

# NT PRESENTATION AT CIGFARO YOUNG PROFESSIONALS SUMMIT (YPS)

PRESENTED BY:  
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MFMA Capacity  
Building &  
Professionalisation

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**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA



# Legislative mandate – Capacity Building

## Capacity Building in Local Government

### **Constitution – section 154:**

National and provincial governments are required to support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and to perform their functions.

### **MFMA – section 34:**

The national and provincial governments must by agreement assist municipalities in building the capacity of municipalities for efficient, effective, and transparent financial management.

### **National Treasury's Role Includes:**

- Issuing guidance and frameworks
- Coordinating national capacity-building initiatives
- Supporting institutional and human resources development

## Municipal Regulations on Minimum Competency Levels (MRMC)

### **Legislative Authority:**

Promulgated under **MFMA Sections 83, 107, and 119**

### **Purpose:**

Ensure key municipal officials possess the **minimum prescribed qualifications, work-related experience, and skills** in financial and supply chain management.

### **Issued in:**

Government Gazette No. 29967 (15 June 2007, amended in 2018).

### **National Treasury's Role:**

- Monitor and report on compliance
- Provide implementation support and guidance
- Promote professionalization and accountability

## Municipal Financial Management Internship Programme (MFMIPI) Guidelines

### **Purpose:**

Develop a pipeline of competent financial management professionals in municipalities

### **Programme Design:**

- 2 – 3 year structured internship programme
- Funded through the DoRA Financial Management Grant (FMG)
- Total of 3/5 Interns per Municipality
- Aligned with the MRMC that provides practical training to interns in municipal financial management

### **National Treasury's Role:**

- Design and manage the programme
- Support municipalities with implementation
- Monitor uptake and impact

# Breaking Down Silos: Essential Collaboration



Effective compliance, monitoring and reporting, particularly for the MRMC **and** MFIP, hinges on effective collaboration.

Breaking silos within municipalities, and between municipalities and other key stakeholders, is essential for improving governance, service delivery, and overall institutional performance.

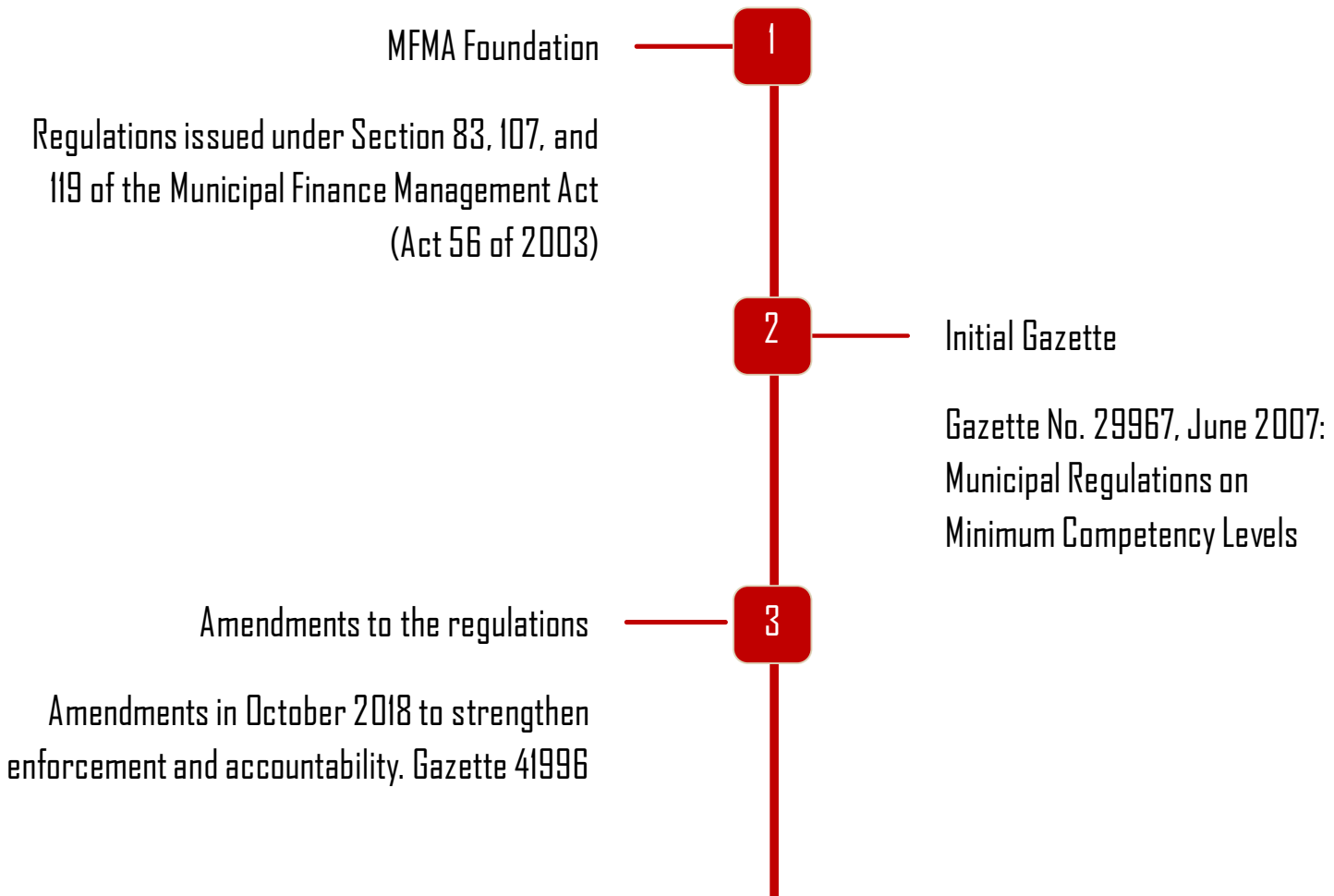
When spheres of government, and partner institutions operate in isolation, it often leads to duplicated efforts, inconsistent information, fragmented planning, and delayed implementation of critical programmes.

