



# **STRATEGY**

2022 – 2024

Reset. Reignite. Refocus.

PAFA is the regional organisation for the accountancy profession in Africa.

It comprises 56 member and associate organisations in 45 countries and holds affiliations with five international professional accountancy organisations.

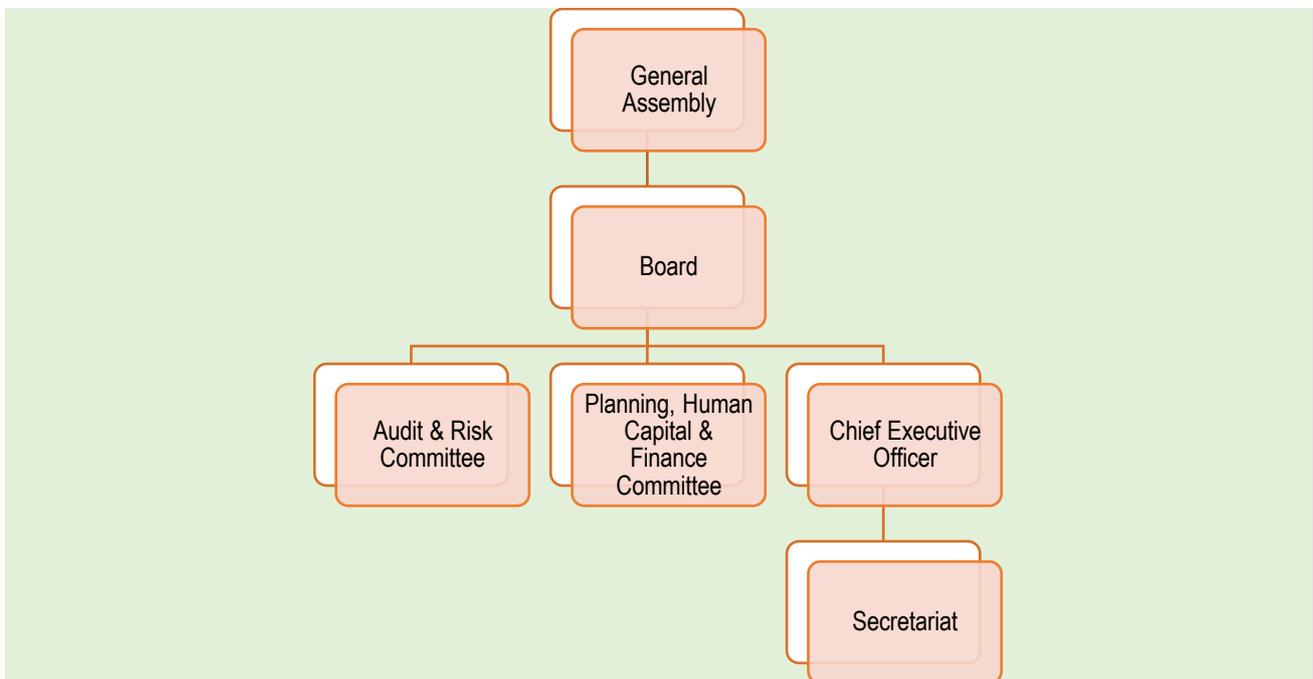
## Vision

Sustainable value creation to benefit the citizens of Africa.

## Mission

To strengthen the capacity and influence of the accountancy profession in Africa to enhance trade, the quality of services, and trust in institutions.

## Governance Structure



## Strategic Objectives and Economic & Societal Benefits

PAFA's strategic objectives and their economic and societal benefits are presented below. Working in partnership with our member organisations, affiliates, and other stakeholders, we will continue to contribute to the Seven Aspirations of the African Agenda 2063 and enhance our impact on the United Nations Sustainable Development Goals (SDGs). Our strategy directly contributes to Aspirations 1, 3, 5, 6 and 7 and SDGs 4, 5, 8, 10, 13, 16 and 17.

