



Theme :Strengthening Public Financial Management , Governance and Accountability in SA

Topic :

**How Public the Public Finance Management ACT PFMA impacts
service delivery**

26 February 2026

see money differently

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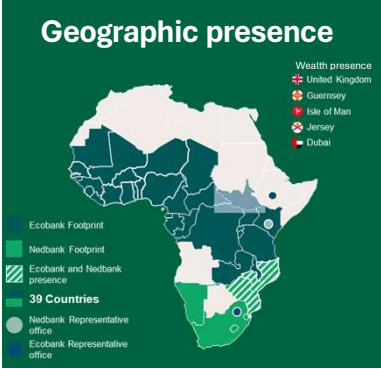
**Top 40
Company**

3.1m
Digitally Active
Clients

#1
NPS & Client
satisfaction
Ranking among SA
banks

Human Capital
25 613
permanent employees

AAA
MSCI ESG rating
Top 9% of Banks
worldwide



**2030 finance
emission targets
set** (thermal coal
▼47%, oil & gas
▼26% & power
generation cap:
165gCO₂ e/kWh)

Zero exposure
to fossil-fuel related
activities by 2045

**Carbon-
neutral**
Operations since
2010

Level 1
B-BBEE contributor
for the past 7 years

Purpose of the presentation



To unpack and outline the impact of Public Finance Management ACT (PFMA) on service delivery given the socio-economic challenges affecting South Africa.

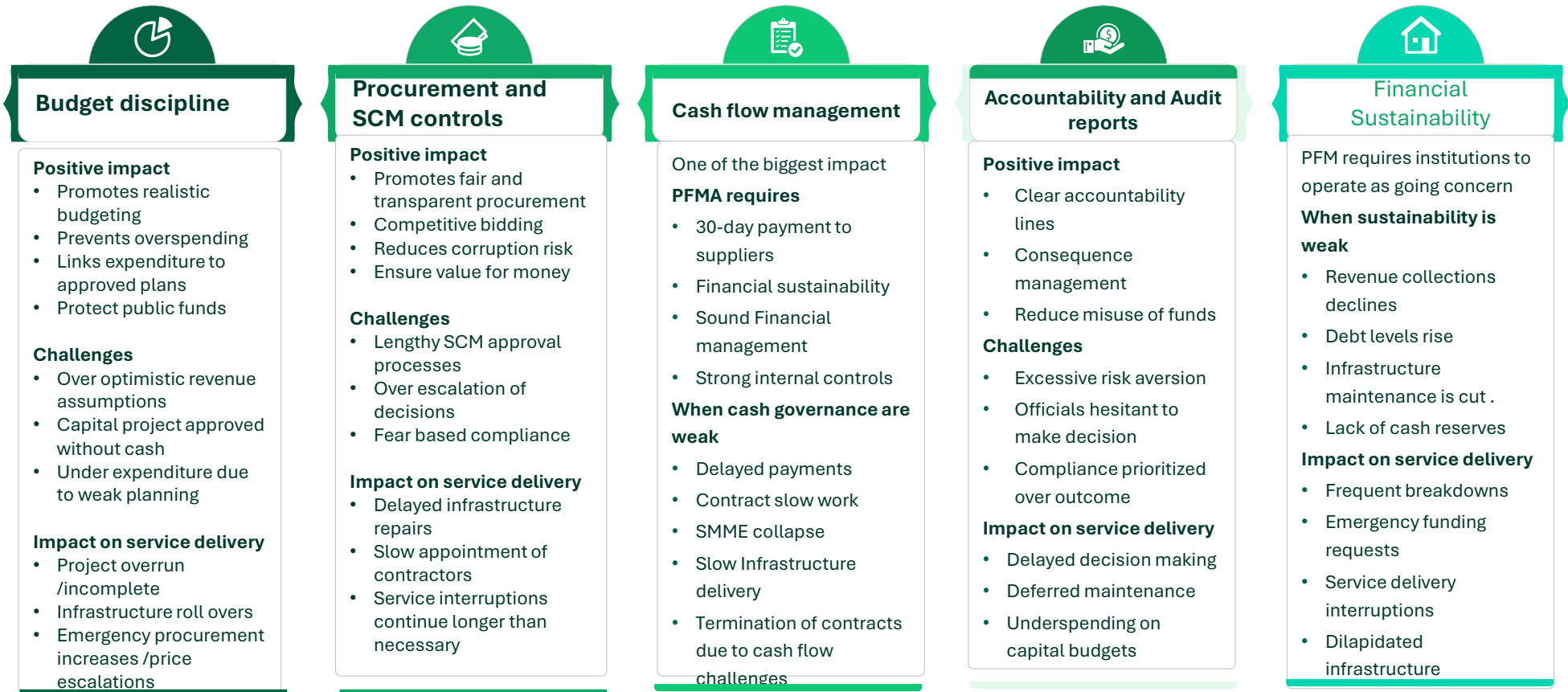
When you hear PFMA compliance “ what comes to mind first – controls or service delivery

Do you think PFMA delays service delivery or protects It ? Why

In your experience where does PFMA work well and where does it struggle ?



