



AFRICAN ASSOCIATION OF  
ACCOUNTANTS - GENERAL

# INSTITUTIONAL CAPACITY BUILDING FRAMEWORK **ASSESSMENT REPORT**

April 2026



## 1.0 Executive Overview

The Institutional Capacity Building Framework (ICBF) assessment provides a comprehensive, evidence-based evaluation of institutional capacity from eight (8) Offices of the Accountant General within AAAG membership who responded to the questionnaire. Drawing from detailed responses across all thematic areas captured in the assessment instrument, the analysis presents a holistic view of the current state of public financial management (PFM) systems, institutional readiness, and reform trajectories across member countries.

The findings reveal a landscape characterised by strong foundational systems and reform intent, but constrained by structural, technical, and systemic limitations that hinder the translation of policy frameworks into effective implementation. While notable progress has been made in establishing governance structures and financial management processes, significant gaps persist in areas such as digital transformation, risk management, human capital development, institutional sustainability, and intergovernmental coordination.

This report positions these findings within a strategic policy context, providing a basis for continental-level interventions, targeted capacity development, and coordinated reform initiatives led by AAAG.

## 2.0 Context and Purpose of the Assessment

The ICBF serves as a strategic instrument for assessing institutional performance and guiding capacity development across Offices of the Accountant General. The assessment was, thus, undertaken to provide AAAG with a clear and evidence-based understanding of the institutional capacity of Offices of the Accountant General across member countries. It established a baseline of institutional maturity, enabling AAAG to assess the current state of systems, structures, governance arrangements, and operational readiness required to support effective public financial management.

It also sought to identify key strengths, weaknesses, and operational gaps affecting institutional performance. By generating structured and comparable evidence, the assessment provides a solid basis for informing AAAG's policy direction, shaping regional reform priorities, and guiding targeted capacity development and technical assistance interventions in response to the specific needs of member countries.

Across the responses, there is a clear alignment with broader continental and global agendas, including public financial accountability, fiscal sustainability, and service delivery efficiency. However, the data also reflects varying levels of institutional maturity, indicating the need for differentiated yet harmonised approaches to capacity building.

## 3.0 Staff Establishment and Human Resource Capacity

### 3.1 Overview of Staffing Levels and Structure

The analysis of staff establishment responses shows that human resource capacity remains a defining factor in the institutional effectiveness of Offices of the Accountant General across member countries. The responses across shows that most Offices of the Accountant General have formally approved staff establishments, typically organised along core functional areas such as accounting and financial reporting, treasury and cash management, budget execution and control, internal audit and compliance, ICT and financial systems, as well as administration and support services.

While these organisational structures appear to be clearly defined on paper, the assessment points to a persistent gap between approved establishments and actual staffing levels. In effect, the existence of formal structures does not always translate into fully staffed and operational units. This suggests that, although many institutions have made progress in establishing the formal architecture needed to support their mandates, practical implementation remains constrained by staffing shortfalls, which in turn may affect service delivery, reform execution, and overall institutional effectiveness.

### 3.2 Staffing Levels and Vacancy Rates

A dominant trend emerging from the responses is the prevalence of significant vacancy levels and structural staffing constraints across Offices of the Accountant General, particularly within critical technical and professional functions. While the extent varies by country, the overall pattern reflects constrained institutional capacity to fully deliver on evolving public financial management (PFM) mandates.

Sierra Leone reported 453 approved positions, with 396 filled, leaving 57 vacancies (12.6%), while Lesotho recorded 387 approved posts and 309 filled positions, resulting in 78 vacancies (20.2%), compounded by delays in filling vacant positions. Uganda, with the largest establishment of 649 positions, reported only 451 filled posts, leaving a substantial capacity gap of over 30%, highlighting the scale of resourcing pressures in larger administrations.

Zimbabwe presents a relatively low vacancy rate (63 approved vs 58 filled; 7.9%), though this is within a smaller institutional structure. Mauritius, by contrast, shows a more stable staffing position (202 approved, 183 filled; 9.4% vacancy), though this stability is undermined by high staff turnover in key technical cadres. Somalia reported full staffing against an approved establishment of 9 positions, although broader functional descriptions suggest a more complex and expanded operational structure beyond the formal establishment.

Beyond numerical gaps, the findings indicate that understaffing is particularly acute in specialised areas, including accounting, financial reporting, ICT systems, and risk management. In several cases, staffing limitations are further exacerbated by structural constraints, such as budget ceilings (Mauritius), limited establishment positions (Sierra Leone), and institutional recruitment arrangements (Zimbabwe, where recruitment is centrally managed by the Public Service Commission).

### **3.3 Skills and Professional Capacity**

The assessment reveals that staffing challenges extend beyond numbers to include significant disparities in professional qualifications and technical capacity across countries.

Uganda demonstrates the strongest professional accounting base, with 181 professionally qualified staff, supported by structured sponsorship programmes for professional certification. Zimbabwe also shows a relatively strong skills pipeline, with 32 qualified accountants and 12 staff undertaking professional qualifications, supported through institutional training arrangements coordinated with the Public Service Commission.

Sierra Leone and Lesotho, while having a considerable number of staff with academic qualifications, show a limited proportion of fully professionally certified accountants, with Sierra Leone reporting 32 qualified staff and Lesotho only 10, despite relatively large establishments. Mauritius presents a moderate professional base (53 qualified staff), but this is undermined by high turnover among accountants and accounting technicians, driven by more competitive private sector opportunities and previously weak career progression pathways.

Somalia reflects the most significant capacity gap, reporting no fully professionally qualified accountants, with only a small number partially qualified (CIFA) and others holding diploma or degree-level qualifications. This highlights a fundamental capacity constraint in supporting modern accounting reforms.

Across countries, there is a consistent pattern of skills mismatch, particularly in areas such as accrual-based IPSAS implementation, management of IFMIS/ERP systems, data analytics, and risk management. A consistent pattern emerging from the findings is that many staff members have been developed within traditional cash-based accounting environments, limiting their readiness to support ongoing PFM reforms and digital transformation initiatives.

### **3.4 Distribution Across Staff Categories**

The responses indicate imbalances in staffing composition, with a concentration of personnel at operational and support levels, and comparatively fewer staff in middle management, supervisory, and strategic technical roles.

For instance, Uganda's structure shows a strong base of operational staff but relatively limited middle management (7 staff), while Sierra Leone and Lesotho similarly reflect constrained managerial layers relative to their overall establishment. Mauritius

demonstrates a more balanced distribution across executive, middle, and supervisory levels, though pressures remain due to staff turnover.

In Somalia, despite a small approved establishment, the reported structure includes multiple directors, managers, and supervisors, suggesting misalignment between formal establishment figures and actual functional staffing arrangements.

This imbalance constrains institutions' ability of institutions to perform higher-order functions, such as policy analysis, reform coordination, and strategic oversight, which are critical to advancing PFM reforms.

### **3.5 Workforce Planning and Establishment Alignment**

A recurring theme across all countries is the misalignment between current staff establishments and emerging institutional needs. In many cases, staffing structures remain oriented toward traditional PFM functions, without sufficient adaptation to support accrual accounting reforms, digital transformation, and data-driven decision-making. Mauritius, for example, has recognised the need to strengthen staffing in response to IMF recommendations, but budget constraints have limited implementation. Sierra Leone highlights structural limitations in expanding establishment positions, while Lesotho faces operational delays in filling approved roles.

