



# AFRICAN PROFESSIONALISATION INITIATIVE



**PARTNERING TO  
PROFESSIONALISE  
ACCOUNTING AND AUDITING  
IN THE PUBLIC SECTOR**

A COLLABORATION BETWEEN



SUPPORTED BY



Implemented by:



# OVERVIEW OF THE INITIATIVE

The African public sector experiences a severe shortage of professional accountants and auditors (generally referred to as “accountants”). Professional accountants that are in government have typically only been exposed to private sector theory during their initial professional development. They often lack an understanding of public sector challenges and expectations relating to their position.

**WITHOUT SUFFICIENT PROFESSIONAL ACCOUNTANTS, AFRICAN STATES ARE VULNERABLE TO EXPLOITATION AND CORRUPTION.**

Key stakeholders are joining hands at a regional level to mobilise and support individual countries in on-going efforts to professionalise accounting and auditing in the public sector.

## **This will involve:**

- Establishing coordinating structures for the continent
- Investing in generic academic resources including a competency framework, curricula and learning materials
- Supporting countries to implement professionalisation strategies and customise the generic academic resources for their local context

## **THE GOAL:**

GROW THE CAPACITY OF PROFESSIONAL ACCOUNTANTS AND AUDITORS WHO ARE EQUIPPED TO SUPPORT ACCOUNTABILITY, TRANSPARENCY AND GOOD GOVERNANCE IN THE PUBLIC SECTOR



# WHY THE PUBLIC SECTOR?

## THE PUBLIC SECTOR IS A UNIQUE AND MULTIFACETED ENVIRONMENT.

The expectations of public sector accountants are fundamentally different to those of private sector accountants. Public financial management is subject to onerous regulation and policy, and it is the responsibility of the accountant to balance these compliance prerequisites with political objectives to ultimately ensure quality service delivery.

Public sector accountants are expected to enhance the accountability of government. They provide assurance to the public and political leadership that the public purse is being utilised economically, effectively and efficiently to maximise service delivery and to make a difference in the lives of citizens. They should also act as guardians against corruption, illicit financial flows and exploitation of resources and ensure that foreign investment is harnessed in a way that benefits the country.

The accountant must therefore make sound and informed decisions that consider these expectations, while also ensuring that the economy is growing without public debt becoming a burden for future generations.

### TO DELIVER ON THIS MANDATE, THE PUBLIC SECTOR ACCOUNTANT REQUIRES A DEEP UNDERSTANDING OF:

- ✓ The legislative environment
- ✓ The structure of the local public sector
- ✓ Fiscal governance
- ✓ Public financial and performance management
- ✓ Applicable public sector accounting standards such as the IPSAS
- ✓ [For external auditors] International auditing standards applicable to supreme audit institutions (ISSAIs)

### COMPETENT PROFESSIONAL ACCOUNTANTS WILL BE ABLE TO:



Balance regulation and policy with political objectives



Make and support sound and informed decision-making



Ensure economic growth without burdening future generations with public debt



Act as guardians against corruption, illicit financial flows and exploitation of resources



Enhance the accountability of government



Ensure that foreign investment benefits the country

# THE GLARING GAP: THE ACCOUNTING SKILLS SHORTAGE IN THE PUBLIC SECTOR

THE REALITY IS THAT THERE ARE NOT NEARLY ENOUGH PROFESSIONAL ACCOUNTANTS TO MEET THE NEEDS OF THE PUBLIC SECTOR.

And where professional accountants are active in the public sector, their qualifications are usually private sector based. This essentially means that, even where public sector accountants have professional qualifications, they are not exposed to the public sector context during their initial professional development. They do not have to demonstrate the unique competencies required for a role in public financial management, reporting or auditing.



## THE RESULT?

Accountants who work in or with the public sector are often ill-equipped to fulfil the needs, expectations and requirements that accompany the relevant accountancy position. The accountant must learn on the job, and obtain the necessary skills and knowledge through personal development – HOWEVER the depth of skills and knowledge required makes this a **near impossible task**.



## THE REALITY

Many key financial positions in African public sectors are currently filled by individuals without training in public sector accounting. The ethical conduct and quality of work of these individuals is not regulated unless they are members of a recognised professional accounting organisation. This leaves governments and the resources of their countries vulnerable to exploitation and corruption, and there is little or no assurance that public funds are being utilised in the best interests of citizens.



