

2015

Border Management Financing

ADVISORS: ERNEST & YOUNG

SECTOR: ADMINISTRATIVE SERVICES

PUBLIC EXPENDITURE AND POLICY ANALYSIS

Performance and expenditure reviews

Final Report

56207: Border Management Financing

October 2015

Scope of work

The PER focused on POE border management functions which are associated with facilitating the legitimate movement of people and goods through designated entry points into South Africa. Borderline management functions, which are concerned with safeguarding South Africa's sovereignty through the prevention of illegal movement of people and goods across South Africa's borders, were excluded from the study.

Disclaimer

This report has been prepared specifically for the internal use of the Project Shop and National Treasury and may not be used for any purpose other than stated in our Contract signed on 17 November 2014, without the prior written consent of Ernst & Young. This report cannot be used out of context without regard to the qualifying statements detailed below and details of the scope of our engagement, qualifications, assumptions and sources of information outlined in this report. In accordance with our normal practice, we hereby expressly disclaim liability to any persons other than the Project Shop and National Treasury.

In accordance with normal professional practice, neither Ernst & Young, nor any member or employee thereof nor any sub-contractor thereof undertakes responsibility in any way whatsoever to any person other than the parties referred to in the preceding paragraph in respect of this report. Neither the whole of this report or any part thereof or any reference thereto may be published neither in any document, statement or circular nor in any communication with shareholders or third parties, without our prior written approval of the form and context in which it will appear.

Under the terms of our engagement we have not audited the accounting or other records of departments covered by this expenditure review. Accordingly, we express no opinion on whether they present a true and fair view of the statement of the affairs or of the results, or projected results and no warranty of accuracy or reliability is given. Further, we have not had the opportunity to satisfy ourselves as to the accuracy or otherwise of the results disclosed in the data on which the options analysis are based.

In the preparation of this report we have relied upon and considered information including financial information and other records. We have no reason to believe that any information supplied to us was false or that any material information has been withheld from us. We do not imply and it should not be construed that we have verified any of the information provided to us, or that our enquiries could have verified any matter which a more extensive examination might disclose.

The statements and views given in this report are given in good faith and in the belief that such statements and views are not false or misleading.

Our conclusions are based on the review and interpretation of our analysis. Neither Ernst & Young nor any member or employee or sub-contractor of Ernst & Young undertakes responsibility in any way whatsoever to any person in respect of errors in this report arising from incorrect information provided by management of the Project Shop and National Treasury or in respect of the failure of forecasts, derived from the options analysis, to be achieved.

This report should not be made available to, used or relied upon by any person other than the Project Shop and National Treasury, or for any other purposes, without our prior written consent. We have no responsibility to update this report for events or circumstances occurring after the date of this report, apart from any subsequent arrangement.

Table of contents

Scope of work	3
Disclaimer	4
Expenditure Performance Review Main Findings	9
1. Executive summary	10
2. Border management functions	23
2.1 Overview of the South African Border Environment	23
2.2 Definition of the proposed border management agency	23
2.2.1 Port of entry frontline functions	24
2.2.2 Proposed BMA shared operational functions	25
2.2.3 Proposed BMA corporate or support functions	26
2.3 Proposed BMA expenditure components and elements	27
2.4 Proposed BMA expenditure drivers	28
3. Resource allocation per department across ports of entry	32
3.1 Staff allocation across ports of entry	32
3.2 Distribution of ports of entry staff across port of entry groupings	32
3.3 Potential port of entry over and under staffing per department	34
4. Expenditure analysis	36
4.1 Total expenditure on border management functions	36
4.2 Departmental expenditure on proposed BMA functions	36
4.3 Aggregated expenditure on proposed BMA functions by expenditure categories	40
4.3.1 Aggregated expenditure on proposed BMA functions by expenditure categories	40
4.3.2 Variation of POE cost of employees expenditure on across departments	42
4.3.3 Assessment of variation in POE expenditure on travel across departments	45
4.4 Ports of entry with the highest expenditure	46
4.4.1 Ranking of ports of entry expenditure in terms of total expenditure	46
4.4.2 Ranking of POE expenditure in terms of POE expenditure per POE staff member	49
4.4.3 Comparison of POE expenditure to volume of travellers and goods	50
4.4.3.1 Allocation of POE expenditure to human and good movement	50
4.4.3.2 Variation in ports of entry human and good movement efficiency indicators	51
4.4.3.3 Correlation between expenditure on human movement and the number of travellers	55
5. Key insights into building a cost model for POE functions	57
Appendix A1: Categorisation of cost element categories	59
Appendix A2: Categorisation of POE and associated volumetric indicators	62
Appendix A3: Staff allocation across POE	67
Appendix A4: POE Expenditure per POE	72
Appendix A5: POE expenditure on human movement and the associated human movement performance indicators	77
Appendix A6: POE expenditure on goods movement and the associated goods movement performance indicators	81
Appendix A7: BMA Logical Framework	84
Appendix A8: Description of shared operational units providing shared operational functions	86
Appendix A9: List of persons interviewed	87
Appendix A10: Sources of data	88
Appendix A11: Assumptions used to allocate POE expenditure to goods and human movement	90