Zimbabwe's reliance on centralised recruitment through the Public Service Commission introduces additional constraints in aligning staffing to institutional priorities, while Somalia is actively pursuing reforms to strengthen recruitment, succession planning, and professionalisation.

Overall, workforce planning across countries appears largely reactive rather than strategic, limiting the ability to position the right skills in critical reform areas.

### **3.6 Staff Retention and Turnover**

Retention challenges are a significant and recurring issue, particularly among professionally qualified and technical staff. Mauritius provides a clear illustration, reporting high turnover among accountants and accounting technicians, driven by more competitive private sector opportunities and previously limited promotion pathways. Sierra Leone similarly highlights constraints in career progression due to limited established positions, which can affect staff motivation and retention.

In several countries, weak incentives, limited career development structures, and non-competitive remuneration contribute to the loss of skilled personnel, undermining institutional continuity and reform sustainability.

### **3.7 Training, Professional Development, and Knowledge Retention**

While training initiatives are reported across countries, these are generally fragmented and not anchored in structured competency frameworks. Uganda stands out as a positive example, with institutional support for professional certification, including sponsorship of examination and membership fees. Zimbabwe also demonstrates structured training coordination through HR and the Public Service Commission.

However, in countries such as Lesotho and Somalia, training efforts remain limited, with Somalia outlining plans to strengthen professional qualifications through targeted training, mentorship, and capacity-building initiatives.

Across the board, there is limited evidence of systematic, continuous professional development programmes, formal mentorship structures, or mechanisms for institutional knowledge retention. This constrains the ability to embed skills within institutions and sustain reform momentum over time.

Overall, while countries such as Uganda and Mauritius show relatively stronger institutional maturity, others, including Lesotho and Somalia, face more pronounced challenges. Strengthening staffing levels, improving professionalisation, and institutionalising capacity development frameworks should therefore remain central to AAAG's strategic capacity-building agenda.

## **4.0 Governance, Legal Frameworks, and Institutional Independence**

The assessment reveals that most member countries have established legal and regulatory frameworks governing public financial management, providing a solid foundation for accountability and oversight. Countries such as Mauritius, Sierra Leone, Uganda, Lesotho, and Zimbabwe have relatively strong legal mandates that define the roles and responsibilities of the Office of the Accountant General (OAG). However, a consistent finding across responses is that strong legal provisions do not always translate into effective operational independence or enforcement authority.

A key cross-cutting issue is the limited institutional autonomy of the OAG, particularly in relation to executive influence. In Sierra Leone, the PFM Act allows directives from the Minister of Finance, including delegated authority to the Financial Secretary, creating ambiguity in accountability. Similarly, in Mauritius, although the legal framework is robust, the Accountant General operates under the direction of the Financial Secretary, with key decisions driven by the Ministry of Finance. Zambia also reflects constraints in enforcement authority despite a relatively defined legal mandate.

In Lesotho, these challenges are more pronounced, with low levels of autonomy and enforcement capacity, largely attributed to political interference and insufficient institutional authority. Zimbabwe, while stronger in oversight and legal protections, faces structural limitations where the Accounting Officer (Paymaster General) retains authority over the Accountant General, constraining full operational independence. South Africa similarly highlights that the powers of the Accountant General are not fully codified in legislation (PFMA), limiting enforcement despite otherwise strong institutional arrangements.

Uganda presents a comparatively balanced framework, with strong autonomy and policy-setting authority; however, the absence of statutory provisions governing the appointment and removal of the Accountant General remains a key gap. Somalia,

while showing progress in statutory authority and enforcement, continues to face challenges in ensuring practical independence from ministerial influence, alongside broader capacity constraints.

Across countries, the ability to enforce financial discipline and compliance remains uneven, particularly in Zambia, Sierra Leone, and Lesotho, where enforcement authority is weak or constrained in practice. Even where legal authority exists, it is often undermined by institutional dependencies, political influence, and unclear reporting lines. Oversight mechanisms, including parliamentary committees, are generally present and moderately effective, but do not consistently translate into strengthened enforcement outcomes.

The findings also highlight a broader misalignment between existing governance frameworks and the evolving demands of modern PFM, including accrual accounting reforms, digital financial systems, and data-driven oversight.

To address these gaps, countries have proposed reforms centred on strengthening legal mandates and institutional independence, including legislative amendments (South Africa, Sierra Leone, Uganda, Mauritius), clearer accountability structures (Zimbabwe), and reduced political interference (Lesotho, Somalia). Complementary measures such as capacity building, professionalisation, and change management (Zambia, Somalia) are also emphasised.

Overall, while legal frameworks are largely in place, enhancing institutional independence, clarifying mandates, and strengthening enforcement authority remain critical to enabling OAGs to effectively fulfil their role as custodians of public finance and to support sustainable PFM reform.

## **5.0 Strategic Leadership and Institutional Direction**

The assessment shows that most OAGs have established governance structures, strategic plans, and operational frameworks, providing a basis for institutional direction and performance management. Countries such as Mauritius, Sierra Leone, Uganda, and Somalia demonstrate relatively strong systems across planning, policy formulation, and performance evaluation. However, a consistent finding is that strong frameworks do not always translate into effective execution, strategic coherence, or sustained reform momentum.

A key issue across several countries is that strategic leadership is often constrained by institutional positioning within Ministries of Finance. In Zambia, while governance structures and policy implementation are relatively strong, strategic planning is undertaken at the Ministry level, with the OAG operating as a functional unit, which may limit independent strategic direction and reform prioritisation. South Africa similarly reflects strong planning and policy capabilities. However, the OAG functions as a division within the National Treasury, with governance structures externally prescribed, although proposed legislative reforms are expected to strengthen autonomy.

In Mauritius, the OAG demonstrates strong governance and planning systems, but resource constraints and centralised policy approval processes limit implementation effectiveness. The need for enhanced resources and targeted capacity building, particularly in ICT, IPSAS, and project management, is highlighted as critical to strengthening institutional effectiveness. Sierra Leone stands out as a strong performer across all dimensions, with well-established governance, planning, and performance evaluation systems, and no significant challenges reported.

Uganda also demonstrates a strong institutional framework; however, fragmentation in roles between planning and execution, with different entities tracking work plans and budget performance, suggests potential coordination inefficiencies. In Lesotho, capacity limitations remain a key constraint, affecting planning, execution, and performance monitoring. Zimbabwe, while institutionally stable, highlights the challenge of multiple concurrent reforms, which may dilute focus and strain implementation capacity. Somalia reflects strong formal structures, though gaps remain in translating these into fully effective implementation.

Across countries, performance evaluation systems are generally in place but vary in effectiveness, particularly in linking performance insights to corrective actions and reform adjustments. Overall, the findings highlight a gap between strategic intent and operational delivery, driven by limited autonomy, capacity constraints, fragmented responsibilities, and competing reform priorities. While reform agendas such as IPSAS adoption and system modernisation are widely recognised, their implementation often lacks coordinated leadership and sustained ownership.

To address these challenges, countries emphasise the need for enhanced institutional capacity (Lesotho, Mauritius), strengthened autonomy (South Africa), improved coordination (Uganda), and better prioritisation of reforms (Zimbabwe). More broadly, there is a need to strengthen leadership capability and execution discipline to ensure that strategic plans translate into tangible and sustained public financial management outcomes.