## THE GREATER NEED

The African Union's Agenda 2063 calls for an Africa of "good governance, democracy, respect for human rights, justice and the rule of law". Similarly, the United Nations Sustainable Development Goals call for "peace, justice and strong institutions". A strong public-sector accountancy profession is critical to the achievement of these visions through good financial governance and the production and assurance of decision-useful financial and non-financial reports.

# THE SOLUTION

## CREATING AN OPPORTUNITY FOR AN AFRICAN SOLUTION

The African Organisation of English-speaking Supreme Audit Institutions (AFROSAI-E), the East and Southern African Association of Accountants General (ESAAG) and the Pan African Federation of Accountants (PAFA) are partnering at a regional level to mobilise and support individual countries in on-going efforts to professionalise accounting and auditing in the public sector. It is an inclusive approach that aims to consider the needs and expectations of all stakeholders.

## THE GOAL:

GROW THE CAPACITY OF PROFESSIONAL ACCOUNTANTS AND AUDITORS WHO ARE EQUIPPED TO SUPPORT ACCOUNTABILITY, TRANSPARENCY AND GOOD GOVERNANCE IN THE PUBLIC SECTOR.

**Key stakeholders are joining hands, and working together to establish regional structures to:**

- Coordinate efforts to professionalise public sector accounting and auditing.
- Define the minimum requirements (including a competency framework) for a professional accountancy qualification that addresses the unique needs of the public sector.
- Invest in generic curricula and learning materials.
- Develop implementation guidance for country-level initiatives to professionalise public sector accounting and auditing.
- Advocate for the role of the accounting profession in the public sector.
- Develop accelerated learning programmes for incumbents.
- Mobilise funding for individual countries to implement local professionalisation strategies.

## AT THE CORE:

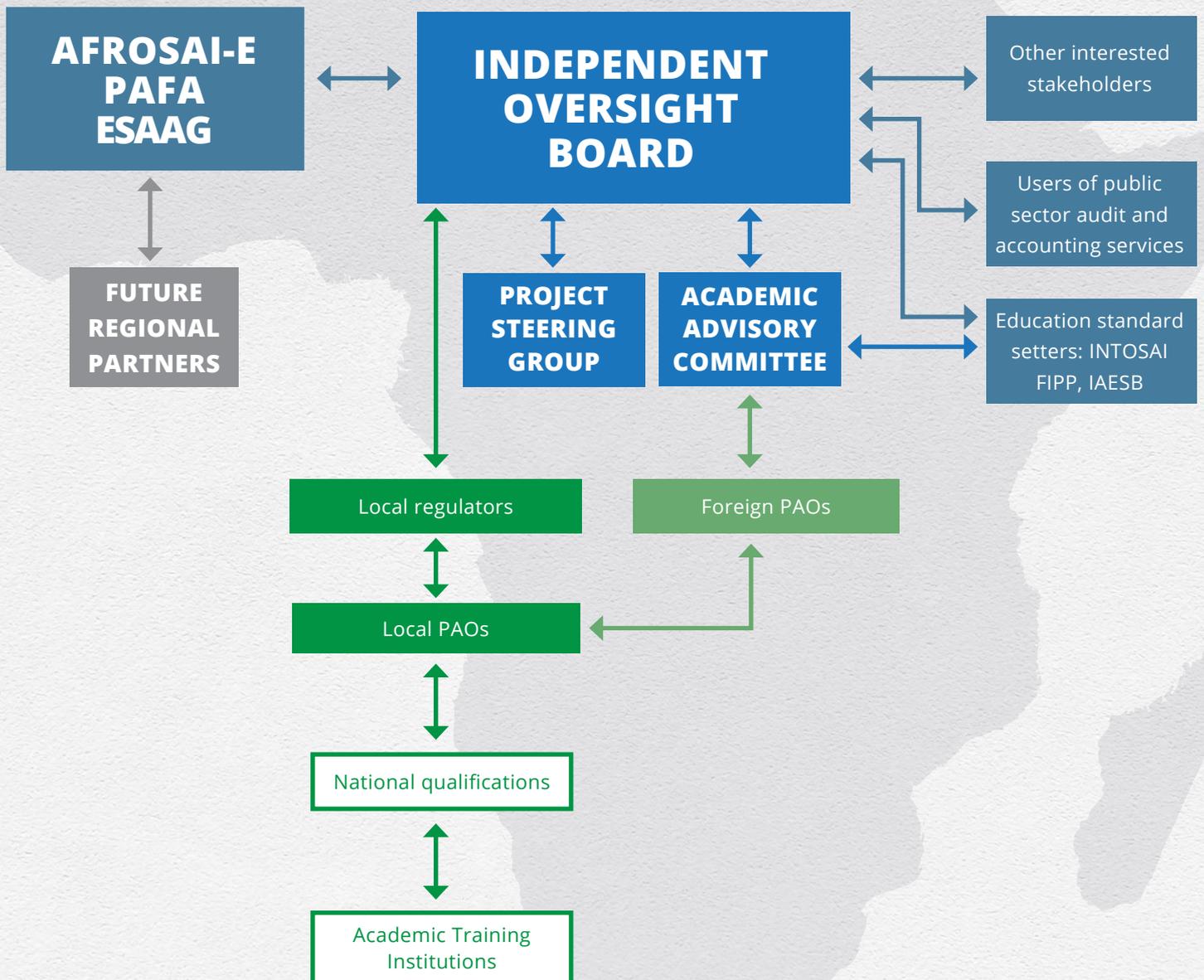
AN INDEPENDENT OVERSIGHT BOARD AT THE CENTRE OF THE NEW STRUCTURES WILL GUIDE THE PROGRAMME AT A REGIONAL LEVEL. IT WILL INCLUDE REPRESENTATION OF:



# KEY STAKEHOLDERS

## AFRICAN UNION

### IFAC, INTOSAI



# REGIONAL INVESTMENT

## REDUCING THE BURDEN AT COUNTRY-LEVEL

A competency framework has been developed that defines the knowledge, skills and attributes required of a public sector accountant. It covers key aspects such as the professional context, ethical conduct, accounting, auditing, public financial management and taxation, all from a public sector perspective.

**GENERIC CURRICULA AND LEARNING MATERIALS ARE BEING DESIGNED BASED ON THE COMPETENCY FRAMEWORK TO ADDRESS THE NEEDS OF:**



### **STUDENTS (ASPIRING PROFESSIONALS)**

Providing them with exposure to public sector competencies and case studies.



### **INCUMBENTS (EXISTING PFM WORKERS)**

Providing them with an accelerated path to obtain a professional qualification that recognises prior learning and achievement and provides learning interventions to address gaps.



### **PRIVATE SECTOR ACCOUNTANTS**

Providing them with a path to obtain specialised public sector competencies to allow them to work in or with government.

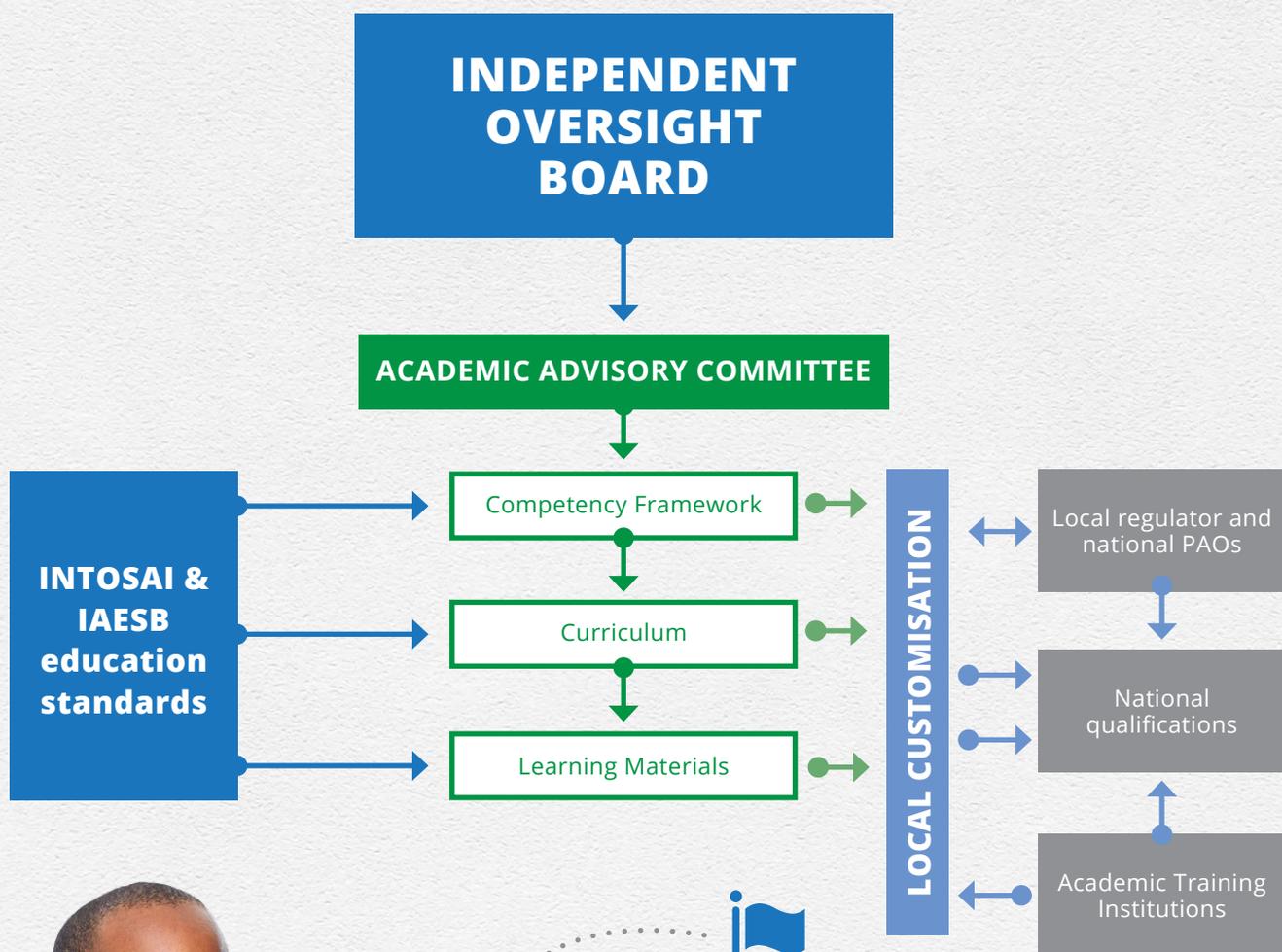
## **CONSIDERATIONS:**

TO MAXIMISE THE IMPACT OF AVAILABLE FUNDING, RESOURCES WILL ONLY BE DEVELOPED WHERE EXISTING RESOURCES ARE CURRENTLY UNAVAILABLE OR INACCESSIBLE.

GENERIC EDUCATIONAL MATERIALS WILL REQUIRE CUSTOMISATION BY INDIVIDUAL COUNTRIES TO ADDRESS LOCAL CONTEXTUAL MATTERS SUCH AS THE LEGISLATIVE FRAMEWORK.

IMPLEMENTATION STRATEGIES MUST CONSIDER THE PFM REFORM AGENDA OF INDIVIDUAL COUNTRIES WHILE STILL ENSURING THAT THE REGIONAL GUIDANCE IS ADHERED TO.

