

THE WEEKEND READER



“Your Weekly Read on Debt, Development & Social & Economic Justice”

‘COVID-19 VACCINES. WHAT IS AT STAKE AND WHO IS GOING TO PAY?’

The need for clear policies in Zimbabwe cannot be over-emphasized and the COVID-19 vaccine plan being a topical issue is included. Whilst fighting to control the virus, the government should be cognizant of the fact that active cases also need resourcing therefore the loud and clear call for transparency and accountability of COVID-19 resources. The Government seems to be dragging and delaying in decision making when people are perishing, the lack of urgency is quite appalling. It is also important to note from the onset that COVID-19 vaccine is not a cure but a measure to mitigate and control the COVID-19 cases, thus all efforts and resources should not be directed to the vaccine. If Zimbabwe is well resourced to acquire vaccines as per Nick Mangwana’s statement reported by The Herald on 30 January 2021. Why has it taken so long to procure the much needed vaccines and ventilators? If ZIMRA recorded a surplus why not channel the resources to adequately fund the hospitals to fight the corona virus. The resources should benefit everyone no one should be left behind, therefore the urgency in resuscitating health sector as a whole is critical, hospitals and clinics in marginalised communities also need to be prioritized and this can be realized through ensuring that they are equipped with ventilators, health personnel and adequate medical supplies. Zimbabwe can do better and draw lessons from neighboring country not to wait till the surge has affected most people. Zimbabwe Coalition on Debt and Development this week held a Public Finance Reform Indaba on COVID-19 Vaccines - What is at Stake and Who is Going to Pay?

THE PUBLIC FINANCE MANAGEMENT REFORM INDABA OUTCOME STATEMENT IS AS FOLLOWS:

The Zimbabwe Coalition on Debt and Development (ZIMCODD) convened a virtual Public Finance Management Reform Indaba on the current debate in Zimbabwe regarding COVID-19 vaccines and the Government of Zimbabwe’s (GoZ) plans to finance and roll-out the vaccines. This follows contradictory policy pronouncements from the Minister of Finance and Economic Development and the Minister of Health and Child Care on the choice of COVID-19 vaccines, national vaccination processes and financing for the vaccines. The Indaba thus interrogated the topic **‘COVID-19 Vaccines. What is at Stake and Who is going to Pay?’**

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It is important to put COVID-19 vaccines and their financing into perspective. There is no argument against the need for vaccination. According to Mr. George Guvamatanga, the Permanent Secretary of Finance and Economic Development, the government has set aside USD\$100 million to procure around 10 million vaccine doses to immunize 60 percent of the population in order to attain herd immunity. Complimentary containment measures including smart border controls and a functional test, trace and isolate system to manage future outbreaks will also need to be sustained. Long-term planning is therefore required to prepare for a future alongside COVID-19. Stakeholder willingness to support the realisation of a long-term national plan as well as the Constitutional epitome of devolution enjoins the GoZ to consult all stakeholders from lowest to the highest levels.

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Transparent financing and equitable access to vaccines is a critical pathway out of the current lockdown measures and a vital aspect of the sustainable management of the COVID-19 pandemic in Zimbabwe. According to the Deputy Chairperson, of the National COVID- 19 Taskforce, Prof Amos Murwira, the vaccination endeavour is part of the second line of measures in the fight against the pandemic. The first front entailed social and physical measures accompanied by national lockdowns. However, economic hardships, infrastructural decline, brain drain and policy neglect have undermined the success of frontline measures leading to the current rise in COVID-19 deaths and infections. Polarisation, public distrust of authority and information gaps have also weakened popular adherence to frontline measures of mask wearing, social distancing and sanitisation.

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Many Zimbabweans have reason to fear delayed or lack of access to the vaccine. Already, Government has indicated that taking the vaccine will be voluntary and not compulsory. The Chairperson of the Zimbabwe Investment and Development Agency Busisa Moyo, indicated Private Sector capacity to procure at least 1.4 million doses for employees. However, a major question still arise on how about the families of the employee? These developments jar against the reality indicated by authoritative studies to the effect that unless 40% of any population is vaccinated COVID-19 may continue to spread within the population. Prevailing realities of the unequal, privatised and exorbitant treatment options for COVID-19 patients add to fears of exclusion amongst Zimbabwe's poor and vulnerable. This is an important moment for the nation to seriously consider instituting a Universal Health Credit Scheme and a legislated commitment to the 15% health expenditure target outlined in the Abuja Declaration to insure the nation's health and resilience to pandemic.