List of Tables

Table 1: Departmental expenditure on proposed BMA functions	12
Table 2: Distribution of departmental POE expenditure per expenditure category	13
Table 3: Composition of cost of employee per FTE per department	15
Table 4: Comparison of POE volumetric data and POE resource allocation per POE group	18
Table 5: Comparison of key efficiency indicators across POE groupings	19
Table 6: BMA port of entry function, objectives, related activities and departments involved ¹	24
Table 7: Shared operational port of entry functions per departments	26
Table 8: BMA Corporate functions and related activities	27
Table 9: BMA expenditure categories and associated components	27
Table 10: Categorisation of ports of entry in terms volume of human and goods movement	30
Table 11: Comparison of POE staff allocations to POE goods and human movement volumetric indicators	33
Table 12: Comparison of labour efficiency indicators across POE groupings	34
Table 13: Departmental presence at POE within a POE category	35
Table 14: Departmental expenditure on proposed BMA functions	38
Table 15: Aggregated expenditure on POE and shared operational functions per expenditure category	40
Table 16: Distribution of departmental expenditure on POE and shared operational functions per cost category.....	41
Table 17: Distribution of departmental ports of entry expenditure per cost category	42
Table 18: Comparison of expenditure on cost of employee per departmental POE staff member	44
Table 19: Breakdown of departmental expenditure on travel	46
Table 20: Top 35 POE in terms of total POE expenditure	47
Table 21: Top ten POE in terms of expenditure per staff	50
Table 22: Distribution of human movement and goods movement expenditure across ports of entry groupings.....	51
Table 23: Variation of human movement efficiency indicators across POE	53
Table 24: Variation of goods movement efficiency indicators across POE	54
Table A1: Cost element categorisation adopted in the expenditure analysis	59
Table A2: Key POE characteristics, volumetric data and resultant strategic importance of POE	63
Table A3: POE characteristics, categorization and allocation of staff per department.....	68
Table A4: POE Expenditure per cost category – all departments	73
Table A5: POE Expenditure on human movement and associated performance indicators.....	78
Table A6: POE Expenditure on human movement and associated performance indicators.....	82
Table A7: Logical framework of the functions proposed for the BMA.....	84
Table A8: Other port of entry functions which are not strictly executed within the sterile area	86
Table A9: List of persons interviewed	87
Table A10: Assumptions used to allocate POE expenditure to goods and human movement	90

List of Figures

Figure 1: Expenditure on cost of employee per staff member per department	14
Figure 2: Framework used to categorised South African POE	17
Figure 3: Variation of POE expenditure and the number of travellers per POE	22
Figure 4: Framework used to categorised South African POE	29
Figure 5: Distribution of departmental staff across ports of entry	32
Figure 6: Total expenditure on border management functions	36
Figure 7: Distribution of departmental expenditure across the proposed BMA functional layers	39
Figure 8: Departmental expenditure on cost of employee per staff member	43
Figure 9: Variation of POE expenditure per staff	49
Figure 10: Variation of POE expenditure and the number of travellers per POE	56
Figure 11: Structure of proposed POE staff number calculator	58

List of Abbreviations

APP	Advanced Passenger Profile
BAS	Basic Accounting System
BCOCC	Border Control Operational Coordinating Committee
BMA	Border Management Agency
DAFF	Department of Agriculture, Forestry and Fisheries
DEA	Department of Environmental Affairs
DHA	Department of Home Affairs
DOH	Department of Health
DPW	Department of Public Works
EMCS	Enhanced Movement Control System
PER	Performance and Expenditure Review
PMO	Project Management Office
POE	Port of Entry
SANDF	South African National Defence Force
SAPS	South African Police Service
SARS	South African Revenue Service
VAT	Value Added Tax

Performance and Expenditure Review Main Findings

South Africa's Port of Entry (POE) Border Management functions facilitate the legitimate movement of travellers and goods through South Africa's designated ports of entry. These functions are primarily executed by the Department of Home Affairs (DHA), the South African Revenue Services (SARS), the Department of Agriculture, Forestry and Fisheries (DAFF), and the South African Police Services (SAPS). The Department of Public Works (DPW) provides and maintains infrastructure at some POE.

The aggregated expenditure on POE border management functions by the aforementioned departments is calculated at R3.84 billion per annum, of this R2.25 billion is directly attributable to individual POE. R760 million is spent on corporate functions and R828 million is spent on shared operational functions. 87% of the total expenditure can be attributed to three departments, SAPS (R1.63 billion), SARS (R1.04 billion) and DHA (R650 million).

89% of the expenditure directly attributable to individual POE is on cost of employees. SARS spends significantly more on cost of employees per staff member compared to the other departments, whilst the Dept. of Health (DOH) spends significantly less. SARS also pays its staff more in terms of overtime, allowances, medical aid and other social benefits. 5% of POE expenditure is on travel and subsistence, and transport services and equipment.

The 5 POEs with the highest expenditure are OR Tambo (R450 million), Durban Harbour (R324 million), Beit Bridge (R188 million), Lebombo (R144 million) and Cape Town Airport (R121 million). Expenditure on the 54 POE along South Africa's land borderline is R1.2 billion. The expenditure on the 7 POE along South Africa's sea borderline and at South Africa's 11 international airports is R783 million and R524 million respectively.