A unified approach not only ensures compliance but also strengthens organisational governance and strategic people planning.



# Municipal Regulations on Minimum Competency Levels (MRMC)

# Roadmap - MRMC



These regulations form the backbone of municipal financial governance, setting clear standards for professional competence in local government.

# Purpose and rationale

The purpose of the MRMC is to ensure that key officials in municipalities and municipal entities possess the necessary **qualifications, skills, work related experience, and competencies** to perform their financial management (including supply chain management) responsibilities effectively, as required by the MFMA, 2003.

IMPORTANT



## Protect Public Funds

Ensure that municipal officials have the technical and managerial competence to manage public resources efficiently, effectively, and transparently.



## Improved service delivery

Competent financial management translates directly to better resource allocation and community services.



## Professionalisation of LG

The MRMC provides the foundation for professionalization of local government.



## Restores public confidence

By cultivating competent officials, MRMC restores the public's faith in municipal governance and encourages community participation.

# MRMC – Compliance Criteria

The MRMC sets out the **minimum competency requirements** that municipal officials must meet to ensure that they are **qualified, skilled, and capable** of performing their financial management responsibilities effectively and in compliance with the MFMA, 2003.

Officials must comply **with all four (4)** requirements for them to be deemed compliant with MRMC.



## Highest Education Qualification

MRMC prescribes the minimum higher education qualification appropriate for each finance position, and this includes recognised diplomas and degrees in finance, accounting, or related fields.



## Work Related Experience

Minimum no. of Years of relevant professional experience in financial management, aligned with position responsibilities and seniority.



## Relevant Unit Standards

Completion of specific unit standards as prescribed per position level, through verified accredited providers.



## Performance Agreement












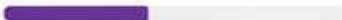





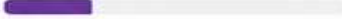


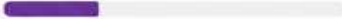


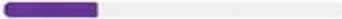


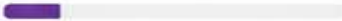




Signed performance agreements, with inclusion of clear MRMC targets not yet met and consequences for non-attainment within specified timeframes.

# National – Overall compliance to MRMC (Dec. 2025)



The above infographic presents the national compliance statistics, reflecting the number of municipal officials who meet the requirements of the MRMC framework.