Strategic Objectives	Economic & Societal Benefits
<ul style="list-style-type: none"> <li>Speaking out and engaging as the voice of the accountancy profession in Africa</li> </ul>	<p><i>Desired Outcomes ...</i></p> <ul style="list-style-type: none"> <li>Effective and sustainable PAOs able to equip professional accountants for the future</li> <li>Increased trust in and influence of the accountancy profession as a partner of choice</li> <li>Recognition of and confidence in professional accountants and their relevance, ethics and value, and quality of their services</li> <li>Reliable, comparable, and timely organisational reporting supporting effective decision making</li> <li>Enhanced transparency, accountability and governance in the public sector</li> </ul>
<ul style="list-style-type: none"> <li>Developing a future-fit profession for Africa</li> </ul>	
<ul style="list-style-type: none"> <li>Promoting the development, adoption and implementation of international standards</li> </ul>	
<ul style="list-style-type: none"> <li>Enhancing the quality and mobility of professional accountancy services in Africa</li> </ul>	
<p><i>... Contributing to the AU Agenda 2063</i></p>	
<ol style="list-style-type: none"> <li><b>A prosperous Africa based on inclusive growth and sustainable development</b></li> <li>An integrated continent politically united and based on the ideals of Pan-Africanism and the vision of African Renaissance</li> <li><b>An Africa of good governance</b>, democracy, respect for human rights, justice and the rule of law</li> <li>A peaceful and secure Africa</li> <li><b>Africa with</b> a strong cultural identity common heritage, values and <b>ethics</b></li> <li><b>An Africa whose development is people-driven</b>, relying on the potential offered by the African people, especially its women and youth, and caring for children</li> <li><b>An Africa as a strong, united, resilient and influential global player and partner</b></li> </ol>	
<p><i>... Contributing to the UN Sustainable Development Goals</i></p>	
	

## Comparative Advantages

In determining the actions to achieve the strategic objectives (see page 7), PAFA carefully considers our comparative advantages:

Integrated Pan African platform for engagement | Influential voice | Effective convener | Expert advisor | Knowledge gateway | Trusted intermediary

## Stakeholders

PAFA's relationships with key stakeholders are core to our collective success. We have categorised our stakeholders as core—our members and associates, our network, those key to services, contributors, enablers, and internal and external to our business. The breadth of our work would not be possible without our network; their valuable support and collaboration are often underpinned by Memoranda of Understanding.

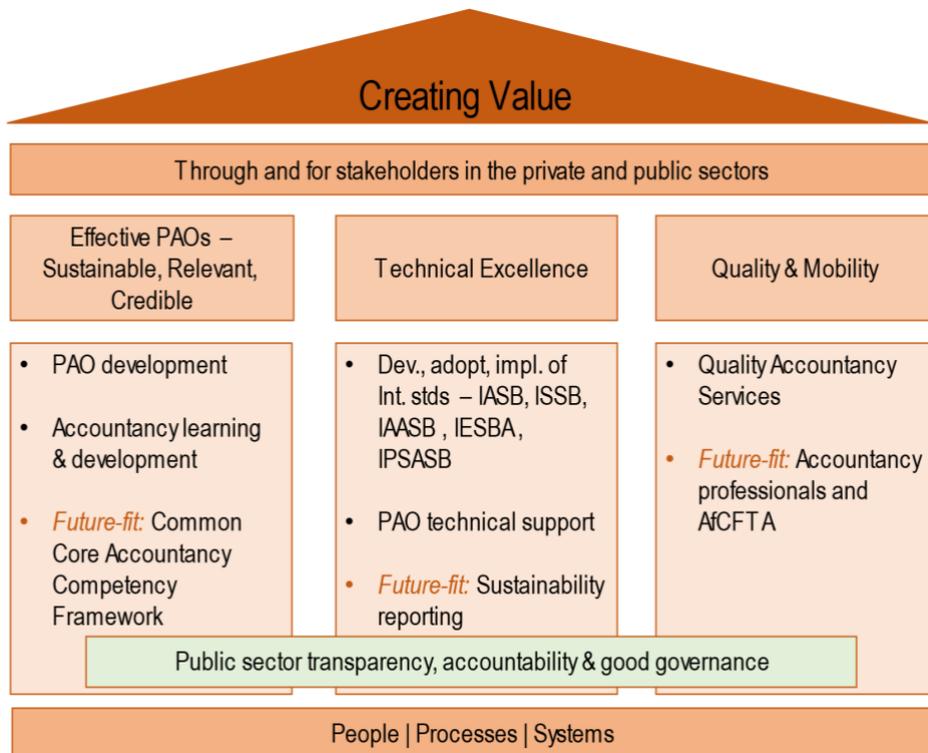
PAFA's engagement with key stakeholders is underpinned by a **Stakeholder Engagement Strategy & Plan**, which recognise the importance of diversity and inclusion and include actions to strengthen relations with professional accountancy organisations (PAOs) and other key stakeholders to uphold the Pan African nature of the organisation.