Comparing efficiencies across POE, the 16 busiest POE which account for 90% of travellers and 78% of the goods moved in and out of South Africa, account for 55% of both the total POE expenditure and total POE staff. Further, across all POE, there is no consistent relationship between the total expenditure and number of POE staff to the volume of travellers and goods. For example, amongst the 13 busiest land POE, the average annual expenditure per traveller is R45 compared to a minimum and maximum expenditure of R10 and R114 per traveller. Similarly, amongst the 3 busiest airports, annual expenditure per number of traveller ranges from R53 to R252 per traveller.

Any exercise to rationalise the number of POE and/or realign resource allocations across POE should take into consideration the role of each POE in terms of safeguarding the South Africa's extensive borderline, the POE's service standard in terms of customer waiting times and the operating model used to cope with the seasonal and daily variations in volume.

1. Executive summary

The purpose of the Border Management Financing Performance and Expenditure Review (PER) was to provide input to the Border Management Agency (BMA) Project Management Office (PMO) on:

1. The current expenditure on border management functions by the departments that will form part of the BMA.
2. Opportunities that exist to improve the expenditure efficiency, particularly at the various ports of entry (POE).
3. Key insights on how to build a detailed costing model for the BMA.

The PER focused on POE border management functions which are associated with facilitating the legitimate movement of people and goods through designated entry points into South Africa. Borderline management functions, which are concerned with safeguarding South Africa's sovereignty through the prevention of illegal movement of people and goods across South Africa's borders, were excluded from the study.

There are 21 organs of state performing functions in respect of their individual mandates within the South African border environment. Of these 21, only six have a significant presence at the ports of entry and/or along the South African borderline. The government departments and agencies included in study were the Department of Home Affairs (DHA), the Department of Health (DOH), the South African Revenue Services (SARS), the South African Police Service (SAPS) and the Department of Agriculture, Forestry and Fisheries (DAFF). Expenditure on border posts incurred by the Department of Public Works (DPW) was identified and included in the expenditure envelope, but no detailed analysis on DPW activities and cost structures was undertaken due to the requisite detailed information and data not being provided.

Per the Table 1 overleaf, the total expenditure on POE border management functions, based on the FY 2013/14 figures, was in the order R3.84 billion. The bulk of the expenditure on border management functions is from SAPS (42%) followed by SARS (27%) and DHA (17%). These three departments account for 87% of the total expenditure, based on the 2013/14 obtained for the relevant departments.

Table 1 2013/14 Departmental expenditure on proposed BMA functions

	2013/2014						
	DAFF	DHA	SAPS	SARS	DPW	DOH	Total
Port of entry functions	72,349,275	319,534,155	1,268,271,753	487,285,585	0	104,600,000	2,252,040,768
Shared operational functions (e.g. DAFF's Plant and Animal Quarantine Services; SAPS' POE Oversight, Border Police; DHA's Air Liaison)	137,808,168	247,169,241	63,426,036	188,327,121	191,683,826	0	828,414,392
Corporate functions (e.g. human resources management, finance management, legal)	8,171,791	83,040,889	298,990,033	369,618,892	0	709,224	760,530,829
Total departmental expenditure on proposed BMA functions	218,329,234	649,744,285	1,630,687,822	1,045,231,597	191,683,826	105,309,224	3,840,985,989
Department's share of expenditure on proposed BMA functions (%)	6%	17%	42%	27%	5%	3%	100%
Number of department POE staff	254	1425	5652	1241	n/a	319	8 891
Total expenditure per department POE staff	859,563	455,961	288,515	842,250	n/a	330,123	432,008

Of the total expenditure of R3.84 billion, R2.25 billion (58%) was attributable to individual POEs (e.g. Beitbridge, ORTIA). R0.83 billion (i.e. 22%) was spent on shared operational functions (e.g. Plant and Animal Quarantine Services, POE Oversight, Border Police, Air Liaison) that could not be allocated to individual POEs. A further R0.76 billion (i.e. 20%) is spent on corporate functions like human resources management, finance management etc. Included in this amount is a portion of each department's Programme 1 expenditure. This amount is based on the department's expenditure on border management functions as a percentage of the department's total expenditure.

The calculated expenditure on shared operational and corporate functions are upper limits on this expenditure and the actual amounts will depend on the BMA PMO's final decision on how the shared operational and corporate functions will be incorporated into the BMA.

At a ports of entry level, the three expenditure categories with the highest expenditure are cost of employees (89%), transport services and equipment (3%); and travel and subsistence (2%).

