



UPDATED¹

PLAN FOR 2022

Reset. Reignite. Refocus.

¹ This plan was approved by the PAFA Board in 2021 and updated in the first quarter of 2022 to consider the outcomes of the PAFA 10-Year Review.

Governance Structure

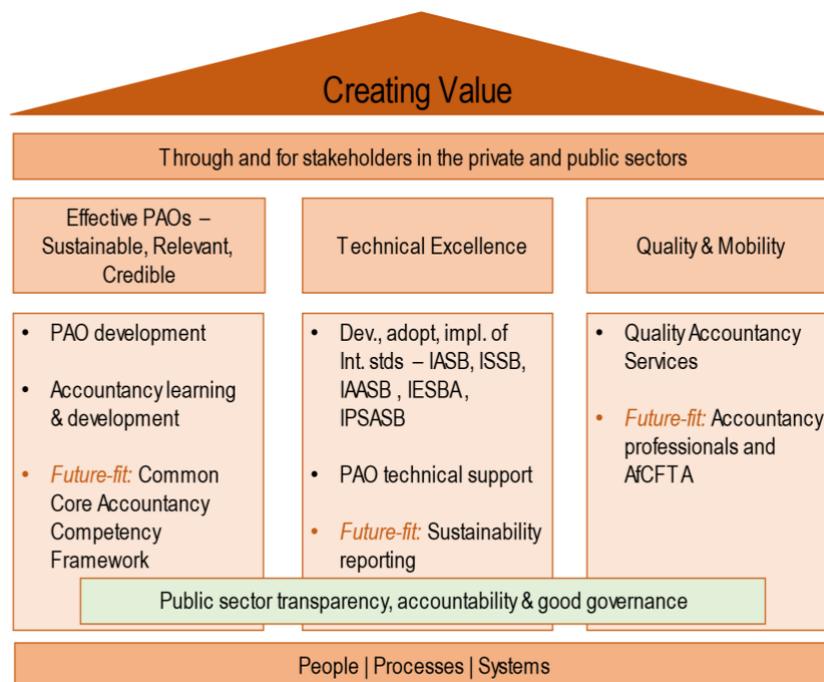
In 2022, the Secretariat—in consultation with the 10-Year Advisory Group, chaired by Mervyn King, and the Board—will complete the **PAFA 10-Year Review**, which has three dimensions: *strategy*, *governance* and *operations*. The new strategy will be presented to the Board in Quarter 1 2022 and will be accompanied by recommendations for a new structure (governance and operations). The new strategy and any changes to the PAFA Constitution and Bylaws to facilitate the new structure will be presented to the General Assembly in Quarter 2 2022 after which implementation of the recommendations will commence.

In 2021, the Secretariat developed new approaches to advancing technical excellence (currently the remit of the Technical & Standard-Setters Forum) and accountancy learning and development (currently the remit of the PAFA Education Advisory Group) in Africa. These new approaches include **new or restructured mechanisms** through which to implement PAFA's strategy. These mechanisms are presented under Strategic Actions below. As the CEO is accountable to the Board for the implementation of the strategy, the functionality of these mechanisms is overseen by the CEO.

Stakeholders

In 2022, PAFA will re-engage with key stakeholders towards achieving our strategic objectives. This will be underpinned by a **Stakeholder Engagement Strategy & Plan** and will include actions to strengthen relations with professional accountancy organisations (PAOs) and other key stakeholders in French-speaking countries in Africa.

How PAFA will Create Value in 2022²



Public Value Management

PAFA recognises the important role that the accountancy profession plays in strengthening Public Value Management (PVM) systems to achieve fiscal discipline, effective resource allocation, and effective service delivery to the citizens of Africa. PAFA's strategic actions aimed at promoting and supporting good governance, transparency, and accountability in the public sector are integrated into our three strategic areas of focus—Effective PAOs | Technical Excellence | Quality & Mobility as illustrated above. These PVM-specific strategic actions are presented in the PVM Activity Plan. Our partnership in the African Professionalisation Initiative will remain a key strategy action during 2022.