How PFMA impact service delivery in South Africa



Purpose and context

South Africa's Challenges

Significant Infrastructure backlog

Fiscal Pressure

Rising community expectations or service delivery expectations

Limited Revenue growth/shrinking economy



Why PFMA was introduced

The intention of the PFMA is not to delay service delivery, but to enable it through accountability, transparency and financial discipline



Service deliveries realities within PFMA



Typical day in public institutions

- Communities demand Water , roads, access to electricity – services
- Officials manage budgets , approvals , procurements and payments
- PFMA requires Budget availability
- Proper authorisation
- Contract compliance – supply chain



The reality

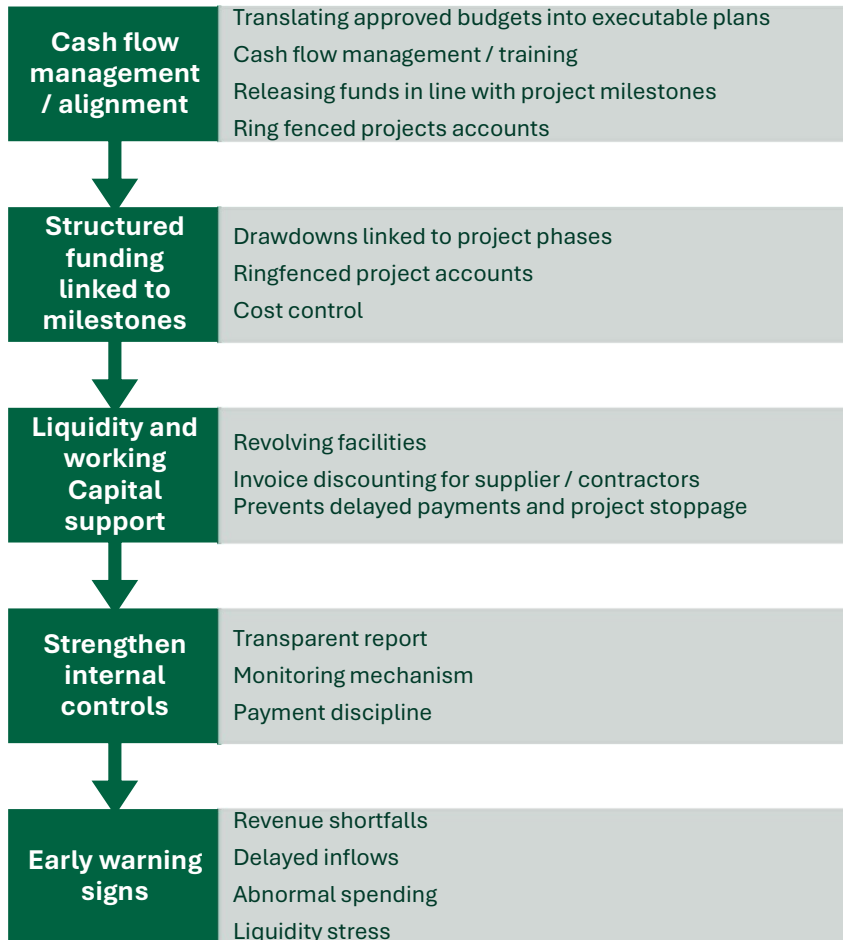
- Projects are approved , but cash flows are uneven
- Payments are delayed due to timing , not lack of funds
- Fear of audit findings can slow down decision making



Where PFMA creates pressure

- Plan properly before spending
- Spend within approved budgets
- Contractor requires certainty to deliver
- Strengthen internal controls
- Be accountable for outcomes

The role of banking partner



Banks operate within :

- **Credit risk frame work**
 - Aligns funding to PFMA , section 66 principles borrowing remains affordable
 - Protects both bank and institution
- **Monitoring mechanism**
 - Fiduciary duty to ensure funds are used as intended
 - Repayment capacity remains intact
 - Risk is within agreed parameters
- **Compliance standards (Non negotiables)**
 - Section 38,40,45,51,66 of PFMA and TR 9
 - Approved budgets and delegation
 - Protect institution and accounting officer

So this introduce a second layer of discipline that's complements PFMA governance

When government entities engages financial institutions

- Carefully examine your information
- make sure that when you borrow you do so responsibly
- Sustainable ;and affordable funding and within delegated authority



From reality to results

- **Reality**

- Fiscal pressure is real
- Governance obligations are non negotiables

PFMA

- Is not an obstacle
- Poor alignment is an obstacle
- Earlier alignment between planning, governance and financial structuring is the solution
- Compliance and collaboration must co- exist

At our core we are financial experts and our role is to use of financial expertise to do good



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