# National – Overall compliance to MRMC (Dec. 2025)

Province		 Total Reported Officials	 No. of Officials compliant with the MRMC	 % Officials compliant with the MRMC
1	  Eastern Cape	305	61	20% 
2	  Free State	0	0	0% 
3	  Gauteng	118	48	41% 
4	  Kwa-Zulu Natal	60	38	63% 
5	  Limpopo	236	58	25% 
6	  Mpumalanga	93	24	26% 
7	  Northern Cape	132	33	25% 
8	  North-West	150	24	16% 
9	  Western Cape	97	75	77% 
<b>TOTAL</b>		<b>1 191</b>	<b>361</b>	<b>30%</b> 

# REVIEW & REALIGNMENT OF QUALIFICATION



# New qualification development – Transitional Arrangements

- The 2 qualifications making up the **Unit Standards** per position level **expires** on **30 June 2026**.
- This means that the **last date** to **enroll** for the MRMC-regulated Unit Standards is **30 June 2026**. Teach-out period is **30 June 2029**.
- Officials not enrolled on or before 30 June 2026 will no longer be able to register for the current MRMC-regulated Unit Standards and will need to enroll for the newly developed Advanced Occupational Certificate once approved.
- Apart from the **NEW** full qualification, 2 part-qualifications have also been developed (below table):

No.	Full (F) and Part (P) Qualification Titles	NQF Level	Credits
1	F: Advanced Occupational Certificate: Municipal Financial Management Official (MFMO)	NQF Level 6	123 credits
1.1	P: Occupational Certificate: Financial Statements Preparation Official (FSPD)	NQF Level 6	33 credits
1.2	P: Occupational Certificate: Public Sector Supply Chain Management Official (PSSCMD)	NQF Level 6	34 credits

- The above full & part qualifications were out for public comment in Government Gazette No. 54367, Vol.729 – which has closed.
- It has gone to SAQA for approval and registration. Envisaged qualifications approval date is June/ July 2026.
- Municipalities are urged to review the learning and development status of all affected officials and FMG interns and fast-track enrolments **before 30 June 2026** to ensure compliance with minimum competency requirements.
- The MRMC Regulations are currently under review to update it with the new occupational qualification, once approved.



# Municipal Financial Management Internship Programme (MFMIP)

# Purpose & Overview of the MFMIP

The **Municipal Financial Management Internship Programme (MFMIP)** is a National Treasury initiative implemented through the DoRA Financial Management Grant (FMG).

Established in 2004, to build a **talent pipeline of financial management capacity** in municipalities. The programme develops a robust pipeline of **competent, skilled, and employable** finance professionals specifically for the public sector.

This strategic investment ensures municipalities have access to a pipeline of qualified professionals who understand the unique challenges and requirements of municipal financial management.



# MFMIP – Programme design

**1**

## Duration

24 to 36 months (2–3 years) of immersive learning/training and practical experience.

## Funding

Funded through the Financial Management Grant (FMG) in terms of the Division of Revenue Act (DoRA).

**2****3**

## Placement & Rotation

Interns placed in municipal Budget and Treasury Offices (BTOs) for hands-on experience.

## Training and learning

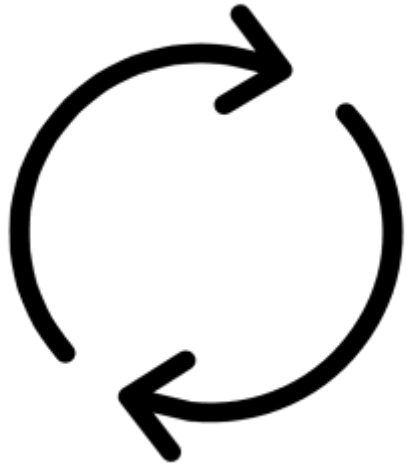
Integrates practical training with academic learning through the Municipal Finance Management Programme (MFMP).

**4****5**

## Supervision

Mentored by senior municipal finance officials, particularly the CFO and Skills Development Facilitator (SDF)

# Value proposition of MFMIP



## Rotational Experience

Exposure to multiple BTO units and roles builds versatility and reveals career paths