² Detailed plans to supplement the Plan for 2022 have been developed for the following activities: PAO Development | Accountancy Learning & Development | Technical Excellence | Accountancy Quality | Public Value Management. The Common Core Accountancy Competency Framework is covered in the detailed plan for the Accountancy Learning & Development Activity. Initiatives relating to the AfCFTA will be included in the Stakeholder Engagement Strategy and Plan.

Strategic Actions

The Strategic Actions are aimed at achieving the Strategic Objectives. They address the trends and capitalise on the opportunities identified in Appendix A. They are designed to achieve the vision and mission, mitigate the identified risks, and maintain focus. They harness our comparative advantages and leverage the capabilities of developed PAOs, Affiliates and MOU Partners for the benefit of all PAFA Member Organisations. They are those best delivered by PAFA.

The Mechanisms have been or will be established in 2022 to support the PAFA Secretariat in taking the Strategic Actions.

Strategic Objectives	Strategic Actions	Mechanisms
Speaking out and engaging as the voice of the accountancy profession in Africa	Engage with relevant institutions on initiatives that promote economic stability and sustainability.	<ul style="list-style-type: none"> Ad-hoc groups that help to realise the accountancy profession's contribution to relevant Africa initiatives such as the Africa Continental Free Trade Agreement
	Raise awareness of the accountancy profession's public interest role and contribution in both the private and public sectors.	
	Promote diversity and inclusion in accountancy in Africa.	<ul style="list-style-type: none"> Forum to Advance Diversity in Accountancy in Africa
Developing a future-fit profession for Africa	Contribute to the development of sustainable, relevant, and credible PAOs in Africa: <ul style="list-style-type: none"> Determine the status of PAO development in Africa. Develop a new PAFA membership application process. Contribute to the establishment of new PAOs and development of existing PAOs and grow PAFA's membership. Assist PAOs to attain and sustain IFAC associate / membership status. Assist PAOs to strengthen their relations with key public sector stakeholders and contribute to good governance, transparency and accountability in the public sector. 	<ul style="list-style-type: none"> PAO Development Partnership (Twinning) Programme Forum for Development Partners and Donor Organisations Interested in Africa Liaison relations with staff of the International Federation of Accountants (IFAC)
	Contribute to the development of future-fit accountants for Africa: <ul style="list-style-type: none"> Develop a common core competency framework for future-fit accountants for Africa 	<ul style="list-style-type: none"> (Multi-stakeholder) Forum to Advance Accountancy Learning & Development in Africa Accountancy Learning & Development Advisory Group

Strategic Objectives	Strategic Actions	Mechanisms
	Strengthen foundational and intermediary accountancy capacity in Africa: <ul style="list-style-type: none"> Facilitate the implementation of the ATQ for Africa. 	<ul style="list-style-type: none"> Liaison relations with staff of IFAC
	Strengthen public sector accountancy capacity in Africa: <ul style="list-style-type: none"> Facilitate the implementation of the API programmes. 	<ul style="list-style-type: none"> African Professionalisation Initiative
Promoting the development, adoption and implementation of international standards	Contribute to the development of the international standards – IASB, ISSB, IAASB, IESBA, IPSASB: <ul style="list-style-type: none"> Advocate for international SSB membership from Africa and engage with / support such members. Participate in international consultations on topics relevant to Africa. 	<ul style="list-style-type: none"> (Multi-stakeholder) Forum to Advance Technical Excellence in Africa Corporate Value Reporting Technical Advisory Group Ethics, Audit & Assurance Technical Advisory Group Public Value Management Technical Advisory Group Africa Integrated Reporting Council Liaison relations with staff of the IASB, ISSB, IAASB, IESBA, IPSASB and IFAC, as well as the Africa Forum of Independent Audit Regulators
	Facilitate the adoption and implementation of the international standards – IASB, ISSB, IAASB, IESBA, IPSASB: <ul style="list-style-type: none"> Create awareness of new and revised standards. Provide technical support to PAOs, including co-branded technical updates and deep dives on topics relevant to Africa. 	
	Advance the adoption and implementation of accrual-based International Public Sector Accounting Standards (IPSAS) in Africa: <ul style="list-style-type: none"> Influence the development of accrual-based IPSAS. Promote and support the adoption of the reform by governments. 	
	Advance sustainability and integrated reporting in Africa: <ul style="list-style-type: none"> Promote and support the adoption of the reform by regulators. Promote and support accountancy learning and development that include integrated thinking, sustainability reporting and integrated reporting. 	

