

## Section 8: Repeals Section 18 & 19

- **Section 18 “Auditing**

- Dealt with the Auditing of the Records of the Authority and was replaced by Section 16

- **Section 19 “Financial Year**

- Dealt with period of the Financial Year, and it was replaced by Section 16A

## Section 9 : Amends Section 20(2)(c)

### Purpose of the Amendment

- To introduce limitation and prohibitions of ownership and Control of security business
- Amend current requirements of registration of private security Service Providers

### Discussion

- The percentage of ownership and control exercised by Citizens must be in majority replaced with at least 51 percent ownership and control
- New section 2(A) added to empower Minister to prescribe percentages of ownership and control based on categories of security business

## Section 9 : Section 2(A) Continues

- Guarding
- Close Protection
- Response Security
- Assets in transit
- Events Security
- Manufacturers ,Importers and distributors of monitoring devices
- Private Investigators
- Security Training
- Electronic Security
- Locksmiths; and Security advisory

## Section 9 : Amends section 20(2)(c)

- All registered security businesses must comply with the requirement of ownership and control within 5 years of the commencement as opposed to 20 years as previous proposed
- The security business must also comply with regulations which prescribe categories of security business as prescribed

## Section 9 : Continues

### Solution Introduction by Amendment

- The Challenge of foreign control of the Country's Private Security Service providers is addressed
- Limitations of ownership and control of certain strategic categories of security business is addressed in line with the Security Interest of the Republic
- Categories of security business are now introduced
- The classification in terms of categories will also cover current security businesses

## Section 10 : Certified Copy of SA Valid ID

### Purpose of Amendment

- To exclude permanent residence permits as part of the documents required for registration

### Discussion

- A requirement of the submission of a copy of a permanent residence permit replaced with copies of SA valid ID

## Section 11 : Permanent Residents

### Purpose of the Amendment

- To exclude foreign nationals from registration
- To prohibit certain convicted criminals from registration
- To limit discretionary powers of the Authority

### Discussion

- Persons with permanent residence status excluded from the requirements of registration
- Period of 10 years now excluded from the schedule of offences
- Section 23(6) of the Act does not apply in respect of non citizens (Discretion to registered by the Authority)
- This means the Authority may not exercise this discretionary power to adjudicate application for registration by foreign nationals

## Section 11 : Criteria for Exemption

### Discussion

- Section 23(7) added to provide Minister to powers to exempt any person in respect of categories of security service:
- On good cause shown; and
- On ground not in conflict with the purpose of the Act and the objects of the Authority



## Section 11 : Justified by other Legislations

### Discussion

- Immigration Act , (Act No. 13 of 2002) and
- South African Citizenship Act,1995(Act No.88 of 1995)
- Holders of permanent residence permits have the same rights ,privileges ,duties and obligations as citizens, save
- For those rights ,privileges ,duties and obligations which the law or the Constitution explicitly ascribes to citizens
- In this case the law refers to the PSIRA Amendment Act which seek to excludes persons with permanent resident status in the security industry

# Section 12 : Amends Section 26

## Purpose of the Amendment

- The purpose of this changes is to provide for the suspension of business that are not paying their levies
- To suspend business that contravene the code of conduct of security providers
- To suspend businesses that flout the Act
- Compulsory publication of security business has lapsed

## Discussion

- Additional requirements for suspension of registration for a security service provider by the Authority if the following takes place:-
- There is a prima facie case of
  - (i) improper conduct in terms of this Act ; or
  - (ii) the commission of an offence referred to in the Schedule



## Section 12 : Section 26 continues

### – Discussion

- The security service provider fails to comply with the obligations to pay the levy in terms of section 4 of the Levies Act or
- A security service provider fails to comply with any provision of this Act
- Proposes obligation of the Authority in the event of lapsing of registration as follows:-
- The Authority must publish a notice in the Gazette, indicating-
  - The name of the security service provider;
  - The period after which the registration has lapsed;
  - The reason for the lapsing of registration; and
  - The effect of the lapsing of registration