# ACADEMIC ALIGNMENT



## PROFESSIONALISATION (NOUN)

The process involved in the formation of groups of persons whereby the group defines a standard for their work and holds one another accountable for acting in accordance with that standard. This includes developing a structured personal and professional development regime which extends throughout the careers of aspiring and qualified members.

# INTERNATIONAL STANDARDS, REGIONAL VALUE, LOCAL OWNERSHIP

THE INITIATIVE SEEKS TO ADD VALUE TO THE CONTINENT BY BALANCING INTERNATIONAL STANDARDS WITH LOCAL NEEDS.



## **INTERNATIONAL STANDARDS:**

Resources developed for the region will be aligned to relevant international standards. This will include standards issued by the International Accounting Education Standards Board (IAESB) and the International Organisation of Supreme Audit Institutions (INTOSAI).



## **REGIONAL VALUE:**

The new regional structures will define the competencies of an African public sector accountant and invest in generic learning resources based on these competencies. The structures will further play a consultative role to support and guide professionalisation projects at country-level.



## **LOCAL QUALIFICATIONS:**

Public sector competencies agreed at the regional level will be incorporated into local qualification frameworks of existing professional accounting organisations (PAOs). This could be achieved by updating existing qualifications, creating new qualifications or introducing post-qualification specialisations.