Strategic Objectives	Strategic Actions	Mechanisms
Enhancing the quality and mobility of professional accountancy services in Africa	Facilitate the adoption and implementation of the new International Standards on Quality Management (QM): <ul style="list-style-type: none"> • Create awareness. • Support PAOs to help their members and firms to implement the standards, • Facilitate access to practical and fit-for purpose implementation resources / support. 	<ul style="list-style-type: none"> • (Multi-stakeholder) Forum to Advance Accountancy Quality in Africa • Accountancy Quality Management Advisory Group • Liaison relations with staff of the IAASB and IFAC
	Strengthen PAO compliance with IFAC Statement of Membership Obligations 1 and 6: <ul style="list-style-type: none"> • Enhance PAOs' understanding of the SMOs. • Assist PAOs to comply with the SMOs. • Explore the feasibility of providing a quality review outsourcing service. 	
	Facilitate the accountancy professions' participation in the Africa Continental Free Trade Area (AfCFTA) <ul style="list-style-type: none"> • Create awareness. • Establish relevant partnerships to harness opportunities. 	<ul style="list-style-type: none"> • Partnerships to facilitate mobility (under the AfCFTA)

Risk Identification and Mitigation

Risk management is an integral part of PAFA's strategic planning process. Each Identified Risk has been mapped to the Strategic Actions and we monitor the extent to which those actions mitigate the risks over time.

Key Strategic Risks	Key Operational Risks
Failure to be recognised or to influence as the voice of the accountancy profession in Africa. Failure to be recognised as the partner of choice relating to matters relevant to the accountancy profession in Africa. Failure to identify, prioritise, or render services to meet the diverse demands of our member organisations and other key stakeholders.	Insufficient funding for financial sustainability. Failure to establish and maintain fit-for-future people, processes and systems to support a relevant and sustainable organisation. Inability to attract and retain diverse and highly qualified volunteers as part of the governance structures and mechanisms supporting the implementation of the strategy.

People, Process, Technology

During 2022, PAFA will continue to focus on enhancing the agility, effectiveness, and efficiency of our people, processes and technology. Our ongoing initiatives include:

People

- A new organisational structure that optimises achievement of our strategic objectives
- A new performance and remuneration policy
- Continuous professional development of our staff
- A process for attracting and retaining the right volunteers to serve within the mechanisms established to implement the strategy

Process and Technology

- An effective website
- Outsourcing of the following: Finance, Information & Communications Technology, and Communications

Funding

PAFA recognises the challenges faced by our member organisations resulting from an unprecedented public health and economic crisis. In 2021, member organisation subscriptions were reduced by 10%. In 2022, they are reduced by 5%.

PAFA will continue to carefully manage costs and maximise impact through increased collaboration with our member organisations, MOU Partners and other key stakeholders. The funding to be received from the World Bank to pilot the ATQ for Africa in three countries in Africa will require us to establish policies, processes and procedures that can be repurposed for other funded accountancy capacity building programmes.

PAFA’s annual budget is approved by the Board and financial performance is monitored and reported to the Board quarterly. The Budget for 2022 is presented in the appendix.

