



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

**NATIONAL TREASURY  
REPUBLIC OF SOUTH AFRICA**

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**HEADS OF PROVINCIAL TREASURY  
PROVINCIAL ACCOUNTANT-GENERALS  
PROVINCIAL ACCOUNTING OFFICERS  
CHIEF FINANCIAL OFFICERS**

**COMPETENCY FRAMEWORK FOR PUBLIC FINANCIAL MANAGEMENT**

**PURPOSE**

1. This circular serves to inform National and Provincial Departments of the Competency Framework for Public Financial Management; and
2. To request Accounting Officers to adopt and implement the Competency Framework for Public Financial Management within their respective organisations.

**BACKGROUND**

3. The capacity development strategy (CDS) for public financial management seeks to achieve and sustain excellence in the management of public funds and enhance service delivery.
4. The CDS provides a comprehensive and sustainable approach to addressing the financial management constraints in the public sector.
5. The CDS defines four (4) strategic objectives, namely to:
  - a. Support the development of an enabling environment;
  - b. Enhance organisational capacity;

- c. Develop and empower a corps of competent and committed high-performance employees; and
  - d. Create an environment that enables and sustains mutually beneficial stakeholder relationships.
6. The development and implementation of a Competency Framework for Public Financial Management is one of the key activities identified to support the development of an enabling environment.
7. An extensive consultative process was initiated in 2010 that resulted in the development of the Competency Framework for Public Financial Management.
8. The Competency Framework addresses the technical, core and behavioural competencies required by PFM officials in national and provincial departments.
9. The Competency Framework for Public Financial Management constitutes three (3) parts that must be viewed collectively, namely:
  - a. The Competency Framework Document;
  - b. The Explanatory Notes; and
  - c. The Technical Competency Dictionaries.
10. The Competency Framework for Public Financial Management is available on the Office of the Accountant-General's website, <http://oag.treasury.gov.za>. Go to: Publications/Competency Framework.
11. The Competency Framework for Public Financial Management is further comprised of nine functional areas, namely:
  - a. Management Accounting (Planning & Budgeting)
  - b. Revenue Management
  - c. Expenditure Management
  - d. Asset Management (Movable & Immovable)
  - e. Financial Accounting
  - f. Supply Chain Management
  - g. Internal Control
  - h. Enterprise Risk Management
  - i. Internal Audit

12. The Competency Framework Document provides insight into the guiding principles and design of the Competency Framework. Furthermore, it defines the transversal core and behavioural competencies.
13. The Explanatory Notes define the functional area including the limitations in the scope of the TCD and the assumptions that were made relating to the functional area.
14. The Technical Competency Dictionaries (TCDs) define the specific knowledge and skills required to perform optimally within four (4) occupational role levels, namely; administrative, technical, supervisory and managerial.

## **DISCUSSION**

15. From the inception of the Competency Framework, it was recognised that the framework would constitute a living document that will be reviewed to stay abreast with changing legislation and good practice.
16. Public Sector Expert Practice Committees (PSEPC) have been established for each of the respective functional areas with the primary mandate of reviewing and approving proposed amendments to the Competency Framework.
17. It is envisaged that the Competency Framework will progress from a guiding document to a regulated standard of minimum competency requirements.
18. National Treasury welcomes contributions from participating departments to revise the Competency Framework.
19. Competency frameworks are intended to underpin human resource development systems within organisations, such as; recruitment and selection, performance management, training and development, career planning and succession management. An effective competency framework also facilitates self-management and empowerment as it allows officials to assess their knowledge, skills and attributes (i.e. competencies) against the agreed standard of performance required for the relevant occupational level.

## CONCLUSION

20. The adoption and implementation of the Competency Framework for Public Financial Management within your respective departments will contribute towards enhancing financial management in South Africa.
21. Ultimately, this will contribute towards improved service delivery to the citizens of South Africa.
22. Should you require further information regarding the Competency Framework for Public Financial Management, you are welcome to contact Mr Mark Kuipers on 012 -315 5542 or via email at [mark.kuipers@treasury.gov.za](mailto:mark.kuipers@treasury.gov.za). Alternatively, Mr Schalk Human can be contacted on 012 315 5886 or via email at [schalk.human@treasury.gov.za](mailto:schalk.human@treasury.gov.za).
23. Your participation will be appreciated.

Kind regards



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