## MOU Partners

African Accounting and Finance Association (AAFA) | ACCA | The African Organisation of Public Accounts Committees (AFROPAC) | African Organisation of Supreme Audit Institutions (AFROSAI) | African Professionalisation Initiative (API) | The African Union Commission (AUC) | Association of Certified Fraud Examiners (South African Chapter) (ACFE SA) | CaseWare Africa | International Federation of Accountants (IFAC) | International Federation of Francophone Accountants (FIDEF) | The Organisation for the Harmonisation of African Business Law (OHADA) | International Consortium on Governmental Financial Management (ICGFM) | Wellington School of Business and Government (WSBG)

## How PAFA Creates Value



## Public Value Management

The Covid-19 pandemic along with its devastating effect on global economies has reinforced the need for governments to invest in strong Public Value Management (PVM) systems that enables flexibility and resilience in dealing with crises and uncertainties.

PAFA recognises the important role that the accountancy profession plays in strengthening 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. Our partnership in the African Professionalisation Initiative will remain a key strategy action during 2022 – 2024.

## Strategic Actions

The Strategic Actions are aimed at achieving the Strategic Objectives. They address the trends and capitalise on the opportunities identified in **Appendix 2**. 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 established in 2022 to help the PAFA Secretariat to implement the Strategic Actions.

Strategic Actions	Implementation Mechanisms
<b>Strategic Objective: Speaking out and engaging as the voice of the accountancy profession in Africa</b>	
Engage with relevant institutions on initiatives that promote economic stability and sustainability.	<ul style="list-style-type: none"> <li>Ad-hoc groups that help to realise the accountancy profession's contribution to relevant Africa initiatives such as the Africa Continental Free Trade Agreement</li> </ul>
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"> <li>Forum to Advance Diversity in Accountancy in Africa</li> </ul>
<b>Strategic Objective: Developing a future-fit profession for Africa</b>	
Contribute to the development of sustainable, relevant, and credible PAOs in Africa.	<ul style="list-style-type: none"> <li>PAO Development Partnership (Twinning) Programme</li> <li>Forum for Development Partners and Donor Organisations Interested in Africa</li> <li>Liaison relations with staff of the International Federation of Accountants (IFAC)</li> </ul>
Contribute to the development of future-fit accountants for Africa.	<ul style="list-style-type: none"> <li>Forum to Advance Accountancy Learning &amp; Development in Africa</li> </ul>
Strengthen foundational and intermediary accountancy capacity in Africa.	<ul style="list-style-type: none"> <li>Accountancy Learning &amp; Development Advisory Group</li> <li>Liaison relations with staff of IFAC</li> </ul>
Strengthen public sector accountancy capacity in Africa.	<ul style="list-style-type: none"> <li>African Professionalisation Initiative</li> </ul>

