



THE WEEKEND READER

"Your Weekly Read on Debt, Development & Socio-Economic Justice"

POMONA 'WASTEGATE' SCANDAL: SOCIOECONOMIC IMPLICATIONS, LESSONS AND POLICY RECOMMENDATIONS

City of Harare (COH) recently contracted Georgenix B.V. to run the Pomona Waste to Energy project, an engagement that has caused significant pushback from citizens, to the point of seeking legal resolution. The idea of the project in itself is commendable as it is set to feed 22 Mega Watts (MW) into the Harare electric grid. However, the circumstances around the requisite procurement processes and the contractual obligations of COH are dubious and the source of discontent amongst citizens. The innovation is designed to generate energy while mitigating waste management challenges (a step in the right direction) but due process must be followed, premised on tenets of good governance which include citizen participation, transparency and accountability. ZIMCODD here points to some key lessons, recommendations from the scandal beneficial for future policy making endeavours.

The Socio-economic Implications

- a) Possible rate increment billed to the residents who are already failing to make ends meet.
- b) Growing health and environmental hazard as residents and the COH resorting to other illegal dumping sites near human settlements.
- c) Confidence/trust deficit – the social contract between residents and political leaders in government is based entirely on trust/confidence placed upon the leadership to make decisions that are people-centred. When the trust/confidence is eroded, the result is chaos. The COH is predicted to see higher defaults of rates payments as a result of this poorly informed decision.
- d) The corporate world has also felt the effects of this poorly structured contract. Clean City, a private company providing waste removal services after the capacity issues faced by COH in the past has stated they are now unable to continue their business due to reduced financial viability. Another corporate, Waste Away, reports challenges in execution of their duties as the new management at Pomona demands payment in USD. This is a serious injustice to citizens who are earning their income in the Zimbabwean dollar (ZWL) denomination.
- e) Most significantly, the Pomona incident is a disincentive for potential investors at a time the country badly needs foreign investors. Corporates thrive profit but also on good will and image. No investor wishes to find themselves in muddy deals and facing resistance and shaming by the very clients it seeks to serve. Regrettably, the company implicated in the Pomona deal has started on a bad foot.

Key lessons that can be drawn from the Pomona ‘Wastegate’ Scandal

- i. It is imperative that when conducting public procurement, especially for contracts of such magnitude, background checks on the prospective partners should be standard procedure. Adherence to public procurement regulations should be a non negotiable practice.
- ii. There must be a balance between investment mandate and public service delivery mandate. Focus on private sector-led growth should not negate service delivery mandate of all tiers of government.
- iii. Weak, patronized and under-resourced institutions are a disservice to the nation at large. They do not serve the purpose for which they were created in the first place.
- iv. Consultation and inclusive decision-making cannot be substituted in public policy making.

Policy Recommendations

1. Central government of Zimbabwe must respect provisions of the Constitution of Zimbabwe specifically Chapter 5 which recognizes local authorities as a key tier of government.
2. There is need for speedy implementation of devolution and alignment of local government laws with Chapter 14 of the Constitution.
3. Government must put requisite bills in Parliament on devolution to govern its implementation and effectively solve problems such as delays in release of funds and the present allegations of their abuse.¹
4. We recommend setting up of an Independent Parliamentary Inquiry which reviews the contents of the deal led by the Parliamentary Portfolio Committee on Local Government and where prejudice exists, investigation and prosecution should follow.
5. The independence and strengthening of oversight institutions must be upheld in all matters of public governance.

Conclusion

Resolution of this matter is crucial and immediately requires correction for the Public Resources Management issues mentioned and the Health implications tied to it. Disruption in the collection and disposal of waste exposes citizens to the risk of outbreaks such as Cholera and Typhoid which have caused significant loss of lives in recent times. Citizens' lives should remain at the centre of public decision making, guided by the principles of good governance, equality and social justice!

1. <https://allafrica.com/stories/202205110314.html>