



THE WEEKEND READER

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

CORRUPTION AT NATIONAL SOCIAL SECURITY AUTHORITY (NSSA): A CASE OF STEALING FROM THE POOR



The National Social Security Authority (NSSA) was established in 1989 with the primary mandate of providing sustainable social security schemes for civil servants and employees in Zimbabwe, governed primarily by the National Social Security Authority (NSSA) Act of 1989, Chapter 17: 04. Following, NSSA was established to provide social security to improve the lives of citizens but there seems to be a discrepancy between what the institution was established for and how it is operating. Allegations of corruption have been rising ever so frequently while the monthly allocations being given to pensioners are too meagre to cater for their needs. This situation has been worsened by corruption and rot in the organisation especially around the issue of perks, salaries and allowances. We put forward that the current operation of NSSA is detrimental to the people that the institution is meant to serve. There is need to actively prosecute cases of reported corruption with expediency and discontinue the catch and release scam.

Corruption Cases

High-ranking officials at NSSA have been implicated in corruption cases involving millions of dollars that have eroded the value of citizen's savings. One can refer to the case involving former Minister of Public Service, Labour & Social Welfare alleged to have abused her office in deals at the entity involving amounts upwards of \$95 million. In one of the many cases, it's alleged that the former minister used undue official influence to pick contractors, subverting tendering processes. A lot of noise was made around her arrest but up to this day she is free and the citizens prejudiced haven't been compensated.

Presently, NSSA's general manager, Arthur Manase has been implicated in a corruption and looting case. Manase is alleged to have received a US\$750 000 housing loan whilst he is also receiving a monthly US\$2 500 housing allowance for servicing the loan, although he already owns a home. In addition, he is reported to have been allocated 5 luxury vehicles¹. These perks are all being given to executives while the contributing pensioners with more than 20 years of service are receiving payments which range between ZWL14 025 to ZWL34 000². One hopes that the Anti-Corruption Commission will go beyond rhetoric, prosecute the guilty and recover these lost resources.

Auditor General Reports

A recurring theme in these cases of abuse of office at NSSA is the impunity that has been created by a legal system that continually fails citizens prejudiced by graft. Every year, Auditor General's reports state the continued disregard of procurement procedures at NSSA. According to the 2019 Auditor General report:

"...financial statements of NSSA for the year ended 31 December 2018 were audited by the Auditor-General (AG) and they received an adverse audit opinion, suggesting that NSSA's financial statements are misstated, misrepresented and do not accurately reflect the true financial performance and health of the company."

This is a regular finding because nothing is being done to those who abuse public funds. As a result, this worsens the state of corruption in not only NSSA but other parastatals. An example should be set in the public sector if any change is to be seen.

Meagre Pensions VS Executive Perks

It is disheartening to note that the pensioner's funds are being handled by those that seem to care less for the elderly, poor and retired. The pensioners, some who are now considered senior citizens are supposed to be benefitting and easily accessing their pensions yet the top executives are benefitting and enjoying from the hard-earned money of the poor citizens, who have to endure standing in long queues to access funds in the Zimbabwean dollar whose value has been eroded by inflation. It appears that NSSA's mandate of providing social security has been diverted to satisfy the Executives instead. Below are some of the allowances and perks being received by executives at NSSA.

Loans: Top executives at the institution are said to be receiving loans from US\$60 000 to US\$100 000.

Luxury Cars: In addition to travel and fuel allowances, executives are receiving top of the range Land Rover Discovery vehicles³.

Holiday Allowances: NSSA directors and former directors are reportedly receiving yearly holiday allowances worth US\$15,000 per individual.

1. <https://www.herald.co.zw/nssa-rot-details-emerge/>

2. <https://nehandaradio.com/2022/06/08/exclusive-massive-corruption-rocks-nssa-gm-manase-implicated/>

3. <https://www.newzimbabwe.com/corruption-accused-nssa-boss-placed-on-forced-leave-charges-include-750k-housing-loan-5-top-of-range-vehicles/>

School Fees Allowances: While pensioners struggle to keep their children in school, executives have a benefit of unlimited school fees allowances running into millions of US dollars per year.

All these inconsistencies between the lives of contributing citizens and the executives managing their funds point to the need for an overhaul of operations at NSSA and deliberate action from Zimbabwe Anti-Corruption Commission, Zimbabwe Republic Police and indeed government (Parliament) to address reported cases of graft and abuse of office. We proffer recommendations below.

RECOMMENDATIONS

- **Arrest and prosecution of high-profile public officials-** The Catch and release strategy being recycled by government in high profile cases is tired and fails to benefit citizens. Government's sincerity to serve will be judged on such cases.
- **Recovery of lost public funds-** In the Prisca Mupfumira case, over \$90 million was under question. These funds should be recovered and directed to the improvement of living conditions of citizens through deliberate effort by government.
- **Internal Legal Capacitation-** NSSA should capacitate (establish if it does not have) its legal arm dealing with enforcement of all contracts it enters into. This is key in ensuring that pensioners enjoy value for money from projects implemented.
- **Benefits Schedules-** NSSA should avoid misuse and abuse of funds by adopting a "Benefit Schedule" clearly stipulating benefits to be enjoyed by all its employees including the Board.