Strategic Actions	Implementation Mechanisms
<b>Strategic Objective: Promoting the development, adoption and implementation of international standards</b>	
Contribute to the development of the international standards.	<ul style="list-style-type: none"> <li>• Forum to Advance Technical Excellence in Africa</li> <li>• Corporate Value Reporting Technical Advisory Group (TAG)</li> </ul>
Facilitate the adoption and implementation of the international standards.	<ul style="list-style-type: none"> <li>• Ethics, Audit &amp; Assurance TAG</li> <li>• Public Value Management TAG</li> <li>• Liaison relations with staff of the IASB, IAASB, IESBA, IPSASB and IFAC, as well as the Africa Forum of Independent Audit Regulators</li> </ul>
Advance sustainability and integrated reporting in Africa.	<ul style="list-style-type: none"> <li>• Africa Integrated Reporting Council</li> <li>• Liaison relations with staff of the ISSB and IFAC</li> </ul>
<b>Strategic Objectives: Enhancing the quality and mobility of professional accountancy services in Africa</b>	
Facilitate the adoption and implementation of the International Standards on Quality Management.	<ul style="list-style-type: none"> <li>• Forum to Advance Accountancy Quality in Africa</li> <li>• Accountancy Quality Advisory Group</li> </ul>
Strengthen PAO compliance with IFAC Statement of Membership Obligations 1 and 6.	<ul style="list-style-type: none"> <li>• Liaison relations with staff of the IAASB and IFAC</li> </ul>
Facilitate the accountancy professions' participation in the Africa Continental Free Trade Area (AfCFTA).	<ul style="list-style-type: none"> <li>• Partnerships to facilitate mobility (under the AfCFTA)</li> </ul>

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

## People, Process, Technology

During 2022 – 2024, PAFA will continue to focus on enhancing the agility, effectiveness, and efficiency of our people, processes and technology. Our ongoing initiatives include:

### People

- An organisational structure that optimises achievement of our strategic objectives (see **Appendix 1**)
- A 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, Communications, and Internal Audit

## Funding

PAFA recognises the challenges faced by our member organisations resulting from an unprecedented public health and economic crisis.

PAFA will continue to carefully manage costs and maximise impact through increased collaboration with our member organisations, MOU Partners and other key stakeholders.

PAFA’s annual budget is approved by the Board and financial performance is monitored and reported to the Board quarterly.

## Performance Measurement

Achievement of our Strategic Objectives is monitored through Key Performance Indicators, Measures, and Targets. The Key Performance Indicators and Measures are reviewed annually and—if necessary—modified in consultation with the Board. The Key Performance Targets are agreed annually with the Board.

Key Performance Indicators	Key Performance Measures
<b>Strategic Objective: Speaking out and engaging as the voice of the accountancy profession in Africa</b>	
PAFA has advocated effectively on behalf of the accountancy profession by speaking out and engaging on relevant issues.	1. Stakeholder satisfaction survey
<b>Strategic Objective: Developing a future-fit profession for Africa</b>	
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
	3. \$ funding for accountancy capacity building
	4. # new / existing PAOs developed
	5. # new PAFA Members
	6. # PAOs attaining IFAC membership / associate status
	7. Stakeholder satisfaction survey
	PAFA has contributed to the development of professional accountants to meet the needs of organisations and society.
9. Stakeholder satisfaction survey	
<b>Strategic Objective: Promoting the development, adoption and implementation of international standards</b>	
PAFA has effectively influenced the development of international standards to reflect matters relevant to Africa.	10. # formal engagements
	11. # responses to public consultations
	12. Stakeholder satisfaction survey
PAFA has effectively contributed to the adoption and implementation of international standards in Africa. <sup>1</sup>	13. Level of participation initiatives
	14. Stakeholder satisfaction survey
<b>Strategic Objective: Enhancing the quality and mobility of professional accountancy services in Africa</b>	
	15. Level of participation in / adoption of initiatives

<sup>1</sup> 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.

<b>Key Performance Indicators</b>	<b>Key Performance Measures</b>
PAFA has effectively contribute to enhancing audit quality in Africa.	16. Stakeholder satisfaction survey
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
	18. Stakeholder satisfaction survey
<b>Stakeholder relations</b>	
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
	20. % growth in # of LinkedIn followers
	21. % of growth in # of Facebook followers
	22. Website measures (a) Total # of website users (b) Total # of new website users (c) Average engagement time Appropriate website measures
PAFA has effectively harnessed relations with MOU Partners and stakeholders to benefit our member organisations.	23. # activities sponsored by MOU Partners / Affiliates / other stakeholders
PAFA Member Organisations express a high level of satisfaction with PAFA's service delivery	24. Stakeholder satisfaction survey
<b>People, process, technology</b>	
Internally, PAFA has a stronger, fit-for-purpose governance and organisational structure and operating model, with fully engaged talented people.	25. Stakeholder satisfaction survey
	26. Employee engagement survey
	27. Board / committee meeting effectiveness assessment
	28. PAFA event effectiveness assessment