## **LOCAL ACCREDITATION:**

Where applicable, the local qualifications must be accredited by local regulators.



## **LOCAL CURRICULA:**

PAOs will need to compare their existing curricula to the generic curricula produced at the regional level, and should consider how the generic curricula can be customised for local relevance. PAOs will have the freedom to choose local or international partners to support this process, but the responsibility to set and maintain the curricula will ultimately lie with the PAO and local stakeholders.



## **LOCAL OWNERSHIP:**

While the generic learning resources will be developed at a regional level, they will be implemented at the local level. To this end, generic resources will require customisation by each specific country for application in the local context.

# BENEFITTING THE REGION BENEFITTING THE NATION

## PROFESSIONALISATION WILL LEAD TO THE DEVELOPMENT OF A WORKFORCE THAT CAN:

- Understand the link between government financing, service delivery objectives, implementation and monitoring.
- Prepare budgets and other financial reports and documents, including annual financial statements in accordance with international standards.
- Design and monitor the efficiency of accounting and audit systems and sub-systems, including systems of internal financial control.
- Give independent assurance on the financial statements of governments at both individual and “whole of government” levels.
- Monitor achievements against predetermined objectives and targets, including those addressing the Sustainable Development Goals and the Agenda 2063 aspirations.
- Monitor compliance with agreed budgets and longer term financial plans.
- Document and account for national resource management and sustainable development.

# EXPECTED OUTCOMES



**OUTPUT:**  
Enhanced accountability, transparency and good governance in the public sector.



**OUTCOME:**  
Public funds being used efficiently, effectively and economically to improve the lives of citizens



## POTENTIAL VALUE CREATED MAY INCLUDE:

**GOVERNMENT AND OTHER STAKEHOLDERS**  
protecting resources and attracting foreign investment

**DEVELOPMENT PARTNERS**  
reliable information and stronger in-country PFM systems

**CITIZENS, CIVIL SOCIETY AND OTHER STAKEHOLDERS**  
high quality reporting on government performance

**USERS OF PUBLIC SERVICES**  
effective resource management and usage

**BUSINESSES AND FIRMS**  
more efficient and effective government

**POOR AND DISADVANTAGED CITIZENS**  
enhanced service delivery and developmental efforts

**GOVERNMENT MANAGERS AND OTHER PERSONNEL**  
improved skills training, job performance and career progression



# THE BURNING QUESTIONS

**Q: Are you seeking to replace non-professional PFM staff?**

**A:** No, we value the extensive knowledge and experience of incumbents in PFM roles. Local implementations will offer incumbents a pathway to obtain a professional qualification through an accelerated learning programme. This will help develop key competency areas which incumbents may not have been exposed to in the past.

**Q: How do we make the public sector attractive to students?**

**A:** We believe a professional public sector is an attractive public sector. We will work with civil service commissions to find ways to address compensation and benefit issues. In addition, local PAOs, supreme audit institutions and governments will be encouraged to actively promote the public sector as a viable and fulfilling career path.

**Q: Why is my stakeholder group excluded?**

**A:** While the information in this document is not intended to be exhaustive of all stakeholder groupings, it does reflect our willingness to engage with you. We are following an inclusive approach and would be highly appreciative of your involvement in the initiative.

**Q: Will you award qualifications?**

**A:** No, we will not award qualifications through the new structures. Qualifications will be awarded at the national level by local PAOs, to further ensure ownership. The regional structures define the competencies of public sector accountants and develop generic learning resources to reduce the costs of local implementations.

**Q: Will you establish new PAOs?**

**A:** No, public sector competencies will be incorporated into the qualification frameworks of existing PAOs.

**Q: Will you facilitate lectures and classes?**

**A:** No, generic learning resources will be developed and we will support local PAOs and academic institutions in customising and implementing these resources for their local context.

## WORKING TOGETHER

THE VISION CAN ONLY BE ACHIEVED IF ALL RELEVANT STAKEHOLDERS WORK IN PARTNERSHIP.





# TAKE ACTION NOW

## JOIN THE PROFESSIONALISATION MOVEMENT!

- ✓ Visit our website at [www.professionalisation.africa](http://www.professionalisation.africa)
- ✓ Sign up for email updates for latest progress reports and opportunities
- ✓ Invite us to engage your stakeholders or to present at your events
- ✓ Request access to available resources