Performance Measurement

From 2022, achievement of our Strategic Objectives will be monitored through Key Performance Indicators, Measures, and Targets. The Key Performance Indicators and Measures will be reviewed annually and—if necessary—modified in consultation with the Board. The Key Performance Targets will be agreed annually with the Board. Achievement against the 2022 Key Performance Targets will establish a baseline for future years’ targets.

Strategic Objectives	Key Performance Indicators	Key Performance Measures	2022 Key Performance Targets
Speaking out and engaging as the voice of the accountancy profession in Africa	PAFA has advocated effectively on behalf of the accountancy profession by speaking out and engaging on relevant issues.	1. Stakeholder satisfaction survey	Rating of 3/5 or above (establishing a baseline)
Developing a future-fit profession for Africa	PAFA has contributed to the building of PAOs in every country in Africa that effectively contribute to sustainable economic growth.	2. # effective PAO development partnerships established	At least 2 fully operational partnerships
		3. \$ funding for accountancy capacity building	USD 500,000

Strategic Objectives	Key Performance Indicators	Key Performance Measures	2022 Key Performance Targets
		4. # new / existing PAOs developed	Work to significantly enhance capacity commenced at 2 PAOs
		5. # new PAFA Members	1
		6. # PAOs attaining IFAC membership / associate status	1
		7. Stakeholder satisfaction survey	Rating of 3/5 or above (establishing a baseline)
	PAFA has contributed to the development of professional accountants to meet the needs of organisations and society.	8. Level of participation in / adoption of initiatives	Common core competency framework for future-fit accountants for Africa completed
			Work commenced to implement ATQ for Africa in 3 countries
			Work commenced to implement API programmes in 5 countries
		9. Stakeholder satisfaction survey	Rating of 3/5 or above (establishing a baseline)
		10. # formal engagements	4
		11. # responses to public consultations	4

Strategic Objectives	Key Performance Indicators	Key Performance Measures	2022 Key Performance Targets
Promoting the development, adoption and implementation of international standards	PAFA has effectively influenced the development of international standards to reflect matters relevant to Africa.	12. Stakeholder satisfaction survey	Rating of 3/5 or above (establishing a baseline)
	PAFA has effectively contributed to the adoption and implementation of international standards in Africa. ³	13. Level of participation initiatives	Initiatives available for co-branding, are co-branded by at least 25% of the total PAFA membership Initiatives—such as technical updates, subject-specific webinars, etc.—are attended by representatives from at least 25% of the total PAFA membership
		14. Stakeholder satisfaction survey	Rating of 3/5 or above (establishing a baseline)
Enhancing the quality and mobility of professional accountancy services in Africa	PAFA has effectively contribute to enhancing audit quality in Africa.	15. Level of participation in / adoption of initiatives	Initiatives—such as data collection through surveys, guidance, training, etc.—are completed, implemented, attended by representatives from at least 25% of the total PAFA membership

³ As indicated by positive trends reported in globally recognised indices such as the IFAC International Standards Global Status Report, IFAC-CIPFA International Public Sector Financial Accountability Index, ISA Plus.

Strategic Objectives	Key Performance Indicators	Key Performance Measures	2022 Key Performance Targets
		16. Stakeholder satisfaction survey	Rating of 3/5 or above (establishing a baseline)
	PAFA has effectively contributed to the accountancy profession in Africa playing its rightful role in the Africa Continental Free Trade Agreement	17. # of initiatives participated in	1
		18. Stakeholder satisfaction survey	Rating of 3/5 or above (establishing a baseline)
Stakeholder relations	PAFA Member Organisations are engaged, value PAFA's services, and playing their part to enhance the impact of these services.	19. % of Member Organisation that responded to stakeholder satisfaction survey	75%
		20. % growth in # of LinkedIn followers	10%
		21. % of growth in # of Facebook followers	10%
		22. (a) Total # of website users (b) Total # of new website users (c) Average engagement time	Establish baseline in 2022, followed by 5% annual increase
	PAFA has effectively harnessed relations with MOU Partners and stakeholders to benefit our member organisations.	23. # activities sponsored by MOU Partners / Affiliates / other stakeholders	2