## Section 12 : Section 26 continues

### Discussion Continues

- Proposes circumstances leading to the lapsing of registration as follows:-
- One, in the event that registration is not renewed (in terms of section 22, or
- Two, if the amount payable for levies in terms of section 2 of the Levies Act is not paid to the Authority within three months of the date of suspension of the registration of the security service provider concerned, unless the Authority determines otherwise



# Section 12 : Section 26 continues

## Solution by Amendment

- Requirement for suspension simplified
- Non paying security business to loose their registration
- Non paying business will be publicly shamed
- Reduce the debtors days
- Suspension will improve collection days or ratio



# Section 13 : Amends Section 35

## Purpose of the Amendment

- To introduce additional powers to make regulations
  - Suspension
  - Withdrawal
  - lapsing of registration
  - Ownership and Control
  - Reporting Information
  - Minimum Standards
  - Period of Imprisonment
  - Governance of the Authority



# Section 13 : Section 35 Continues

## Discussion

- Section 35 sets out the matters in respect of which the Minister may make regulations and provides for additional powers to make regulations relating to
  - procedures for the suspension, withdrawal and lapsing of registration;
  - The required percentage of ownership and control to be exercised by SA citizens in respect of a security business;
  - Information to be furnished to the Authority by security service providers operating outside the Republic;
  - Minimum standards for security service providers responsible for transportation of cash and other valuable assets; and
  -



# Section 13 : Section 35 Continues

## Discussion

- Proposes for the issuance of guidelines and policies:-
  - The Minister may, after consultation with the Council, issue guidelines or policies in relation to the governance of the Authority

## Solutions and Benefits of the amendment

- Minister now empowered make regulations
- Clarity on ownership and control
- Cash in transit standard to be enforced to protect vulnerable officers
- Five year prison sentence for flouting regulations will deter offenders





## Section 14 : Amends Section 36

### Purpose of the Amendment

- To enable the sharing of information on firearms for regulation purposes

### Discussion

- Additional information from the Central Firearms Register in the Service, which must
  - Keep a separate updated database, in the prescribed form, of the details of every firearm issued to a security service provider; and
  - At the written request of the director, submit the updated database of firearms as referred to above to the Authority within 30 days of the request being made



## Section 14 : Section 36 continues

### Solutions and benefits of the amendment

- Strengthens the regulation of firearms in the private security industry
- Will enhance Authorities accountability of firearms in the industry
- Will allow to for better reporting of the extend of armory in the possession of the industry



## Section 15 :Insertion of Section 36A

### Purpose of the Amendment

- To regulate security businesses operating outside the country
- Outlaws mercenary activities by Security business
- Reporting of operations outside the Country by SA citizens

### Discussion

- Addresses the exportation of security services outside the Republic by introducing section 36A
  - “Security service” as defined in the section 1 (as Amended)



# Section 15 : Section 36A continues

## Discussion

- Addresses the exportation of security services outside the Republic by introducing section 36A
  - “Security service” as defined in the section 1 (as Amended)
- Any person who, within the Republic, recruits, trains, hires out, sends or deploys any other person to provide a security service outside the Republic must
  - **One**, provide to the director on a monthly basis such information as may be prescribed regarding such recruitment, training, hiring out, sending or deployment within the prescribed time limits, and
  - **Two**, comply with the provisions of this Act



## Section 15 : Section 36A continues

### Discussion

- Complements the Prohibition of Mercenary Activities and Regulation of Certain Activities in Country of Armed Conflict Act, 2006 (Act No. 27 of 2006), or the Regulation of Foreign Military Assistance Act, 1998 (Act No. 15 of 1998)
- **Note:** the Prohibition of Mercenary Activities and Regulation of Certain Activities in Country of Armed Conflict Act, 2006 is not yet in operation
  - It will come into operation on a date to be determined by the President by Proclamation in the Gazette in terms of section 16 of the Act (Act No. 27, 2006)