## APPENDIX 1—Organisational Structure

**CEO**

### EXTERNAL SERVICE DELIVERY

**Director (Technical)**

PAO Development | Learning & Professional  
Development

**Director (Technical)**

Technical Excellence

**Director (Technical)**

Quality Management [TBC]

**Manager (Technical)**

Public Value Management

**Manager(s) (Tech / Ops)**

Capacity Building [TBC — Funded]

**Manager (Technical)**

Quality Management [TBC]

**Associate (Technical / Operational)**

French Liaison

**Associate (Operational)**

Stakeholder Relations | Communications | Events<sup>2</sup>

### INTERNAL SUPPORT SERVICES

**Manager (Operational)**

Governance | Strategy | Risk | Finance | Operations | ICT | Internal Audit<sup>3</sup>

**Assistant (Operational)**

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<sup>2</sup> Communications will be outsourced from 2022. The Associate is responsible for managing the outsourced service effectively and efficiently.

<sup>3</sup> Internal audit is outsourced and currently rendered on a pro bono basis by PricewaterhouseCoopers. Finance and ICT will be outsourced from 2022. The Manager is responsible for managing the outsourced services effectively and efficiently.

## NOTES

The organisational structure supports implementation of the strategy as follows:

### EXTERNAL SERVICE DELIVERY

- Director—PAO Development and Accountancy Learning & Development (Technical)  
Responsible for the *Effective PAOs* area of strategic focus, particularly the implementation of the detailed plans for the PAO Development Activity and the Accountancy Learning & Development Activity and management of the related activity budgets
- Director—Technical Excellence (Technical)  
Responsible for the *Technical Excellence* area of strategic focus, particularly the implementation of the detailed plan for the Technical Excellence Activity and management of the activity budget
- Manager—Public Value Management (Technical)  
Responsible for the PVM aspects of the *Effective PAOs* and *Technical Excellence* areas of strategic focus under leadership of the abovementioned Directors
- Associate—French Liaison (Technical / Operational)  
Supports the PAFA Team to implement the Stakeholder Engagement Plan and Activity Plans in French-speaking countries. Provides linguistic support to the Governance Activity. [In the case of a French-speaking President or Vice President, also provides administrative support to the President or Vice President.]
- Associate—Stakeholder Relations, Communications and Events (Operational)  
Supports the PAFA Team to implement the Stakeholder Engagement Plan and Activity Plans and contributes to enhanced communications and effective event organisation. Is the main liaison with the outsourced communications service provider.

### INTERNAL SERVICES

- Manager—Internal Services (Operational)  
Supports the CEO in all governance-related matters; strategy development, monitoring and reporting; risk management; financial reporting; operations; and ICT. Is the main liaison with the outsourced finance, ICT and internal audit service providers.
- Assistant (Operational)  
Provides administrative support to the PAFA Team.

The structure includes an additional Director position and Manager position as *To Be Confirmed* to support the new Accountancy Quality Activity. Accountancy Quality is a new area of strategic focus for PAFA. The resource requirement will be determined as the activity progresses. In 2022, the activity will be supported by the CEO and consultant(s). It could be that a manager is appointed in 2023 and – if PAFA, for example, renders a quality review outsourcing service – a director is appointed at that time.

Additional capacity building resources would be sought from development partners when PAFA undertakes to executive accountancy development programmes on behalf of these partners.

## APPENDIX 2

### Trends

In developing the Plan for 2022, we took account of the following trends and opportunities identified by IFAC.