## **6.0 Resource Allocation and Financial Sustainability**

A consistent pattern emerging from the responses is that limited financial resources and constrained budgetary autonomy continue to affect the ability of OAGs to effectively deliver on their mandates and sustain PFM reforms. While most countries report that OAGs are involved in budget preparation, often at relatively strong levels, this does not necessarily translate into adequate or flexible funding to meet operational and strategic needs.

Across countries, budget sufficiency remains a key constraint. In Zambia, resource pressures limit the ability to fully meet operational requirements, despite relatively strong budget preparation processes. Uganda similarly highlights that available resources are insufficient to support critical areas such as PFM systems and staff

capacity development, necessitating a phased prioritisation approach to manage competing demands.

In South Africa, budget allocations are reported to be barely sufficient to meet strategic needs, resulting in reliance on donor support to bridge funding gaps. This introduces sustainability concerns, particularly in the context of broader economic constraints that limit fiscal space. Somalia faces even more pronounced challenges, with a limited budget that restricts capacity-building initiatives, staff incentives, and participation in international engagements, and is further compounded by gaps in professional qualifications.

In Mauritius, while budget preparation processes are strong, the OAG faces increased responsibilities without commensurate resource allocation, particularly following legislative changes requiring the preparation of additional financial statements. This creates a structural imbalance between mandate expansion and resource availability, highlighting the need for staffing and resource adjustments based on functional demands.

Lesotho reflects a dual challenge of insufficient funding and limited budgetary independence, with the OAG's budget being embedded within the Ministry of Finance. This arrangement constrains the Office's ability to fully execute its mandate and prioritise its own operational needs. Zimbabwe also reports general resource constraints, pointing to the need for enhanced domestic revenue mobilisation to support institutional financing.

By contrast, Sierra Leone reports no major challenges in this area, although budget sufficiency remains moderate, suggesting that while immediate pressures may be less pronounced, resource adequacy may still limit future expansion or reform scaling.

A broader cross-cutting issue is the misalignment between expanding mandates and available resources, as well as the limited prioritisation of OAG functions within national budget frameworks. In several cases, OAGs are required to deliver on increasingly complex reforms -including IPSAS implementation, systems modernisation, and enhanced reporting - without corresponding increases in funding.

Additionally, the dependence on external funding and donor-supported programmes, particularly in countries such as South Africa and Somalia, introduces sustainability risks. Such reliance may lead to fragmented or short-term reform initiatives that are not fully institutionalised within domestic systems.

To address these challenges, countries have proposed a range of measures, including increased budget allocations (Somalia), strengthening human resource capacity (Mauritius), adopting phased and prioritised implementation approaches (Uganda), enhancing domestic revenue mobilisation (Zimbabwe), and improving institutional autonomy over budgeting (Lesotho). More broadly, there is a need to align resource allocation with reform priorities and institutional mandates, ensuring that OAGs are adequately resourced to support evolving PFM demands.

Overall, while basic funding structures are in place, strengthening financial sustainability, improving budget adequacy, and enhancing autonomy over resource utilisation remain critical to enabling OAGs to effectively implement reforms, build capacity, and sustain long-term improvements in public financial management systems.

## 7.0 Functional Risk Management and Institutional Resilience

The assessment highlights uneven maturity in risk management frameworks and institutional resilience across OAGs. While a few countries demonstrate well-established systems, the majority reflect fragmented, underdeveloped, or externally dependent risk management arrangements, limiting their ability to effectively anticipate, manage, and respond to risks.

South Africa and Mauritius stand out with strong and fully developed frameworks, indicating integrated risk management systems and established crisis preparedness mechanisms. However, Mauritius identifies a specific operational gap relating to limited remote access to IFMIS, with proposed mitigation through VPN solutions, albeit with cost implications.

In contrast, several countries demonstrate partial or limited frameworks. In Zambia, risk management exists at the Ministry of Finance level but is not tailored to the specific needs of the OAG, highlighting the need for institution-specific frameworks aligned to reform implementation risks. Similarly, Uganda shows moderate capacity, with risk management largely focused on operational and system-related risks, particularly PFM system failures and unauthorised access, rather than broader financial and strategic risks.

Zimbabwe reflects a relatively stronger position, with awareness of broader macroeconomic and fiscal risks, including political and monetary factors. However, these risks extend beyond institutional control, underscoring the importance of stable fiscal and policy environments in supporting institutional resilience.

More pronounced gaps are evident in Sierra Leone, Lesotho, and Somalia. In Sierra Leone, risk management functions are largely centralised within the Ministry of Finance, with limited dedicated structures within the OAG itself. Lesotho highlights capacity and resource constraints as key barriers to developing and implementing risk frameworks. Somalia faces the most significant challenges, with the absence of a comprehensive risk management framework and limited crisis preparedness (Level 1), constraining the Office's ability to ensure continuity and respond effectively to emerging risks.

Across countries, there is limited evidence of formal Enterprise Risk Management (ERM) frameworks, automated risk monitoring systems, or integrated reporting mechanisms. Risk management practices are often reactive rather than proactive, and not fully embedded within decision-making, reform planning, or performance management processes.

To address these gaps, countries have proposed developing formal risk management frameworks (Zambia, Somalia), strengthening crisis management and business continuity planning (Somalia), investing in system safeguards and IT capacity (Uganda), and building institutional capacity through training (Lesotho). More broadly, there is a need to institutionalise risk management as a core governance function, aligned with reform priorities and supported by clear accountability structures.

Overall, strengthening risk management systems is critical to enhancing institutional resilience, safeguarding PFM reforms, and ensuring continuity in increasingly complex and risk-prone operating environments.

## **8.0 Institutional Sustainability, Innovation, and Reform**

The assessment indicates that while most OAGs are actively engaged in PFM reforms and systems modernisation, progress toward institutional sustainability, innovation, and alignment with emerging global priorities, such as climate finance and SDG-linked financial management, remains uneven.

Countries such as Uganda, Mauritius, Zimbabwe, and Somalia demonstrate relatively stronger progress in aligning reforms with national development priorities and adopting technology-driven systems. Uganda stands out with advanced adoption of financial systems and strong reform alignment, although sustainability initiatives remain at an early stage, requiring continuous refinement and strengthened business continuity planning. Mauritius similarly shows steady progress, with SDGs already identified, though implementation remains subject to ongoing stakeholder engagement, highlighting the need for technical support and external expertise.

Zimbabwe reflects growing momentum, particularly in integrating sustainability considerations, with efforts underway to adopt climate resilience strategies, though these remain in transition and require further alignment with international standards. Somalia also demonstrates moderate progress across the reform and sustainability dimensions, though improvements are still needed to deepen implementation and strengthen institutional capacity.

In contrast, Zambia, Lesotho, and Sierra Leone reflect more moderate progress, particularly in sustainability integration and crisis preparedness. In Zambia, gaps are evident in ICT infrastructure and the absence of a formal framework for sustainability reporting, limiting the ability to support inclusive and data-driven reforms. Lesotho remains at an early stage in adopting SDG, green budgeting, and climate finance frameworks, compounded by institutional fragmentation between the Budget Office and OAG. Sierra Leone, while relatively strong in reform implementation and systems adoption, shows limited progress in embedding sustainability practices.