Table 2: Distribution of departmental POE expenditure per expenditure category

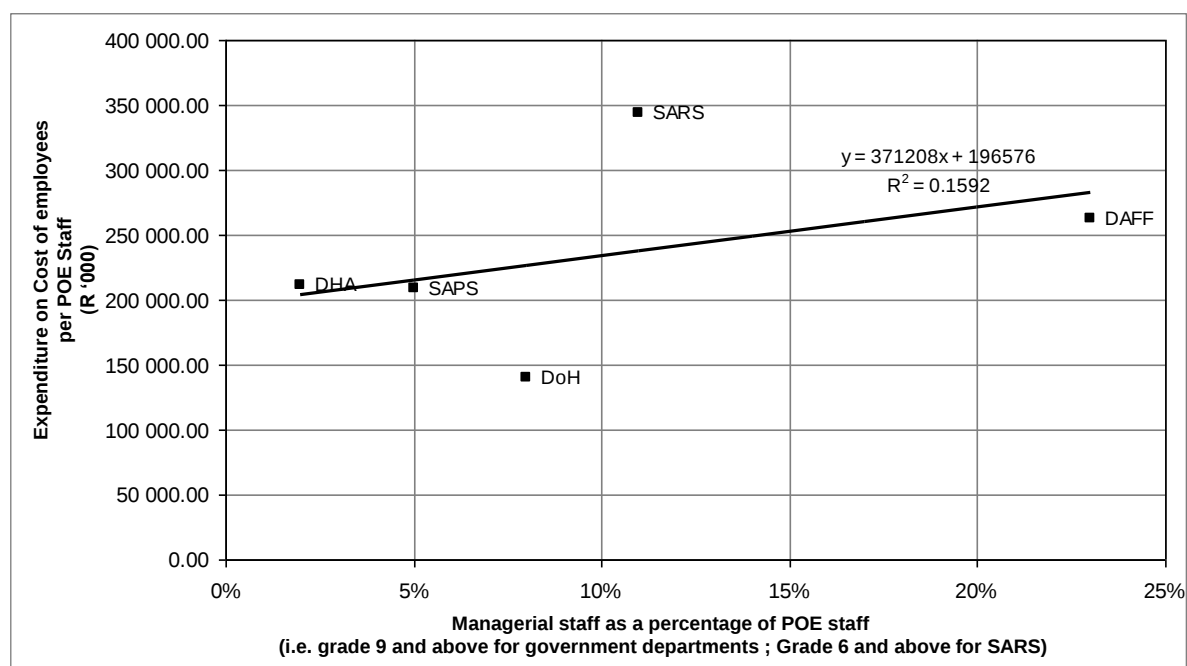
Expenditure category	Total	DAFF	DHA	SAPS	SARS	DoH
Cost of employees	89%	92%	94%	93%	85%	43%
Transport services & equipment	3%	3%	0%	4%	2%	2%
Travel & subsistence	2%	2%	5%	0%	2%	5%
Communication	1%	2%	0%	1%	1%	4%
Other	2%	1%	0%	1%	1%	31%
Infrastructure	2%	1%	0%	0%	8%	0%
Computer services	0%	0%	0%	0%	0%	3%
Contractors	1%	0%	0%	1%	0%	12%
Security	0%	0%	0%	0%	0%	0%

When identifying and quantifying budget to transfer to the proposed BMA, care must be taken to ensure that sufficient funds related to providing and maintaining assets in the form infrastructure, information technology and communication services and other plant and equipment are provided, as the full expenditure may not be allocated

to ports of entry or the departmental units involved in border management activities. This should include performing a full inventory of assets and an operating model review.

With specific regards to expenditure on cost of employees, SARS spends significantly more on cost of employees per staff member than other departments whilst the DOH spends significantly less than other departments (see the y axis of Figure 1 below). DAFF in contrast have a higher percentage of managerial staff even though the average cost remains slightly higher than the other Departments with the exception of SARS.

Figure 1: Expenditure on cost of employee per staff member per department



The above chart normalises expenditure per FTE to the ratio of managerial staff allocated to POE functions. The R^2 value highlights the degree of correlation between the x and y axis. The lower the value the lower the correlation.

At a cost component level, the composition of SARS' expenditure on cost of employees differs from that of DHA, DAFF and SAPS. Salaries and wages, and social benefits respectively account for 82.5% and 17.4% of SARS expenditure on cost of employees as shown in table 3 below. On average, salaries and wages, and social benefits respectively account for 85.8% and 14.1% of DHA, DAFF and SAPS expenditure on cost of employees. DOH is excluded from this analysis, as its data was not available at the same level of granularity. Further, there is significant

variation in the composition of each cost component:

1. With regards to salaries and wages, overtime and allowances account for a greater proportion of a SARS' employee's cost to company (i.e. cost of employee), SARS' expenditure on overtime accounts for the 8.3% of the expenditure on cost of employees, compared to an average of 2.3% for the other departments. Similarly, SARS' expenditure on allowances accounts for 12.9% of the expenditure on cost of employees compared to 9.2% for the other departments.
2. With regards to social benefits, payments for medical aid and other social benefits account of a greater proportion of a SARS's employee's cost to employer. SARS' expenditure on medical aid accounts for 8.3% of its expenditure on cost of employees, compared to an average of 4.3% for the other departments. Similarly, SARS spends 1.5% of its expenditure on cost of employees on other social benefits, whilst the other department do not spend on other social benefits.

Table 3: Composition of cost of employee per FTE per department

	DAFF	DHA	SAPS	SARS	Average (excl. SARS)
Salaries and wages					
<i>Basic salary</i>	68%	70%	72%	56%	70%
<i>Bonus and performance awards</i>	6%	6%	6%	5%	6%
<i>Housing allowance</i>	4%	4%	4%	6%	4%
<i>Leave discounting</i>	0%	0%	0%	0%	0%
<i>Other S&W and allowance</i>	3%	4%	5%	7%	4%
<i>Overtime</i>	5%	1%	0%	8%	2%
Salaries and wages subtotal	85%	84%	88%	82%	86%
Social Benefits					
<i>Leave gratuity</i>	0%	0%	0%	0%	0%
<i>Medical aids contributions</i>	5%	6%	1%	8%	4%
<i>Other social benefits</i>	0%	0%	0%	1%	0%

<i>Pension contributions</i>	9%	9%	12%	7%	10%
Social Benefits (subtotal)	14%	16%	12%	17%	14%
Other (i.e. uniforms, training and additional professional and support staff)	0%	0%	0%	0%	0%
Casual labour	0%	0%	0%	0%	0%
Cost of additional professional & support staff, and casual labour	0%	0%	0%	0%	0%
Total	100%	100%	100%	100%	100%
100% equals	R262,205	R223,141	R204,925	R343,239	R230,090

The BMA PMO will need to ensure policies across the proposed BMA are consistent and the effect of changes in policies evaluated. Failure to do so could result in a significant increase in the cost of employees for example if all proposed BMA staff adopted the SARS salary structure.