## Structured Training

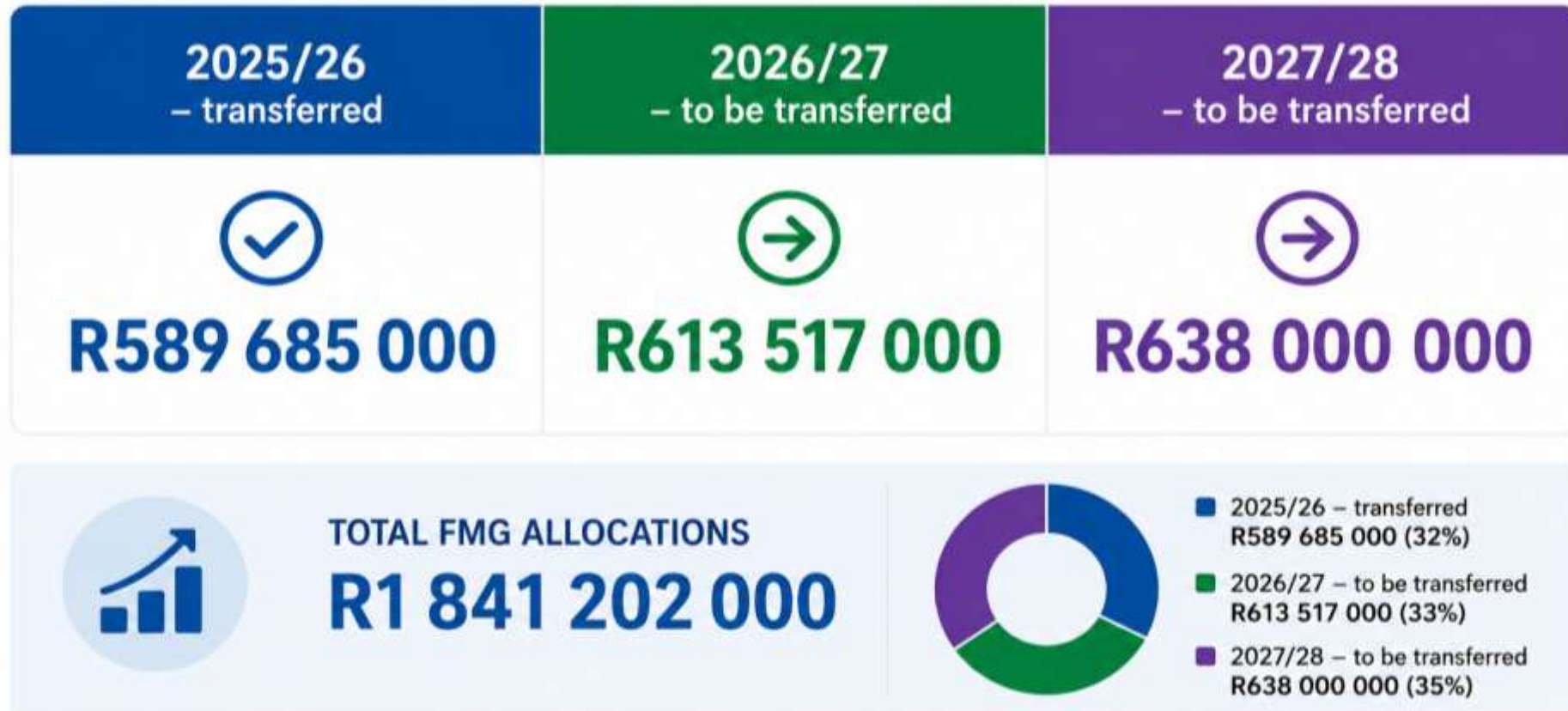
MFMP training and mentorship transform raw potential into polished, job-ready skills



## Marketable Outcomes

Sector knowledge that makes you stand out in a competitive job market

# MTEF FMG Allocations - DoRA



FMG: Financial Management Grant

This grant reflects Government's **commitment** to training and developing young unemployed graduates for the world of work,

# Key Observations & Way Forward



# Key Observations & Way Forward

Strengthen **collaboration** between NT, PTs, and municipalities to ensure alignment of MRMC and MFMP objectives and that each stakeholder comprehends and performs its role.

There is a critical need to address the persistent non-compliance with the MRMC and non-conformance to the MFMP. The continued existence of the **Financial Management Grant (FMG) is at risk** due to ongoing non-compliance by municipalities.

NT and PTs to continue to collaborate on an **annual basis** to conduct the SDF Forum & Interns Workshop (**SDF&I**). Proposed dates will be communicated in due course for the new financial year.

Municipalities are requested to **prioritise the enrolment** of officials and FMG interns who are not yet enrolled for the Unit Standards. Final date for enrolment is **30 June 2026**. Officials who are enrolled on or before this date, have until 30 June 2029 to complete the enrolled Unit Standards.

Thank  
you

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