Trend	Opportunities
<p><b>Friction in the global economy</b></p> <p>The world's markets, supply chains, and economies have become deeply integrated. Nevertheless, amid challenges and uncertainty in the global economy—not least due to the COVID-19 pandemic—many jurisdictions are making trade and public policy decisions that risk inconsistency and further fragmentation in regulations and international standards.</p> <p>Large scale stimulus and rescue spending by governments will have long lasting impact on public finances and taxation.</p>	<ul style="list-style-type: none"> <li>• The profession can demonstrate its ability to master cross-border technical, language, and cultural issues to work for greater global consistency.</li> <li>• The profession can fight fraud, corruption, money laundering, illicit financial flows, tax evasion, and other illegal practices, and enhance governance.</li> <li>• The profession can enhance good governance transparency, and accountability in governments.</li> </ul>
<p><b>Importance of trust</b></p> <p>The impact of COVID-19 on the global economy will increase the importance of trust and confidence in corporate reporting.</p> <p>High-profile corporate failures have created real and perceived issues for the accountancy profession, including a loss of trust.</p>	<ul style="list-style-type: none"> <li>• By focusing on ethical behaviour and conduct, governance, and value creation the profession can raise awareness of its critical role, improve its reputation, and establish a fundamental position for itself alongside other players in the business ecosystem.</li> <li>• Professional accountants who stand up for the public interest can contribute to public trust in an environment of great economic uncertainty.</li> <li>• Public trust is a pivotal issue for all actors in the public and private sectors. The profession can advance its standing by building trust in a system that is under stress and in which most actors are struggling to build or maintain trust.</li> </ul>
<p><b>Increased focus on sustainability</b></p> <p>Achieving sustainable development is the definitive task of the future as the human toll of the climate crisis and inequitable development rises.</p>	<ul style="list-style-type: none"> <li>• Professional accountants can deliver value in both decision making and reporting by providing a holistic, timely view of organisational performance and sustainability—a view that acknowledges the complexity of modern business and encompasses financial and non-financial indicators—and playing their role to safeguard the public interest.</li> <li>• Professional accountants can provide assurance on these broader areas of reporting for the benefit of all stakeholders.</li> </ul>
<p><b>Future of work and education</b></p> <p>New technologies and the continuously evolving needs and preferences of organisations and workers are driving changes to the way people work, the kinds</p>	<ul style="list-style-type: none"> <li>• PAOs can play a role in attracting and developing talent as accountants are required to bring an ever-broadening skill set to their roles.</li> <li>• Professional accountants can meet organisations' growing needs for business advisors to foster entrepreneurial spirit</li> </ul>

Trend	Opportunities
<p>of work they do, the skills they need, and the way in which these skills are learned.</p>	<p>and enhance value creation in micro, small, medium, and large business sectors.</p> <ul style="list-style-type: none"> <li>• Professional accountants can deliver resiliency, adaptability, curiosity, a strategic and innovative yet skeptical mindset, strong communication and critical thinking skills, professional judgment, and a strong ethical backbone.</li> <li>• The profession can attract and retain the right talent with a fundamental rethink and evolution of education, ongoing training, and lifelong learning requirements, especially with respect to developments in technology.</li> <li>• The profession can offer a digital work environment for both current professional accountants and next generation talent.</li> </ul>
<p><b>Ubiquitous technology</b></p> <p>Technology today touches every aspect of our personal and professional lives. While the progress and potential represented by technology is tremendous, it also requires us to deal with significant disruption and change.</p>	<ul style="list-style-type: none"> <li>• The profession can leverage technology to deliver innovative and trusted advice and good judgment, and to make working in the profession more attractive.</li> <li>• The profession can deliver value through real-time reporting of performance data, including traditional financial and non-financial data.</li> <li>• Professional accountants can improve their competencies in risk management, scenario planning, artificial intelligence, blockchain, cybersecurity, and data analytics to contribute to organisational decision making.</li> </ul>
<p><b>Increased focus on audit and assurance</b></p> <p>Greater scrutiny and regulatory oversight of the profession's role in audit quality and auditor performance is increasing. Calls for the expansion in the scope of audit and more informative assurance products are also noted.</p>	<ul style="list-style-type: none"> <li>• The profession can push for quality audits by working collaboratively with regulators and other assurance providers, such as internal auditors, articulating the need for consistent audit quality, demonstrating the benefits of the multidisciplinary firm model, and promoting existing and developing new assurance services.</li> <li>• The profession can contribute to the development of proportionate audit standards for less complex entities.</li> </ul>