The efficiency of the expenditure on BMA functions was assessed from three perspectives:

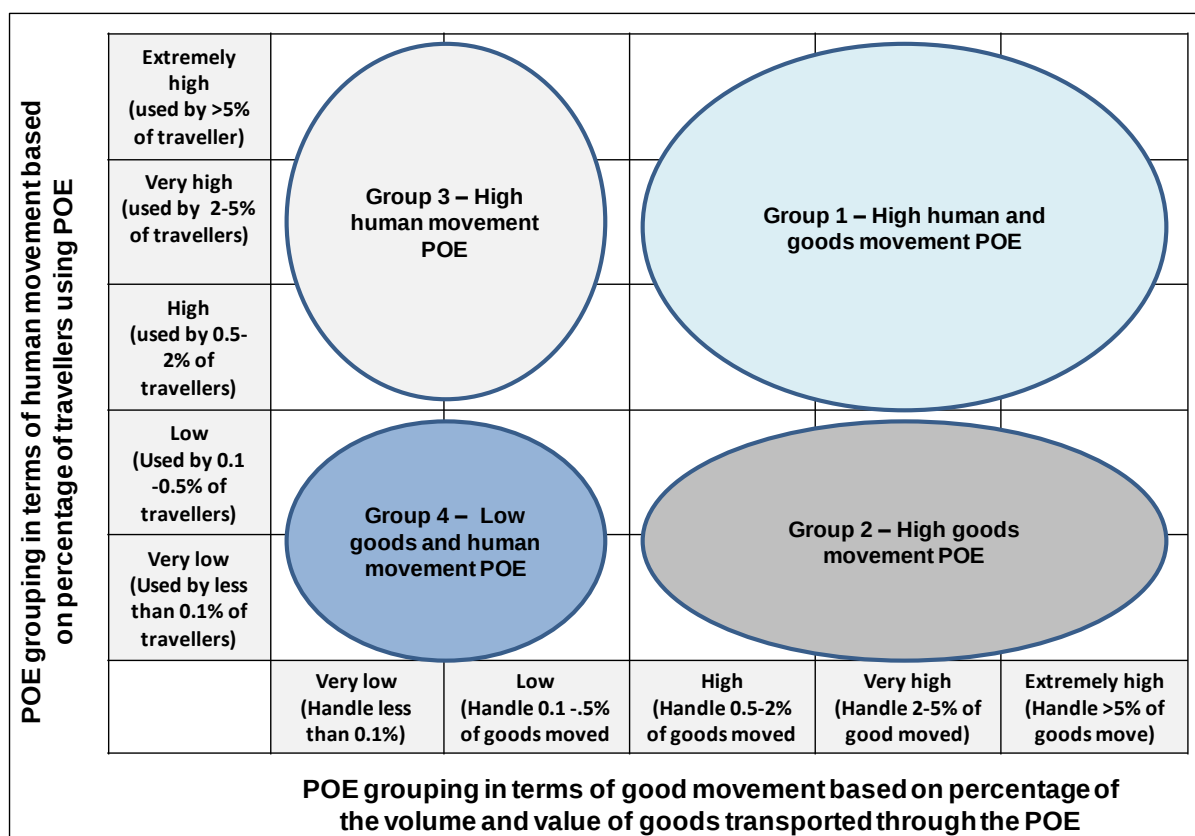
1. The ratio of expenditure on direct frontline POE activities to the expenditure on shared operational and support functions
2. The potential to align and rationalise the number of POE and/or improve the allocation of resources per POE given the demand of for services at each POE

With regards to the first perspective, given that the intended mandate of the BMA is to perform control and inspection functions at each of South Africa's POE, it should be expected that a significant portion of the expenditure on border management functions should relate to functions directly performed at the POE. If all the identified shared operational functions are included in the BMA, only 58% of the BMA's expenditure will be on its core frontline activities. If all the identified shared operational functions are excluded, expenditure on the core frontline activities will still be as low as 75% of the total BMA expenditure. This highlights an opportunity to secure efficiencies within the BMA, by ensuring that the functions included in the BMA are indeed aligned to the envisaged mandate to only perform control and

inspection functions at the various POE.

The potential to rationalise the number of POE and/or improve the allocation of resources per POE was assessed by comparing the allocation of financial and human resources across POE, to the distribution of travellers and the volume and value of goods. To aid this analysis the 72 POE were grouped in terms of the number of travellers and volume of goods transported through the POE (see Figure 2 below). The total POE expenditure was allocated to human movement and goods movement based on the POE's grouping.