South Africa presents a unique case, with strong reform implementation but limited involvement of the OAG in areas such as climate finance, fiscal shocks, and green budgeting, as these functions are largely managed by the National Treasury. This

reflects a functional delineation rather than a capacity constraint, but nonetheless limits the OAG's role in broader sustainability and resilience agendas.

Across countries, preparedness for fiscal shocks and crisis management remains moderate to weak, particularly in Zambia and Lesotho, highlighting the need for more robust and integrated resilience frameworks. While Uganda demonstrates relatively stronger preparedness, most countries lack fully institutionalised approaches to managing fiscal risks within the OAG context.

A key cross-cutting issue is that sustainability and innovation agendas are still emerging and not yet fully embedded within core PFM systems. Many countries are in early or transitional stages, with limited frameworks, weak integration into budgeting and reporting processes, and insufficient technical capacity to operationalise reforms.

To address these gaps, countries have proposed continued investment in ICT infrastructure (Zambia), technical assistance and advisory support (Mauritius), strengthening coordination between institutions (Lesotho), adopting climate and sustainability standards (Zimbabwe), and enhancing continuity planning (Uganda). More broadly, there is a need to mainstream sustainability into PFM systems, strengthen institutional readiness for shocks, and leverage innovation to drive reform outcomes.

Overall, while progress in reform and digital adoption is evident, advancing institutional sustainability, strengthening resilience, and embedding innovation within PFM frameworks remain critical priorities for ensuring long-term effectiveness and alignment with evolving global and national development agendas.

## 9.0 Human Capital Management

The assessment reveals that while most OAGs have established staffing structures and performance management systems, significant challenges persist in human resource autonomy, workforce adequacy, and the development of performance-driven institutional cultures.

A key cross-cutting issue is the limited autonomy of OAGs over human resource functions, particularly recruitment, promotions, and staff management. In countries such as Zambia, South Africa, Sierra Leone, Lesotho, and Zimbabwe, HR functions are largely managed by central bodies such as Public Service Commissions or Ministry-level HR departments. This arrangement often results in delays in recruitment, limited control over staffing decisions, and constrained responsiveness to institutional needs. For instance, Mauritius highlights that recruitment processes managed by the Public Service Commission can take over a year to fill vacancies, while Sierra Leone notes that external control over hiring and dismissal limits operational flexibility.

Despite these constraints, some countries demonstrate relatively stronger staffing capacity. South Africa, Uganda, and Zimbabwe report moderate to high levels of staff adequacy, while Mauritius and Zambia show moderate capacity, though affected by systemic HR limitations. In contrast, Lesotho and Somalia face more significant workforce challenges, with Lesotho reporting limited staffing levels and Somalia

highlighting critical gaps in qualified personnel, particularly in accounting and ICT roles.

Performance management systems are generally in place across most countries, with stronger systems observed in South Africa, Mauritius, Sierra Leone, Uganda, and Zimbabwe. However, their effectiveness varies. In Mauritius, performance appraisal systems are described as subjective and lacking incentives for high performance, while in Uganda, the Performance-for-Results initiative is still maturing and requires time to fully embed within institutional processes. Lesotho reports the existence of performance systems but notes that these are not yet sufficiently developed or supported by adequate training.

The development of a performance-driven culture also remains uneven. While countries such as South Africa, Mauritius, Sierra Leone, and Zimbabwe demonstrate relatively stronger cultures of accountability and efficiency, others, including Lesotho and Somalia, face challenges in embedding such cultures due to capacity constraints, limited incentives, and weak performance frameworks. In Somalia, these challenges are particularly pronounced, with both staffing shortages and the absence of a strong performance culture affecting overall institutional effectiveness.

Across countries, additional challenges include limited incentives for staff retention and performance, inadequate training and capacity development, and weak succession planning frameworks. These factors collectively undermine the ability of OAGs to build and sustain a skilled and motivated workforce capable of supporting ongoing PFM reforms.

To address these gaps, countries have proposed a range of reforms, including strengthening HR autonomy (Sierra Leone, Zimbabwe), improving recruitment efficiency and timelines (Mauritius), enhancing training and capacity building (Lesotho, Somalia), and implementing more robust and objective performance management systems (Mauritius, Somalia). There is also a need to embed performance-based incentives, introduce 360-degree appraisal mechanisms, and promote accountability frameworks to drive institutional effectiveness.

Overall, while foundational human resource systems exist, enhancing HR autonomy, strengthening workforce capacity, and fostering a performance-driven culture remain critical priorities for enabling OAGs to effectively deliver on their mandates and sustain public financial management reforms.

## **10.0 Capacity Development and Knowledge Management**

The assessment indicates that while most OAGs have initiated capacity development efforts, the depth, structure, and sustainability of these programmes vary significantly across countries. A common pattern is the presence of ad hoc or partially structured training initiatives, with limited integration into long-term institutional capacity-building strategies.

Countries such as South Africa, Mauritius, and Uganda demonstrate relatively strong capacity development frameworks, with high levels of staff participation in professional training and established systems for continuous learning. South Africa stands out with well-developed programmes, strong partnerships with professional bodies, and active knowledge-sharing platforms. Similarly, Uganda reflects a mature approach, with regular professional development and capacity needs assessments, although succession planning remains moderately developed.

Mauritius also demonstrates strong systems across training, assessment, and partnerships. However, these gains are undermined by high staff turnover, particularly among technically qualified personnel, driven by uncompetitive remuneration. This highlights a key challenge of retaining skilled staff despite strong investment in capacity development.

In contrast, Zambia, Sierra Leone, and Zimbabwe reflect moderate progress. Zambia has ongoing training efforts but lacks formalised partnerships with universities and professional bodies, limiting opportunities for structured professional development. Sierra Leone shows some strength in staff training and succession planning but has limited partnerships and knowledge-sharing platforms. Zimbabwe demonstrates relatively strong training initiatives; however, centralised training structures and limited dedicated budgets constrain the ability of the OAG to deliver specialised and responsive capacity-building programmes.

More significant gaps are evident in Lesotho and Somalia, where capacity development systems remain underdeveloped. Lesotho reports minimal progress across most dimensions, including the absence of structured training programmes, limited professional development, and weak succession planning. Encouragingly, efforts are underway to establish partnerships with professional bodies to strengthen capacity. Somalia faces similarly pronounced challenges, including the lack of structured training programmes, the absence of regular capacity needs assessments, weak partnerships, and limited knowledge-sharing platforms. These gaps significantly constrain institutional learning and professional growth.

Across countries, capacity needs assessments and succession planning remain inconsistently applied, limiting the ability to systematically identify and address skills gaps or prepare future leadership. Additionally, while some countries have established knowledge-sharing mechanisms, these are not universally institutionalised, reducing opportunities for peer learning, innovation, and dissemination of best practices.

Key cross-cutting challenges include limited formalisation of training programmes, weak institutional partnerships, inadequate funding for capacity development, and difficulties in retaining skilled personnel. Even in countries with strong systems, sustainability is threatened where capacity development is not linked to retention and career progression strategies.

To address these gaps, countries have proposed formalising partnerships with universities and professional bodies (Zambia, Lesotho, Somalia), strengthening recruitment and retention incentives (Mauritius), decentralising and increasing funding

for training (Zimbabwe), and developing structured professional development and knowledge-sharing platforms (Somalia). There is also a need to institutionalise regular capacity needs assessments and embed succession planning frameworks across OAGs. Overall, while capacity development efforts are evident, strengthening the structure, sustainability, and strategic alignment of capacity-building initiatives, alongside improving knowledge management systems, remains critical to building a skilled and resilient workforce capable of supporting ongoing PFM reforms.

