from the national pace itself. Then I also want to mention that um public procurement is highly becoming a conduit for corruption . Where people that are politically connected uh do

benefit immensely uh from this um um form of corruption in public procurement and of course we have made demands in terms of um information with regard to the beneficial owners of the companies that um regularly benefiting from the um contracts with the government. But of course the government is uh deliberately not releasing that information. Because of the political connections that do exist. And of course this also um takes us to the issue around political integrity itself. As we approach ah twenty twenty-three. Vote for local and also national elections. We need to reflect as we go on how are we going to handle issues of um political integrity. How um companies and individuals can contribute to the election process in the boom of resources and issues. Uh what constitutes um vote buying? What constitutes? The contributions that we have. So we need to reflect on this uh emanate from the findings of the auditorium. General General's reports where we have seen that most of the companies that um donate during elections actually the ones that benefit more from public procurement and um the benefits that comes from there. Um I also want to say that uh we need more actors in enforcing recommendations of the Auditor General's report. I always say that um we need to

make a systematic noise. And I owe give an example of mosquitoes. You know when, when, when mosquitoes make a systematic noise, you may ignore them at first. But subsequently you have to take action. So a civil society, a citizens, we need to build that um, citizen agents, that common voice, uh, for advocating for um, transparency and accountability in our resources . I also uh, concare with Janet, when she says, we, we, need not to grow much on the figures. The figures of course are important for accounting purposes. For us to know how much indeed has been lost. But of course we need to connect the dots in terms of public service delivery in the attainment of human rights. The resources that have been lost. How do they translate uh in terms of education, in terms of health, in terms of water and sanitation. In terms of housing. In terms of addressing poverty. I think connect this to the achievement of the seventeen sustainable development goals. Including the achievement of um equality between men and women in terms of um benefiting from the resources that we do have uh as a country. I think in my last point uh speaks to the issue of um local authorities. Ensuring that um citizens are actually empowered. to hold local authorities to account in

ensuring that this particular discourse does not only become tropical when the report is out. Eh civil society when we make noise about it. We need to sustain the discussions even um when the budgets are released. When the uh allocations have been made when disbursements have been made. To keep talking about the result of the General's report and keep the government on his feet in terms of ensuring that um they implement in, in, in an effort to ensure transparency, accountability and integrity in terms of uh, the government officials. I think these are my last remarks. Thank you very much Doc. Thank you very much to, to our host. Thank you Uh a very interesting uh recommendation there about making keeping making the noise like a mosquito. Have sufficient nuisance value to be noticed. Also at some point as to key issues about political financing. And the capture of state and tenderpreneurship. Uh that warrant their own sessions uh for engagement. Particularly political financing. Thank you Davao. Um colleagues this nearly brings us to the end of a very uh challenging, fertile uh dialogue . Uh more questions arise than answers but a number of important pointers to what could be done. All anchored around citizen agency. engaging appropriately with key stakeholders. The key analysis

that emerges though is a an unresponsive state and state machinery that allows a total impunity not just in terms of misapplication of resources and abuse of such resources but opening opportunities for corruption and even money laundering. Um I, I, I think we have just opened the door, to what are really profound questions about the state of Zimbabwe . In one dialogue , we were examining whether Zimbabwe is a failed state or not. When you look at what uh, Mildred Chiri has presented almost every year, and I dare say, it's nearly 20 years now since I left Ministry of Finance, but I know Eric Harrod, who was in Mildre position when I was minister of Finance was posing very similar questions and issues like we are facing now. And so the fundamental question is over two decades. Or maybe the whole life of independence Zimbabwe . How is it we can't respond to these issues? That's that's really a key question that encompasses a lot more sub questions. Let me thank you very much for recording me the honour of eh moderating our session. I am ah sorry that I was blinking out from time at the beginning. Thank God my network is now very stable and I have the opportunity to bring our discussion to an end. And in that context ask Igbo for the last word. Thank you Thanks uh thanks Zimbabwe . Before I

thank you and the panelist. I want to acknowledge uh in this very small but well defined audience. Crystal Mary uh my sister who just arrived from Europe and my old brother still in Rylander. uh many of you know him. From Sweden. Patrick Smith. My brother somewhere in London. Uh Chris Mukofa in the diaspora. And at home here my sister uh Tabit. And that represents their pendulus and we were devastating you know presentations. Uh rusty eh honorable Dube eh Janet Dafazwa, passionate in your in your presentations, eh, I can't help but summarise some of the things that the judge had to make, accountability , deficit. the percentages that uh Tafaswa gave as to the labour of impunity incompetence safety and corruption misappropriation, non-compliance generally, went on on in Simba's own conclusions about the nature of the state, the state of Zimbabwe as as put it well. TIZ we thank you for partnering with us. I just want to make one point which I made in one of your one of the the reports that you commissioned me to to do on an earlier scandal, the Christmas scandal. Where the head of Christmas was, the chair of Christmas was getting seven, half a million US dollars. To remember and the board members were getting hundred thousand. US dollars

for a board sitting. I made a point that the the corruption has become so endemic at that time. There's about five, 6 years ago. And I thought that instead of uh pillaring people for corruption so on, why don't we start demanding Janet and others here. Demanding that money. open an account and you demand that they pay back the money. They've stolen. they've taken, They're misappropriated, they've abused. I think it's a, it's a point that we should take up. not a suicide but as Zimbabweans in general. We regret very much uh but as I pointed out we warned uh that the opening of this session that in previous uh policy dialogue s where we've tabled the auditor general's report. We have also a very poor response. Happily. Thanks to technology. these discussions are recorded. They on Facebook. They'll be on YouTube by tomorrow. In addition we have a system at uh service to transcribe. publish these in the form of policy briefs. And this one we will publish very quickly. As a policy brief to be online. Uh we will see the website of service now. We have uploaded. We are in the process of archiving all the stuff we have done. Since nineteen eighty-seven. Uh being archived. Uh and the policy briefs become a very eh veritable record of the

discussion we've been having in the last 2 years in particular. Nothing is lost here. We hope that through modern technology you can reach out And have a follow up in terms of what should be done. So Zimbabwe for doing the honourable as you always do. Thanks very much. And to all of you Until next time. 2 weeks time. When we meet around some pertinent uh symbols is a state of Zimbabwe . It's full of so many problems. There's no shortage of topics. Eh through which to to dip into the nature of the crisis before us. Thank you and good night. Thank you everybody and stay safe. Mask up. Thank you very much. Have a good evening. Thank you. See you everybody. Good night. Thank you. Thanks for the night. Bye. Goodnight everyone. Thank you. Bye. more deeper the holy one up a enough