Figure 2: Framework used to categorised South African POE



In terms of the potential to rationalise the number of POE, the 16 POE in group 1, account for 90% of travellers in and out of South Africa, 78% of the number of goods declarations, 55% of total POE expenditure and 55% of the total POE staff. In contrast, taking note that the 7 POE in group 2 are predominantly cargo goods ports, the remaining 49 POE in groups 3 and 4 account for 23% of the total POE expenditure and only 10% of the number of travellers into and out of South Africa, 1.6% of the number of goods declaration made at POE and 0.3% of the value of goods imported and exported to and from South Africa.

Table 4: Comparison of POE volumetric data and POE resource allocation per POE group

		Group number and description				
		1. High human and goods movement POE	2. High goods movement POE	3. High human movement POE	4: Low human and goods movement	100% equals
Key goods and human movement volumetric data	Percentage of total ports of entry	22%	10%	8%	60%	72 POE
	Percentage of total number travellers (arrivals and departures)	90%	0.3%	6.1%	3.5%	39.4 million per annum
	Percentage of total number of declarations	77%	20.6%	1.2%	0.5%	5.5 million per annum
	Percentage of total value of goods traded: (imports and exports)	42%	57%	0.1%	0.2%	R 2 362 billion per annum
Financial and human resource allocation across POE	Percentage of POE staff allocated to group	55%	22%	5%	18%	8 891 people
	Percentage of POE expenditure allocated to group	55%	22%	5%	17%	R2.25 billion per annum
	Percentage share of total expenditure on human movement	54%	7.9%	7.5%	31%	R1.25 billion per annum
	Percentage share of total expenditure on goods movement	58%	40%	2.3%	0%	R 999million Per annum

The expenditure on human and goods movement are calculated at R1.25 billion and R999 million respectively. 61% of the human movement expenditure is on POE that fall within group 1 and 3 (i.e. POE that handle high human movement). The POE that fall in group 4 (i.e. handle low human and goods movement) account for 39% of the expenditure on human movement. 98% of the expenditure on goods movement is on POE which fall within group 1 and 2 (i.e. POE that have high goods movement).

In terms of the potential to improve the allocation of resources across POE, (see Table 5 below), at an aggregated level, group 1 and 3 are the most efficient group in terms of expenditure on human movement per number of travellers and the ratio of the number of travellers per day to the number of staff dedicated to human

movement. Similarly with regards to goods movement, group 1 and 2 are the most efficient group in terms of expenditure on goods movement per number of goods declaration and the ratio of the number of goods declaration per day to the number of staff dedicated to goods movement.

Table 5: Comparison of key efficiency indicators across POE groupings

	Group number and description				
	1. High human and goods movement POE	2. High goods movement POE	3. High human movement POE	4: Low human and goods movement	100% equals
Expenditure on human movement per traveller (Rands)	19	904	39	281	32
Ratio of number of travellers per day to number of POE human movement staff	35	1	19	2	21
Expenditure on goods movement per declaration (Rands)	136	350	349	0	182
Ratio of number of goods declaration per day to number of POE goods movement staff	5.4	2	2	n/a	4
Ratio of value of goods traded to POE expenditure on goods movement	1 720	3 420	107	n/a	2 360

With particular reference to the relationship between the expenditure on human movement with the number of travellers, Figure 3 shows that:

1. POE can be divided into two groups based on the travellers through the POE.
2. For POE with less than 100,000 travellers per annum, expenditure per annum ranges between R3 and 10 million. Hence should a top down approach could perhaps be used to allocate budget to POE, a fixed budget of between R 3 to 5 million per POE can be allocated to POE at the lower end of the scale and a

fixed budget of between R7 to 9 million can be allocated to POE at the upper of the range to ensure that the “fixed” cost element is covered and the capacity to deliver the services in place.

3. For POE with more than 100,000 travellers per annum, the POE expenditure is more closely correlated to the number of travellers and hence a formula based on number of travellers can be derived to allocate costs.
4. Taking cognisance of the trend lines in each group, the expenditure on POE function at Airports is significantly higher than at other airports with the same number of travellers.

This analysis shows that as the number of travellers increases above a certain cut off point, the present expenditure not only covers fixed POE costs, but begins to cover the incremental costs associated with the extra staff need to cope with the higher number of travellers. This should be borne in mind when develop a costing model for the future BMA.