Strategic Objectives	Key Performance Indicators	Key Performance Measures	2022 Key Performance Targets
	PAFA Member Organisations express a high level of satisfaction with PAFA's service delivery	24. Stakeholder satisfaction survey	Overall rating of 3/5 or above (establishing a baseline)
People, process, technology	Internally, PAFA has a stronger, fit-for-purpose governance and organisational structure and operating model, with fully engaged talented people.	25. Stakeholder satisfaction survey	Overall rating of 3/5 or above (establishing a baseline)
		26. Employee engagement survey	Overall rating of 3/5 or above (establishing a baseline)
		27. Board / committee meeting effectiveness assessment	Annual average of 3/5
		28. PAFA event effectiveness assessment	Annual average of 3/5

APPENDIX
Budget for 2022

<i>INCOME</i>	<i>USD</i>
Subscription: Members	1 216 390
Subscription: Affiliates	95 000
Subscription: Associates	23 000
Finance income	10 000
Exchange gain	-
Donor funding	-
Total Income	1 344 390

EXPENSES	USD
Bank charges	10 000
Consultants	20 000
Depreciation	5 000
Exchange loss	-
General expenses	10 000
Impairment loss: Estimated Credit Loss	175 000
Interpretation & translation	40 000
Meetings & events	120 000
Outsourced: Audit services - External	10 000
Outsourced: Audit services - Internal (Pro bono)	-
Outsourced: Communications	8 000
Outsourced: Finance	16 000
Outsourced: ICT & hybrid work environment	6 000
Outsourced: Website development & maintenance	13 000
Printing & stationery	2 500
Projects & Initiatives	45 000
Provision for leave pay	5 000
Staff basic pay	721 500
Staff training	10 000
Staff relocation	-
Telephone & communication	12 000
Thought leadership	20 000
Travel & accommodation	185 000
Total expenditure	1 434 000
DEFICIT	-89 610

		Activity Allocation of Expenses					
		Effective PAOs	Technical Excellence	Quality Management	Governance & Stakeholder Relations	Operations	
EXPENSES	USD						
Bank charges	10 000					10 000	
Consultants	20 000			20 000			
Depreciation	5 000					5 000	
Exchange loss	-						
General expenses	10 000	2 500	2 500	2 500	2 500		
Impairment loss: Estimated Credit Loss	175 000					175 000	
Interpretation & translation	40 000					40 000	
Meetings & events	120 000	20 000	20 000	20 000	60 000		
Outsourced: Audit services - External	10 000					10 000	
Outsourced: Audit services - Internal (Pro bono)	-					-	
Outsourced: Communications	8 000	2 000	2 000	2 000	2 000		
Outsourced: Finance	16 000					16 000	
Outsourced: ICT & hybrid work environment	6 000					6 000	
Outsourced: Website development & maintenance	13 000					13 000	
Printing & stationery	2 500	625	625	625	625		
Projects & Initiatives	45 000	15 000	15 000	15 000			
Provision for leave pay	5 000						
Staff basic pay	721 500	213 793	215 293	87 925	113 030	96 460	
Staff training	10 000	3 000	3 000	1 125	1 750	1 125	
Staff relocation	-						
Telephone & communication	12 000	3 600	3 600	1 350	2 100	1 350	
Thought leadership	20 000		20 000				
Travel & accommodation	185 000	42 800	42 800	21 400	78 000		
Total expenditure	1 434 000	303 318	324 818	171 925	260 005	373 935	
		<i>Allocation of Operations</i>	106 994	114 579	60 646	91 716	-373 935
		<i>Total expenses per activity</i>	410 313	439 397	232 571	351 720	-