## 11.0 Ethics, Integrity, and Anti-Corruption Measures

The assessment indicates that while OAGs have established elements of ethics, integrity, and anti-corruption frameworks, the level of maturity, enforcement, and institutional ownership varies significantly across countries. Overall, there is evidence of foundational systems in place, but with notable gaps in enforcement, coordination, and internal accountability mechanisms.

Countries such as South Africa and Mauritius demonstrate relatively strong frameworks across all dimensions, including conflict of interest management, whistleblower protection, transparency in financial information, and enforcement procedures. In South Africa, systems are well established and consistently applied, with no major challenges reported. Mauritius similarly shows strong formal structures; however, enforcement processes are often lengthy, and oversight bodies such as the Public Accounts Committee lack sanctioning authority, necessitating the establishment of internal disciplinary mechanisms to strengthen accountability.

In contrast, several countries reflect moderate but uneven implementation of ethics and anti-corruption measures. In Uganda, systems are in place, particularly in terms of transparency and access to financial information, but enforcement and sanctions are often handled by external oversight institutions, highlighting the need for stronger coordination and internal accountability. Zimbabwe also demonstrates moderate strength, particularly in transparency and enforcement procedures, but notes weak application of penalties and fines, suggesting the need to strengthen deterrence mechanisms.

Zambia reflects a foundational but externally reliant system, where irregularities are primarily referred to law enforcement agencies, indicating limited internal investigative and enforcement capacity. This underscores the need to strengthen internal mechanisms while enhancing collaboration with external enforcement bodies.

More significant gaps are observed in Sierra Leone, Lesotho, and Somalia. Sierra Leone shows relatively low levels of whistleblower protection and moderate systems overall, though no major challenges were explicitly identified. Lesotho reflects more pronounced weaknesses, including the absence of formal procedures to detect and investigate financial irregularities and limited whistleblower mechanisms, pointing to a need for foundational system development. Somalia similarly reflects low to moderate ratings, with unclear or underdeveloped frameworks, particularly in ethics enforcement and whistleblower protection.

Across countries, whistleblower mechanisms remain a critical gap, with limited formalisation, weak safeguards, and concerns around risks associated with reporting misconduct. Additionally, while transparency in procurement and financial information is generally moderate to strong, the effectiveness of enforcement procedures remains inconsistent, often characterised by delays, weak sanctions, or reliance on external bodies. A key cross-cutting issue is the fragmentation of roles between OAGs and other oversight institutions, which, while necessary for checks and balances, can dilute accountability where coordination is weak or mandates are not clearly defined.

To address these gaps, countries have proposed a range of measures, including strengthening collaboration with law enforcement agencies (Zambia), establishing internal disciplinary frameworks (Mauritius), enhancing coordination with oversight bodies (Uganda), developing formal procedures and whistleblower systems (Lesotho), and strengthening enforcement of penalties and sanctions (Zimbabwe). More broadly, there is a need to institutionalise ethics and anti-corruption frameworks within OAGs, strengthen enforcement capacity, and ensure the timely and consistent application of sanctions.

Overall, while foundational elements of integrity systems exist, strengthening internal accountability mechanisms, enhancing enforcement effectiveness, and safeguarding whistleblower systems remain critical to promoting transparency, deterring misconduct, and reinforcing public trust in financial governance.

## **12.0 Financial Management Systems and Budget Execution**

The assessment indicates that most OAGs have established foundational systems for financial reporting, budgeting, and treasury operations, supported by the use of digital platforms such as IFMIS. However, the effectiveness, integration, and enforcement of these systems vary across countries, with a recurring gap between system availability and operational performance.

Countries such as South Africa, Mauritius, and Uganda demonstrate relatively strong financial management systems. South Africa reflects high performance across most dimensions, including strong legal mandates, effective budget execution, and robust treasury operations, although financial reporting timeliness remains moderate. Mauritius also performs strongly, with well-established systems and high levels of accuracy and timeliness in reporting. However, challenges persist in the monitoring of budget variances and excessive flexibility in expenditure reallocations, indicating the need for stronger internal controls and enforcement mechanisms.

Uganda similarly shows strong system adoption and effectiveness, particularly in budgeting, cash management, and treasury operations. However, the country has not fully adopted IPSAS, relying instead on national PFM frameworks, highlighting the need for progressive alignment with international standards.

In Zambia, Sierra Leone, Zimbabwe, and Somalia, financial management systems are generally in place but face varying operational challenges. Zambia demonstrates relatively strong systems but continues to face challenges in payroll management, pointing to the need for better integration of payroll systems within IFMIS. Sierra Leone reflects solid performance across most areas, though with moderate efficiency in cash flow management and enforcement authority.

Zimbabwe shows balanced performance but highlights gaps in the legal and regulatory framework, which affect the consistency of implementation and enforcement. Similarly, Somalia demonstrates moderate to strong system functionality, particularly in digital infrastructure and treasury operations, though overall institutional capacity remains a factor influencing performance.

Lesotho reflects more moderate performance across all dimensions, with particular challenges in adherence to financial regulations and enforcement of corrective measures, suggesting the need for stronger compliance frameworks and accountability mechanisms.

Across countries, budget formulation and execution processes are generally established, but their effectiveness is often constrained by weak enforcement, limited monitoring of variances, and gaps in regulatory frameworks. Cash flow and expenditure management are moderately efficient in most countries, though not consistently optimised.

A key cross-cutting issue is the incomplete implementation of financial regulations and corrective measures, with several countries reporting weak enforcement of sanctions for non-compliance. Additionally, while financial reporting systems are largely functional, timeliness and completeness are not always consistently achieved, particularly where institutional capacity or system integration is limited.

To address these challenges, countries have proposed strengthening internal controls and enforcement mechanisms (Mauritius, Lesotho), integrating payroll systems within IFMIS (Zambia), progressively adopting IPSAS standards (Uganda), and aligning legal frameworks with constitutional and regulatory requirements (Zimbabwe). More broadly, there is a need to enhance system integration, improve compliance enforcement, and strengthen the link between financial systems and accountability mechanisms.

Overall, while financial management systems are largely in place, improving execution efficiency, strengthening regulatory enforcement, and ensuring full alignment with international standards remain critical to enhancing fiscal discipline, safeguarding public funds, and advancing PFM reform objectives.

### **13.0 Budgetary Control**

The assessment indicates that while most OAGs have established mechanisms for budgetary control, monitoring, and expenditure management, the consistency, coordination, and enforcement of these processes vary across countries. A key finding is that although systems for budget monitoring exist, their application is often

irregular, fragmented, or externally driven, limiting their effectiveness in ensuring fiscal discipline.

Countries such as South Africa, Uganda, and Somalia demonstrate strong performance across all dimensions, with robust variance analysis, effective monitoring and evaluation systems, and efficient expenditure control mechanisms. In these countries, budgetary control processes are well integrated into financial management systems, supporting timely corrective actions and overall fiscal stability.

In contrast, Zambia, Sierra Leone, and Mauritius reflect moderate performance, with systems in place but facing operational challenges. In Zambia, budget monitoring and evaluation are not conducted consistently, often on an ad hoc basis rather than through structured reporting cycles. This limits the ability to identify and address variances in a timely manner. Sierra Leone shows a similar moderate position, with no major challenges reported but with scope to strengthen system effectiveness.