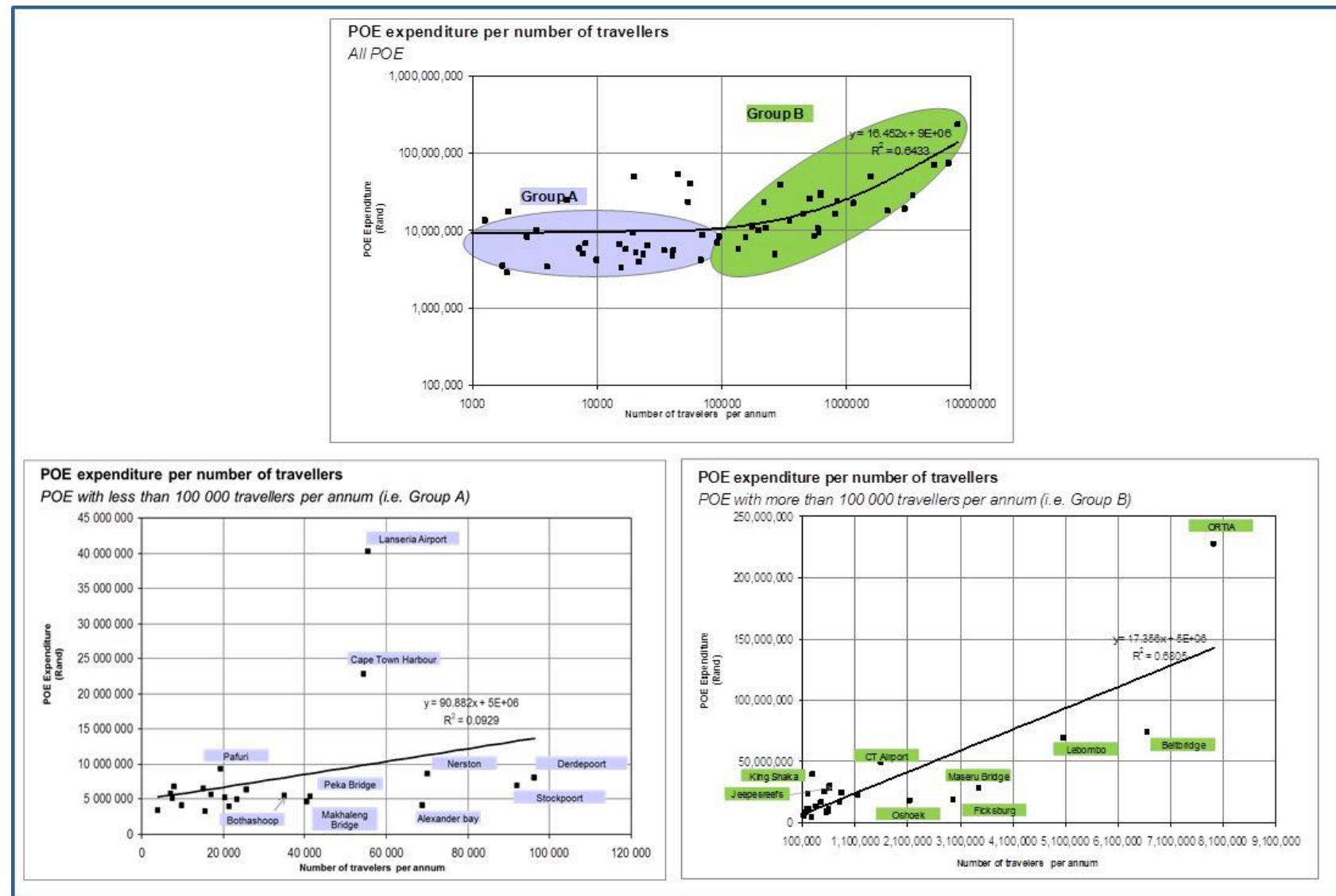
The cost model for the future BMA should have the ability to predict the establishment and operational costs for individual POE as well as the aggregated BMA.

It follows then that development of the costing model establishment costs should include but not be limited to (1) the acquisition of moveable assets such vehicles, furniture, and computers; (2) the compensation of staff for any change in employment conditions resulting from their transfer to the proposed BMA; (3) evaluation of efficiency of existing asset structures aligned to the staffing needs; and (4) the training of staff to adopt the proposed ways of working that will allow the proposed BMA to continue working seamlessly with its parent departments in a manner that enables the realisation of the intended benefits.

The resultant model can thus be used to make trade-offs between the number of staff deployed to a POE, the applied service standards in terms of the maximum waiting times per customer and the accepted frequency and duration or periods of a breach of the service standard, bearing seasonality of activity at POE in mind. This will allow the sizing of each POE in a manner that minimises the frequency and

duration of any breach of service standards whilst optimising staff utilisation throughout the year.

Figure 3: Variation of POE expenditure and the number of travellers per POE



2. Border management functions

2.1 Overview of the South African Border Environment

The South African border environment consists of 3 components:

- Land borders and associated ports of entry;
- Air borders and associated ports of entry; and
- Sea borders and associated ports of entry

There are 21 organs of state performing functions in respect of their individual mandates within the South African border environment. Of these 21, only six have a significant presence at the ports of entry and/or along the South African borderline. These six are the Department of Home Affairs (DHA), the South African Revenue Services (SARS), the South African Police Services (SAPS), the Department of Agriculture, Forestry and Fisheries (DAFF) and the Department of Health (DOH) at the ports of entry and the South African National Defence Force (SANDF) with respect to borderline safeguarding. Due to the exclusion of borderline functions from this study, SANDF expenditure on borderline safeguarding was not analysed.

In addition to the five departments with a presence at the ports of entry, the Department of Public Works (DPW) is also responsible for infrastructure related expenditure at the various border posts. Whilst this expenditure is included in the PER, no further analysis of DPW activities or cost structures was undertaken due to the requisite detailed information and data not being provided.

While every attempt was made to source data directly from the relevant information technology systems, due to the number of departments and their individual ways of handling data this was not always possible. This was particularly relevant in the way the organisations allocated costs to individual Ports of Entry, in which case the costs were calculated based on the number of staff. More information on the sources of data is found in Annexure A11.

2.2 Definition of the proposed border management agency

With respect to ports of entry functions, from our analysis of the business processes as explained in the program design in Annexure A8, the proposed Border Management Agency could consist of three layers which will be explained further in

this section:

1. Port of entry frontline functions;
2. Port of entry shared operational functions; and
3. BMA corporate or back office functions.

