

DEVOLUTION IN ZIMBABWE

DEVOLUTION

- Section 264 of the Constitution provides for the devolution of Governmental powers and responsibilities to Provincial/Metropolitan Councils and Local Authorities.
- Is the transfer of power and responsibilities from a central government to sub-national authorities.
- The emphasis is on economic development and not political power, which remains in the hands of central government, under the country's unitary state structure.

DEVOLUTION OBJECTIVES

- Sec 264(2) explains the objectives of devolution which are:
- To give powers of local governance to the people and enhance their participation in the exercise of the powers of the state and in making decisions affecting them
- To promote democratic, effective, transparent, accountable and coherent government in Zimbabwe as a whole

DEVOLUTION OBJECTIVES

- To preserve and foster the peace, national unity and indivisibility of Zimbabwe
- To recognise the right of communities to manage their own affairs and to further their development.
- Ensure the equitable sharing of local and national resources
- To transfer responsibilities and resources from the national gvt in order to establish a sound financial base for each provincial and metropolitan council and local authority.

FISCAL TRANSFERS

- Section 301 of the constitution provides for fiscal transfers to both Provincial and Local Governments.
- Section (2) also guides on how the funds should be utilised. It lists the following as some of the factors to be considered;

REVENUE SHARING

- Provincial Councils
- Local Authorities
- Vertical- Operational 10% (40:60) Capital 90(10:90)
- Horizontal- Formula

IGFT FORMULA

- A simple and objective formula is in place. The formula comprises of the following components: -
 - i. Population (20%) - 2012 Census National Report, adjusted by the annual growth rate of 1.1%.
 - ii. Poverty prevalence component (30%)- Zimbabwe Poverty Atlas (2015) Report.
 - iii. Infrastructure Deficit component (50%) - Roads Condition and Inventory Report (2017).

BUDGETING

- The Ministry of Finance each year provides an estimate for distribution.
- Ministry of Local Government distributes the allocated funds to each Local Authority using the formula.
- Each Local Authority is advised of the estimated allocation for budgeting
- Local Authorities through their structures have the prerogative to choose projects.
- After budget approval Local Authorities are expected to submit monthly cashflows to guide disbursements.

IGFT ALLOCATIONS

- Allocations from 2019 -2022

Year	Allocation	Disbursement	
2019	703,000,000	658,625,000	94%
2020	2,500,000,000	1,035,445,000	41%
2021	19,540,000,000	4,600,000,000	24%
2022	42,000,000,000	1,400,000,000	3%
Total	64,743,000,000	7,694,070,000	12%

DEVOLUTION CIRCULAR

The Ministry issued a Devolution Circular in 2019 which pointed out that:

- Devolution funds are capital funds which shall not be used for recurrent expenditure.
- Transfers will be done in batches to fund approved projects.
- A dedicated bank account should be opened.
- PDC and DDC offices shall monitor project planning and implementation.
- LAs should acquit all grant transfers.
- At all times the acquittal report should be accompanied by Council's Internal Audit detailing the economic, efficient and effective utilisation of funds disbursed

DEVOLUTION MANUAL

- Ministry in conjunction with Ministry of finance is developing a Devolution manual.
- The document is at consultation stage.
- Validation is set to be done before end of April.

MONITORING VISITS

- The Ministry does project monitoring being undertaken using IGFT funds.
- The objective of the monitoring visits are;
 - i) Assess if the Local Authorities are implementing projects as per implementation plans and Gantt Charts submitted to the Ministry.
 - ii) Assess if Local Authorities are in compliance to projects approved in their budgets.
 - iii) Meeting with Local Authority personnel for skills exchange.
 - iv) Assess if the Procurement Management Units (PMU) are in place in respective Local Authorities and establish challenges.
 - v) Interpretation of the Devolution Circular
 - vi) Field visits to funded projects

OBSERVATION

- Inadequate technical staff to implement projects
- Fuel and power shortages
- Implementation of numerous projects by Local Authorities
- Local Authority Internal Audit function not visible
- Lack of capital equipment
- Low disbursements against allocated amounts
- Expensive quotations for goods and services
- LAs not acquitting

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- 'THANK YOU