In Mauritius, while monitoring and evaluation mechanisms are relatively strong, a key challenge lies in weak budget discipline at the level of Ministries and Departments, where Financial Instructions are not consistently adhered to. This highlights the need for stronger enforcement mechanisms and stricter compliance measures to ensure accountability across spending entities.

More pronounced challenges are evident in Lesotho and Zimbabwe, where institutional coordination issues affect budgetary control effectiveness. In Lesotho, the OAG is not sufficiently involved in budget formulation processes, limiting its ability to influence or monitor execution effectively. Strengthening collaboration between the Budget Office and OAG is therefore critical. In Zimbabwe, the separation between budget releases (handled by the Budget Office) and cash disbursement (handled by the OAG) creates coordination gaps, affecting the alignment between planning and execution.

Across countries, resource allocation and expenditure control are generally moderate, but their effectiveness is often constrained by weak enforcement, limited integration between institutions, and inconsistent monitoring practices. Even where variance analysis is undertaken, the translation of findings into corrective action is not always systematic or timely.

A key cross-cutting issue is the need to institutionalise regular, structured budget monitoring frameworks, supported by clear reporting timelines and accountability mechanisms. Additionally, stronger alignment between budget formulation, execution, and cash management functions is required to enhance overall fiscal control.

To address these gaps, countries have proposed establishing regular budget monitoring cycles (Zambia), strengthening enforcement of financial rules (Mauritius), enhancing coordination between budget and accounting functions (Lesotho, Zimbabwe), and reinforcing existing strong systems where no major challenges are reported (South Africa, Uganda, Somalia).

Overall, while foundational budgetary control systems are in place, improving consistency in monitoring, strengthening enforcement of budget rules, and enhancing institutional coordination remain critical to ensuring effective expenditure management and sustaining fiscal discipline.

## 14.0 Sustainability Management

The assessment indicates that sustainability management within OAGs remains at an early and evolving stage, with uneven progress across countries in integrating sustainability, ESG principles, and long-term fiscal responsibility into public financial management systems. While some countries demonstrate emerging frameworks, many are still in foundational or transitional phases, with limited formalisation and implementation.

South Africa stands out as a leading performer, with relatively strong frameworks across all dimensions, including integration of ESG factors and implementation of sustainable procurement practices. No major challenges were reported, reflecting a more mature and embedded approach to sustainability within financial management systems.

In contrast, Zambia reflects the most significant gap, with minimal progress across all dimensions, primarily due to the absence of a sustainability reporting framework. This highlights a critical need to establish foundational structures to support sustainability integration within public finance.

Countries such as Mauritius, Uganda, Lesotho, and Zimbabwe demonstrate moderate progress, though sustainability practices remain largely conceptual or in early stages of implementation. In Mauritius, sustainability is recognised as a new area, but the absence of clear guidelines and frameworks limits effective implementation, necessitating technical assistance and capacity building. Similarly, Uganda is in the early stages of integrating sustainability into planning, budgeting, and procurement, with a need to allow these initiatives to mature and be institutionalised over time.

Lesotho and Zimbabwe reflect similar challenges, where sustainability frameworks exist in principle but face weak implementation and limited adherence to standards. In Lesotho, the issue lies in the lack of effective execution of sustainability strategies, while Zimbabwe highlights the need to fully adopt and align with sustainability standards.

Sierra Leone shows moderate development in sustainability planning but limited integration of ESG factors and sustainable procurement practices, indicating a need to strengthen implementation depth despite the absence of explicitly identified challenges.

Somalia presents a developing framework with moderate progress in sustainability planning but notable gaps in ESG integration and sustainable procurement strategies. Key challenges include the absence of a structured ESG framework and limited capacity to incorporate sustainability into financial decision-making. Proposed reforms

focus on developing formal ESG frameworks, adopting sustainable procurement policies, building staff capacity, and establishing monitoring systems.

Across countries, a key cross-cutting issue is the lack of comprehensive sustainability frameworks, weak integration of ESG principles into core financial systems, and limited technical capacity to operationalise sustainability initiatives. In many cases, sustainability remains peripheral to core PFM processes, rather than being embedded within budgeting, reporting, and procurement systems.

To address these gaps, countries have proposed developing sustainability and ESG frameworks (Zambia, Somalia), strengthening capacity through training and technical assistance (Mauritius, Somalia), improving adherence to procurement and financial procedures (Lesotho), and aligning with international sustainability standards (Zimbabwe). There is also a need to institutionalise sustainability reporting and integrate ESG considerations into decision-making processes.

Overall, while awareness of sustainability and ESG principles is increasing, strengthening frameworks, building institutional capacity, and embedding sustainability into core PFM systems remain critical to advancing long-term fiscal responsibility, environmental stewardship, and inclusive economic development.

## **15.0 Public Financial Data Management and Digital Transformation**

The assessment indicates that most OAGs have made notable progress in adopting digital financial management systems, particularly IFMIS platforms, to support financial reporting, data processing, and treasury operations. However, the depth of integration, interoperability, and adoption of advanced digital technologies varies significantly across countries, with a clear gap between system availability and full digital transformation.

Countries such as Mauritius, Uganda, Sierra Leone, and Somalia demonstrate relatively strong performance in IFMIS functionality and data accuracy. Mauritius stands out with high levels of system functionality, data accuracy, and cybersecurity frameworks, although interoperability across systems remains limited due to security concerns. The country is exploring emerging technologies such as blockchain in collaboration with development partners, signalling forward-looking digital innovation.

Uganda and Somalia also reflect strong digital foundations, with high levels of IFMIS functionality, interoperability (particularly in Uganda and Somalia), and data accuracy. However, Uganda highlights the rapid evolution of financial technologies as a key challenge, requiring sustained investment in infrastructure, systems, and human capacity to keep pace with innovation. Somalia similarly demonstrates strong system functionality but acknowledges the need for continuous improvement in digital governance and technology adoption.

Sierra Leone shows strong performance in IFMIS functionality and data accuracy but faces significant challenges in system interoperability, as these functions are managed

outside the OAG by the Ministry's Financial Management and Systems Division. This creates fragmentation and limits seamless data exchange across government systems, necessitating solutions such as API development to enhance system integration.

In contrast, Zambia, Lesotho, Zimbabwe, and South Africa reflect more moderate progress. Zambia demonstrates functional systems but lacks policy guidance on emerging financial technologies, limiting the adoption of advanced digital solutions. Lesotho faces broader digitalisation gaps, with ongoing efforts to modernise systems and improve digital capacity. Zimbabwe has introduced policies on emerging technologies such as artificial intelligence, but implementation remains staggered, highlighting the need to translate policy into operational practice.

South Africa, while relatively strong in cybersecurity and governance frameworks, reflects moderate performance in IFMIS functionality and digital innovation, suggesting that while systems are in place, there is scope to enhance system integration and real-time analytics capabilities.

Across countries, data security and cybersecurity frameworks are generally established, though their robustness varies. The use of data analytics and real-time reporting tools remains moderate, indicating that many OAGs have yet to fully leverage digital tools for predictive analysis and decision-making. Additionally, the adoption of emerging technologies such as AI and blockchain remains at an early stage, often constrained by policy gaps, capacity limitations, and resource constraints.