## Section 15 : Section 36A continues

### Discussion

- If the place where the “security service” is rendered outside the Republic is “to a party to an armed conflict” or “in a regulated country”,
  - the person must have complied with section 3(1) of the Prohibition of Mercenary Activities and Regulation of Certain Activities in Country of Armed Conflict Act, 2006
- This means that he/she must have been granted authorization in terms of section 7 of the Prohibition of Mercenary Activities and Regulation of Certain Activities in Country of Armed Conflict Act, 2006 (once it comes into operation)



# Section 15 : Section 36A continues

## Solutions and benefits of the section

- The new section will reduce diplomatic risks posed by security companies operating outside
- Will bring transparency in the activities of security companies operation outside the republic
- Will enhance the accountability of security companies operating outside for actions committed
- It will simplified the identification and prosecution of this companies

# Section 16 : Offences and Penalties

## Purpose of the amendment

- To provide for offences and penalties against security businesses flouting the law

## Discussion

- Provides for additional offences and penalties in relation to convictions for offences contemplated in the new section 36A





# Section 16 : Amends Section 38

## Discussion

- Any person who fails to comply with the provisions of section 36(1) is guilty of an offence and is liable –
  - On a first conviction, to a fine or to imprisonment for a period not exceeding 10 years, or both a fine and such imprisonment; or
  - On a second or subsequent conviction, to a fine or to imprisonment for a period not exceeding 15 years, or to both a fine and such imprisonment

## Benefits

- Prosecutions offenders
- May deter would be offenders



# Section 17 : Repeals Sections 43

## Purpose of Amendment

- To make provision for repealing section 43

## Discussion

- Repeals section 43
  - which deals with the repeal of the Security Officers Act, 1987, which was repealed by the principal Act of 2001.

## Benefit

- The repeal makes way for the implementation of the levies Act
- Aligns the funding provision of the Act with the Constitution of the Country



# Section 18 : Amends Schedules of Offences

## Purpose of the Amendment

- To add new offences to the schedules

## Discussion

- The table of offences listed in the Schedule is amended in order to add offences
  - In terms of the Prohibition of Mercenary Activities and Regulation of Certain Activities in Country of Armed Conflict Act, 2006 (Act No. 27 of 2006)
  - In terms of the Regulation of Interception of communication and Provision of Communication-related Information Act, 2002 (Act No. 70 of 2002); and
  - In terms of the Intelligence Services Act, 2002 (Act No. 65 of 2002)



# Section 18 : Schedules continues

## Benefits and Solutions

- Persons convicted for mercenary activities will not able to register as security officers
- Persons who are convicted of performing unlawful interception of communications will be barred from this industry
- Persons convicted for flouting the intelligence Act may not participate in the industry



## Section 19 : Substitution of the long title

### Purpose

- For the Substitution of the long title of Act 56 of 2001

### Discussion

- The long title is substituted to read:

"**To provide** for the regulation of the private security industry; for that purpose to establish a regulatory Authority; **to provide** for the Authority to promote crime prevention partnerships with organs of State; **to provide** for the appointment of the director of the Authority; **to provide** for the finances and accountability of the Authority; **to provide** for the power of the Minister to regulate foreign ownership and control of a business operating as a security service provider; **to regulate** security services rendered outside the Republic; **to provide** for offences and penalties; and **to provide** for matters connected therewith."



## Section 20 : Short title and commencement

- The Act is called: -

### *The Private Security Industry Regulation Amendment Act, 2012*

- Coming into operation
  - On a date determined by the President by proclamation in the Gazette



# CONSTITUTIONAL IMPLICATIONS

- Provisions of the proposed Amendment Bill are Constitutional sound
- Form and Style conforms to legislative practice

# CONSULTATIONS

- The following Stake Holders were consulted
  - 13 Government Departments and State Entities
  - 8 Industry Associations; which includes the following
    - Security Industry Alliance(SIA)
    - Vehicle Security Association of Sa (VESA)
    - Security Services Employers Associations (SSEO)
    - South African Intruder Detection Services Association(SAIDSA)
  - 10 Trade Unions