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US\$100million has so far been allocated for the procurement of COVID-19 vaccines. Indications are to the effect that the US\$100million comes from the surplus from the 2020 national budget and tax. Again, greater detail of the actual financing sources and mechanisms for Parliamentary oversight and public disclosure around the resourcing, procurement and distribution of vaccines from public resources will help increase stakeholder confidence and buy-in into the GoZ vaccine plans. According to Judith Kaulem, the Executive Director of the Poverty Reduction Trust, the lack of transparency in public finance management has resulted in a depressed fiscal space and low domestic resource mobilisation to fund public services.

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According to Prof Murwira, Zimbabwe does not need to borrow any money to finance the procurement of vaccines. However, it seems inconceivable that Zimbabwe will manage to secure the required 10 million doses without debt financing as there is no clarity on whether the 2020 budget surplus is in real terms. Zimbabwe is currently in debt distress. According to the 2021 Budget Statement, Zimbabwe's total and publicly guaranteed debt is estimated at 78.7% of the GDP which is above the statutory provision of 70% of GDP and the SADC 60% threshold. External debt alone is projected at USD8.2 billion. However, in the context of life saving vaccine and the provision of other essential social services, Zimbabwean authorities need to assure the nation of robust mechanisms to ensure sustainable debt management. Parliamentary oversight and regulation as well as publicly accessible registers of public contracts are vital to ensure transparency and accountability around COVID-19 related debt contraction.

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Zimbabwe need not go it alone when it comes to the mobilisation of resources and procurement of COVID-19 vaccines. Already Zimbabwe has submitted an expression of interest for inclusion in the Africa Union COVID-19 vaccination programme. Zimbabwe will also benefit from the World Health Organisation's COVAX facility and bilateral arrangements with countries such as Russia and China also hold promise. Restoration of Zimbabwe's standing as a norm complying global citizen will undoubtedly increase Zimbabwe's options including inclusion in negotiations for better prices from global suppliers.

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The GoZ open for business and private sector led growth thrust creates room for the Private Sector to make financial contributions to the national vaccine efforts. Indications of policy measures to enable Private Sector players to keep a quota of vaccines procured on the open market risks widening

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existing inequalities and distorting the cost structure of vaccines. There is therefore need for clear regulatory mechanisms, to guide the procurement and distribution of private sector acquired vaccines. Similarly contracts for the procurement of vaccines through private sector actors must be subject to formal and transparent procurement process. Specific consumer protections are also vital to safeguard Zimbabweans from unfair business practices and the emergence of a black market in COVID- 19 vaccines and documentation.

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Entrenched information gaps heightened by lack of clarity in relation to relevant issues such as schools re-opening; resolution of health workers concerns; the effectiveness of available vaccine options against mutations of the COVID-19 virus; the capacity of our health infrastructure and personnel to handle some of the vaccines and the roadmap out of current lockdown conditions require consistent communication and stakeholder engagement in non- partisan and inclusive platforms for all Zimbabweans to play a part.

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Thus, a clear, transparent and inclusive vaccination plan is what Zimbabweans require at the moment. Transparency, accountability and fiscal management must be of the highest order to deter corrupt practices. The vaccine must reach the most people throughout the entire nation and due diligence must be done to ensure the correct COVID- 19 vaccines are bought. We need a Peoples' Vaccine!

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Ultimately Zimbabwe will not be able to overcome the pandemic through vaccination alone. It is time for Zimbabweans to consider long-term solutions to help the country co-exist with the COVID-19 virus without jeopardising the prospects for all Zimbabweans to live in dignity and prosperity.

ZIMCODD is indebted to the esteemed Panel of Prof Amon Murwira (Deputy Chairperson COVID-19 National Taskforce and Zimbabwe's Minister of Higher and Tertiary Education, Science and Technology Development) Busisa Moyo (Chairperson of the Zimbabwe Investment and Development Agency Board) Dr Norman Matara (Secretary of the Zimbabwe Association of Doctors for Human Rights) and Judith Kaulem (Executive Director Poverty Reduction Forum Trust.) ZIMCODD is grateful to Mr Andy Hodges for hosting the engagement and to the Zimbabwe Television Network for broadcast services.

The views and perspectives expressed in this statement are wholly attributed to ZIMCODD. Panellists and participants who participated in the PFMR Indaba may not be associated with the organisation in a personal or professional capacity unless explicitly stated

In the same for vein of transparency in public finance management, our weekly advocacy this week, tracks progress on joining Extractive Industries Initiative (EITI):

In the 2019 Budget Statement, the Minister of Finance mentioned that Zimbabwe is considering joining Extractive Industries Transparency Initiative (EITI). It's almost 2 years since this announcement and Zimbabwe is yet to join the Extractive Industries Transparency Initiative (EITI). In the interest of accountability and the principles of good governance as provided for in the Constitution of Zimbabwe, citizens deserve to know how far the country has gone with joining EITI. Joining the EITI will not result in a sudden increase in transparency but it will help the Government manage the extractives sector in a more inclusive and transparent manner.