A key cross-cutting issue is the limited interoperability of financial systems, which restricts data sharing across government entities and undermines the efficiency of integrated financial management. This is further compounded by capacity gaps, lack of clear policy frameworks, and uneven investment in digital infrastructure.

To address these challenges, countries have proposed developing policy frameworks for emerging technologies (Zambia), enhancing system interoperability through APIs (Sierra Leone), increasing investment in digital infrastructure and human capital (Uganda), accelerating digitalisation initiatives (Lesotho), and fully implementing existing technology policies (Zimbabwe). There is also a need to strengthen cybersecurity frameworks while enabling secure data integration across systems.

Overall, while digital financial systems are largely in place, advancing interoperability, strengthening digital governance, and accelerating the adoption of emerging technologies remain critical to enhancing efficiency, transparency, and real-time decision-making in public financial management.

## 16.0 Stakeholder Engagement, Transparency, and Public Accountability

The assessment indicates that most OAGs have made notable progress in financial reporting, public disclosure, and participation in regional and international forums, thereby strengthening transparency and accountability. However, stakeholder engagement, digital outreach, and inclusiveness of communication channels remain uneven across countries.

Countries such as South Africa, Uganda, Sierra Leone, and Somalia demonstrate relatively strong performance in timely financial reporting and participation in international platforms. South Africa stands out with consistently high ratings across all dimensions, reflecting robust public reporting, strong digital presence, and active engagement in regional and global forums. Similarly, Uganda and Somalia show strong reporting practices and engagement levels, though Uganda highlights that digital stakeholder engagement platforms are only partially developed, requiring further strengthening.

Sierra Leone reflects strong performance in reporting and international participation, though stakeholder outreach remains limited, indicating an opportunity to deepen engagement with civil society, media, and academia.

Countries such as Mauritius and Zimbabwe demonstrate moderate to strong performance, with well-established reporting systems and active participation in international forums. However, Mauritius notes that participation in some forums is constrained by budget limitations, while Zimbabwe faces system limitations, particularly the continued use of SAP ECC6, which affects efficiency compared to more advanced platforms such as SAP S/4HANA.

In Zambia and Lesotho, more pronounced challenges are evident. Zambia demonstrates relatively strong reporting and website updates but has limited stakeholder outreach and restricted participation in regional platforms beyond AAAG, highlighting the need for broader inclusion in PFM-related forums. Lesotho reflects moderate to low performance across several dimensions, with financial constraints limiting participation in international engagements and weaker digital and stakeholder outreach mechanisms.

Across countries, the use of digital platforms to enhance transparency is moderate, with most OAGs publishing reports online but not fully leveraging digital tools for interactive engagement, real-time updates, or broader dissemination of financial information. Additionally, while participation in international forums is generally strong, financial and institutional constraints limit consistent engagement in some countries.

A key cross-cutting issue is the limited depth of stakeholder engagement beyond formal reporting, with insufficient structured outreach to key stakeholders such as civil society, academia, and the media. This reduces the potential impact of financial transparency efforts and limits public understanding and accountability.

To address these gaps, countries have proposed enhancing digital platforms for stakeholder engagement (Uganda, Lesotho), expanding access to regional and international forums (Zambia), leveraging development partner support for participation (Mauritius), upgrading financial systems to support transparency (Zimbabwe), and sustaining ongoing improvements in engagement practices (Somalia).

Overall, while foundational elements of transparency and reporting are in place, strengthening stakeholder engagement, expanding digital communication channels, and enhancing inclusiveness in public financial disclosure remain critical to reinforcing accountability and building public trust in financial governance.

## **17.0 Internal Coordination and Intergovernmental Financial Relations**

The assessment indicates that most OAGs maintain functional coordination mechanisms with ministries, departments, and agencies (MDAs), particularly in areas of financial reporting, cash management, and budget execution. However, the depth of coordination, influence on fiscal policy, and role in standardisation of financial practices vary across countries, reflecting differences in institutional positioning, resource capacity, and governance structures.

Countries such as South Africa, Uganda, Sierra Leone, and Somalia demonstrate strong performance across all dimensions, with well-established coordination frameworks and active engagement with MDAs. In these countries, the OAG plays a central role in harmonising financial reporting and supporting fiscal policy alignment, contributing to more consistent and integrated public financial management systems.

Mauritius also reflects strong coordination and standardisation of financial reporting; however, its role in fiscal policy harmonisation is comparatively moderate, partly influenced by broader macroeconomic conditions and reliance on domestic funding due to its upper-middle-income status. This limits access to concessional support and underscores the need for innovative financing approaches and strategic engagement with development partners.

In Zambia and Zimbabwe, coordination mechanisms are generally effective, but structural and institutional factors constrain optimal performance. In Zambia, while coordination and standardisation are strong, limited participation in broader regional PFM platforms restricts knowledge exchange and institutional strengthening opportunities. In Zimbabwe, the OAG operates within the Ministry of Finance, which affects its institutional independence and influence, particularly in shaping fiscal coordination and reporting standards.

Lesotho reflects moderate coordination capacity, particularly in working with MDAs and standardising reporting; however, its role in fiscal policy advisory is limited. Financial constraints further limit participation in coordination platforms and broader intergovernmental engagements, though ongoing digitalisation efforts are expected to improve coordination efficiency over time.

Across countries, standardisation of financial reporting is generally well established, with most OAGs playing a key role in ensuring consistency across government entities. However, the extent of influence over fiscal policy harmonisation is more varied, often depending on the institutional positioning of the OAG within the Ministry of Finance and the broader governance framework.

A key cross-cutting issue is that while coordination structures exist, institutional independence, resource constraints, and limited engagement in regional and international platforms can constrain the effectiveness of intergovernmental financial relations. In some cases, the OAG's role is more operational than strategic, limiting its ability to influence policy direction and alignment with reform.

To address these challenges, countries have proposed enhancing participation in regional and international PFM platforms (Zambia), strengthening institutional independence (Zimbabwe), leveraging digitalisation to improve coordination (Lesotho), and exploring alternative financing mechanisms and partnerships (Mauritius). Sustaining strong coordination frameworks in high-performing countries (South Africa, Uganda, Sierra Leone, Somalia) remains equally important.

Overall, while coordination mechanisms are largely in place, strengthening institutional positioning, enhancing policy advisory roles, and improving engagement across government and regional platforms are critical to ensuring effective intergovernmental financial relations and coherent public financial management systems.

## 18.0 Strategic Policy Directions and Recommendations

The consolidated findings across all thematic areas point to a clear conclusion: while Offices of the Accountant General across member countries have established foundational public financial management (PFM) systems, there remains a persistent gap between institutional frameworks and effective delivery of outcomes. Addressing this requires a shift from incremental reform to coordinated, system-wide transformation anchored in strong governance, capacity, and digital integration.

The following Strategic Policy Directions and Recommendations are proposed:

### 18.1 Strengthen Institutional Independence and Legal Mandates

**Policy Direction:** Position OAGs as authoritative and independent custodians of public finance, with clear mandates, enforcement powers, and accountability structures.

#### Key Actions:

- i. Amend PFM laws to strengthen the autonomy of the Accountant General, including appointment, tenure, and removal provisions.
- ii. Clearly delineate roles between Ministry of Finance, Budget Offices, and OAGs to eliminate overlaps and ambiguities.