# IMPLEMENTATION OF THE BILL

- Implementation of the bill will be in the following areas:

## **The funding of the Authority**

- Funding will be required main on the initially capital expenditure for expansion
- Replacement of the current revenue contributed by Security officers
- Funding of Special Projects such as renewal of registration of security officers post the lapsing of such registration
- Renewal project might require mobile units , road shows and outreach campaigns to solicit awareness
- The funding of new offices in three provinces where the Authority does not have footprint
- Funding of alternatives platforms for services delivery ( e.g. registrations via post offices)

# IMPLEMENTATION OF THE BILL

- Implementation of the bill will be in the following areas:

## **Capacity building**

- Current inspectors are under 45 per ratio of 1,9 million guards and 25000 companies
- Expansion of the law enforcement units of the Authority
- Recruitments of additional Inspectorate based on ratios of service providers per inspector in areas

## **National Foot Print**

- The Authority does not have service delivery points in the following area:
  - North West Province
  - Northern Cape
  - Free State Province

# Implementation Continues

## Renewal of Registration

- The project will assist in the reduction of criminal elements within the industry
- This project will require reclassification of more 2 million finger prints records
- The Authority may have to fund the registration costs of poor and unemployed security officers
- The project will require a significant investment in IT systems mobile infrastructure in order reach rural areas
- The project will require systems integration with home affairs , criminal record center
- Replacing of the current data base is inevitable

## Estimated costs of Implementation (R'000)

Total Expenditure per Programme		2013/14	2014/15	2015/16	2016/17	2017/18
Programme 1	Law Enforcement	6,541	95,890	98,585	115,410	118,415
Programme 2	Finance & Administration	15,540	18,418	12,825	8,390	9,027
Programme 3	Communications & Training	6,156	20,331	25,497	28,774	30,502
Programme 4	Corporate Services	0	956	1,032	1,115	1,204
Revenue foregone	Supplemented by State	-	-	44,123	46,329	48,646
<b>Total State funding required</b>		<b>28,237</b>	<b>135,595</b>	<b>182,062</b>	<b>200,018</b>	<b>207,794</b>

## Estimated costs of Implementation (R'000)

Total Expenditure by Economic Classification	2013/14	2014/15	2015/16	2016/17	2017/18
Compensation to employees	0	52,449	75,002	95,872	103,542
Lease payments	0	6,517	7,141	7,828	8,610
Goods and services	6,427	26,493	35,146	43,976	46,996
Project expenditure (Renewal of Registrations)	0	28,763	9,588	0	0
<b>Total Current Expenditure</b>	<b>6,427</b>	<b>114,222</b>	<b>126,877</b>	<b>147,676</b>	<b>159,148</b>
Capital expenditure	21,810	21,373	11,062	6,014	0
<b>Total expenditure</b>	<b>28,237</b>	<b>135,595</b>	<b>137,939</b>	<b>153,689</b>	<b>159,148</b>

## Number of additional Staff per programme

Total Expenditure per Programme		2013/14	2014/15	2015/16	2016/17
Programme 1	Law Enforcement	0	155	51	43
Programme 2	Finance & Administration	0	27	0	0
Programme 3	Communications & Training	0	25	5	1
Programme 4	Corporate Services	0	4	0	0
<b>Total number of appointments</b>		<b>0</b>	<b>211</b>	<b>56</b>	<b>44</b>

## Estimated costs of Implementation (R'000)

Capital expenditure	2013/14	2014/15	2015/16	2016/17	2017/18
Fleet (Motor vehicles)	6,270	5,584	5,260	5,266	0
IT Infrastructure	1,540	0	0	0	0
Computer hardware	0	964	802	748	0
ERP Software	14,000	11,000	5,000	0	0
Office equipment	0	250	0	0	0
Office furniture	0	3,575	0	0	0
<b>Total Capital Expenditure</b>	<b>21,810</b>	<b>21,373</b>	<b>11,062</b>	<b>6,014</b>	<b>0</b>



**PSiRA**  
Private Security Industry Regulatory Authority

**THANK YOU**