- iii. Grant OAGs statutory authority to enforce compliance, including sanctions for non-adherence to financial regulations.
- iv. Establish internal disciplinary frameworks to complement external oversight mechanisms.

## **18.2 Align Workforce Capacity with Reform Demands**

**Policy Direction:** Transition from administrative staffing models to strategically skilled, professionalised, and future-ready workforces.

### **Key Actions:**

- i. Develop and implement competency frameworks aligned to IPSAS, digital finance, and risk management.
- ii. Strengthen professional certification pathways (ACCA, CPA, CIFA) and institutionalise continuous professional development.
- iii. Introduce HR autonomy for OAGs to enable responsive recruitment, retention, and succession planning.
- iv. Implement performance-based management systems, including 360-degree evaluations and incentive structures.
- v. Address retention through competitive remuneration and non-monetary incentives.

## **18.3 Accelerate Digital Transformation and System Integration**

**Policy Direction:** Advance toward fully integrated, interoperable, and data-driven financial management ecosystems.

### **Key Actions:**

- i. Expand IFMIS capabilities to ensure end-to-end integration, including payroll, procurement, and reporting systems.
- ii. Develop interoperability frameworks (e.g., APIs) to enable seamless data exchange across MDAs.
- iii. Strengthen cybersecurity and digital governance frameworks for financial data protection.
- iv. Promote the adoption of data analytics, real-time reporting tools, and emerging technologies (AI, blockchain).
- v. Establish policy frameworks guiding digital transformation and financial technologies.

## **18.4 Enhance Financial Management Systems and Budget Execution Discipline**

**Policy Direction:** Strengthen the link between budget planning, execution, reporting, and accountability to ensure fiscal discipline and efficiency.

### **Key Actions:**

- i. Institutionalise regular budget monitoring and variance analysis cycles (monthly/quarterly).
- ii. Strengthen internal controls and enforcement mechanisms, including sanctions for budget mismanagement.

- iii. Improve coordination between budget offices and OAGs, particularly in cash management and expenditure control.
- iv. Align financial reporting fully with IPSAS and international standards.
- v. Integrate payroll and expenditure systems within IFMIS to eliminate inefficiencies.

### **18.5 Embed Risk Management and Institutional Resilience**

**Policy Direction:** Mainstream Enterprise Risk Management (ERM) as a core governance function to enhance resilience and safeguard reforms.

#### **Key Actions:**

- i. Develop and institutionalise comprehensive risk management frameworks within OAGs.
- ii. Establish business continuity and crisis management plans.
- iii. Integrate risk management into decision-making, planning, and performance monitoring.
- iv. Invest in system safeguards and IT risk management capabilities.
- v. Strengthen institutional capacity for proactive risk identification and mitigation.

### **18.6 Promote Sustainable Financing and Resource Adequacy**

**Policy Direction:** Ensure OAGs are adequately resourced and financially sustainable to deliver on expanding mandates.

#### **Key Actions:**

- i. Advocate for increased domestic budget allocations aligned to reform priorities.
- ii. Enhance budget autonomy of OAGs to enable effective resource utilisation.
- iii. Develop sustainable financing models, reducing over-reliance on donor funding.
- iv. Align resource allocation with strategic priorities such as digitalisation, capacity building, and reform implementation.
- v. Strengthen public financial prioritisation of accountability institutions.

### **18.7 Mainstream Sustainability and Climate-Responsive PFM**

**Policy Direction:** Integrate sustainability, ESG principles, and climate finance into core PFM systems.

#### **Key Actions:**

- i. Develop and adopt sustainability reporting frameworks for the public sector.
- ii. Integrate ESG considerations into budgeting, procurement, and financial reporting processes.
- iii. Build institutional capacity in climate finance and green budgeting.
- iv. Align national systems with international sustainability standards and reporting frameworks.
- v. Promote sustainable procurement and investment practices.

### **18.8 Strengthen Ethics, Integrity, and Anti-Corruption Systems**

**Policy Direction:** Reinforce integrity frameworks to ensure transparency, accountability, and public trust.

**Key Actions:**

- i. Establish and enforce comprehensive codes of ethics and anti-corruption policies.
- ii. Strengthen whistleblower protection mechanisms and reporting channels.
- iii. Develop internal investigative and disciplinary mechanisms within OAGs.
- iv. Enhance coordination with law enforcement and oversight institutions.
- v. Ensure timely and consistent enforcement of sanctions for financial irregularities.

### **18.9 Deepen Stakeholder Engagement and Transparency**

**Policy Direction:** Position OAGs as transparent, accessible, and citizen-facing institutions.

**Key Actions:**

- i. Expand use of digital platforms for real-time financial reporting and public access.
- ii. Strengthen stakeholder engagement with civil society, academia, and media.
- iii. Enhance participation in regional and international PFM platforms.
- iv. Develop communication strategies to simplify financial information for public understanding.
- v. Promote open government and data transparency initiatives.

### **18.10 Strengthen Institutional Coordination and System Integration**

**Policy Direction:** Enhance whole-of-government coordination to ensure coherence in financial management systems.

**Key Actions:**

- i. Clarify and strengthen coordination between OAGs, Ministries of Finance, Budget Offices, and MDAs.
- ii. Promote standardisation of financial reporting across all government entities.
- iii. Strengthen OAG roles in fiscal policy advisory and harmonisation.
- iv. Leverage digital platforms to improve inter-agency coordination and data sharing.
- v. Enhance participation in regional collaboration platforms for peer learning.

### **18.11 Build Transformational Leadership and Reform Ownership**

**Policy Direction:** Cultivate leadership capable of driving complex reforms, managing change, and delivering results.

**Key Actions:**

- i. Develop leadership and change management programmes for senior OAG officials.
- ii. Strengthen institutional ownership of reforms, moving beyond externally driven initiatives.

- iii. Align reforms with national development strategies and measurable outcomes.
- iv. Promote a culture of innovation, accountability, and continuous improvement.
- v. Establish mechanisms for tracking reform progress and impact.

## 19.0 Conclusion

The ICBF assessment provides a clear and comprehensive picture of institutional capacity across member countries. It confirms that, while important foundations for effective public financial management are in place, many Offices of the Accountant General continue to operate within systems that are fragmented, compliance-driven, and uneven in their ability to deliver sustained results. The strategic imperative going forward is therefore to move beyond foundational reform toward integrated, performance-oriented, transparent, and digitally enabled public financial management ecosystems.

Achieving this shift will require deliberate and coordinated action to strengthen legal and institutional frameworks, human and technical capacity, digital systems, financial sustainability, and leadership effectiveness. It will also require a stronger focus on implementation, ensuring that reform efforts are not only well designed, but also sequenced, resourced, and sustained in ways that produce measurable improvements in accountability, fiscal discipline, service delivery, and public trust.

The findings also make it clear that the next phase of reform must move beyond diagnosis and assessment to practical implementation and sustained institutional transformation. This calls for well-prioritised, adequately resourced, and country-responsive interventions that translate identified gaps into measurable improvements in financial governance, accountability, transparency, resilience, and service delivery.

In this regard, AAAG is uniquely positioned to lead and convene this reform agenda by serving as a continental platform for standard-setting, peer learning, policy dialogue, and coordinated capacity building. By doing so, the Association can help ensure that the insights generated through the ICBF assessment are converted into tangible and lasting outcomes that strengthen fiscal sustainability, reinforce public trust, and advance accountable public finance systems across Africa.



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