2.2.1 Port of entry frontline functions

POE frontline functions are physically executed at each port of entry and contribute to facilitating the movement of legitimate travellers and goods into and out of South Africa. At the most aggregated level, five key port of entry functions are:

1. *Immigration control* which is primarily concerned with facilitating the entry and exit of travellers to and from South Africa;
2. *Customs control* which is primarily concerned with facilitating the entry and exit of goods into and out of South Africa, the collection of any customs duties and payment of any VAT repayments;
3. *Security control* which is primarily concerned with preventing the movement of criminals and illegitimate goods across the border and the safeguarding of the POE environment;
4. *Phyto-sanitary and animal control* which is primarily concerned with controlling the movement of animal and plant material across borders; and
5. *Port health control* which is primarily concerned with preventing the cross border transmission of communicable diseases.

These functions are performed as part of the primary POE objectives of controlling human and goods movement into and out of South Africa.

Table 6: BMA port of entry function, objectives, related activities and departments involved¹

POE objective	Associated activities	Function				
		Immigration control	Customs control	Security control	Phyto-sanitary and animal control ²	Port health
Human movement control	1. Vessel/craft health assessment/ disease clearance (air & sea only)					
	2. Traveller health control					
	3. Traveller immigration					

POE objective	Associated activities	Function				
		Immigration control	Customs control	Security control	Phyto-sanitary and animal control ²	Port health
	control					
	4. Asylum seeker traveller control					
	5. Traveller security/criminal control					
	6. Traveller customs control					
	7. Traveller prohibited or restricted goods control ¹					
	8. Movement of human remains					
	9. Traveller VAT claims					
Goods movement control	1. Vessel/craft health assessment/ disease clearance (air & sea only)					
	2. Commercial goods customs control					
	3. Restricted/prohibited goods control ¹					
	4. Crew/driver immigration control					
	5. Crew/truck driver security/criminal control					
	6. Crew/truck driver health control					
Lead Department		DHA	SARS	SAPS	DAFF	DHA

Source: BMA Institutional Options Report – November 2015 and discussions with Departments/SARS
The variations between land, sea and air POE are highlighted in appendix A8 as well additional information on the processes and outputs

1. Includes animal and plant controls, intellectual property, illicit substance etc.

2.2.2 Proposed BMA shared operational functions

Shared operational functions are distinct from corporate functions and refer to functions performed by departmental units that support more than one port of entry. Key units that provide such functions are shown in Table 7 below. Examples of these units include the costs allocated to the previous Border Control Operational Coordinating Committee (BCOCC), Plant Quarantine Inspection Services and

Animal Quarantine in DAFF which is not located within the sterile area of a specific port but in a geographic area close by, DHA's airline liaison unit which contains the software to monitor information on human movement received from airlines in advance of their arrival into South Africa. The BMA PMO along with the departments will need to make decision as to which of these units will be incorporated into the proposed BMA.

Table 7: Shared operational port of entry functions per departments

DAFF	DHA	SAPS	SARS	DPW
Inspection Services (IS) Administration BCOCC IS Management IS NPPPIIS IS Plant Quarantine Inspection Services (PLQIS) IA Animal Quarantine Services (AQIS)	Airline liaison Port Control Port of Entry oversight Operational Support	Border Police Regional Border Police	Regional Compliance BCOCC	Infrastructure

Source: National Treasury BAS data and discussions with departmental representatives

As part of this project an expenditure analysis tool was developed. This tool has the ability to include or exclude the associated expenditure of the above units. This provides the decision makers flexibility to decide which of these functions and related expenditure should be included in the proposed BMA. The expenditure associated with these units is discussed in more detail in Section 4.2.

2.2.3 Proposed BMA corporate or support functions

The proposed BMA corporate or support functions are needed to establish and maintain an efficient, effective and capacitated border management agency. The activities are either operational management or strategy/policy translation functions. Current expenditure on these functions was calculated by apportioning a share of each department's Programme 1 expenditure based on the department's expenditure on border management functions as a percentage of the department's total expenditure. Depending on the proposed BMA operating model, these functions will mainly be executed by staff at the proposed BMA Head or Regional Offices or

even a port of entry if the need arises. Naturally this calculation can be refined once the BMA PMO has defined the operating model and any potential duplications identified and the impact thereof assessed.

Table 8: BMA Corporate functions and related activities

Operational management	Strategy and policy translation
1. Infrastructure and facilities management	1. Service improvement projects
2. Human resources management	Stakeholder management
3. Informational technology management	2. Governance and risk compliance
4. Financial management	3. Legal
5. Security management	4. Communications

2.3 Proposed BMA expenditure components and elements

During the analysis of the costs associated with ports of entry and shared operational functions, it became evident that to enable the aggregation and comparison of expenditure across departments, the expenditure categories and associated components needed to be defined to provide the right level of granularity as it could not be obtained from the existing groupings in BAS. This also could inform the basis of a Chart of Accounts for the proposed BMA which could be used in management accounts and dashboard reporting.

The cost categories and basic components are shown in Table 9 below. More granular detail on what each cost component is made up of is provided in appendix A1. These expenditure categories are used as a basis for the analysis in Section 4

Table 9: BMA expenditure categories and associated components

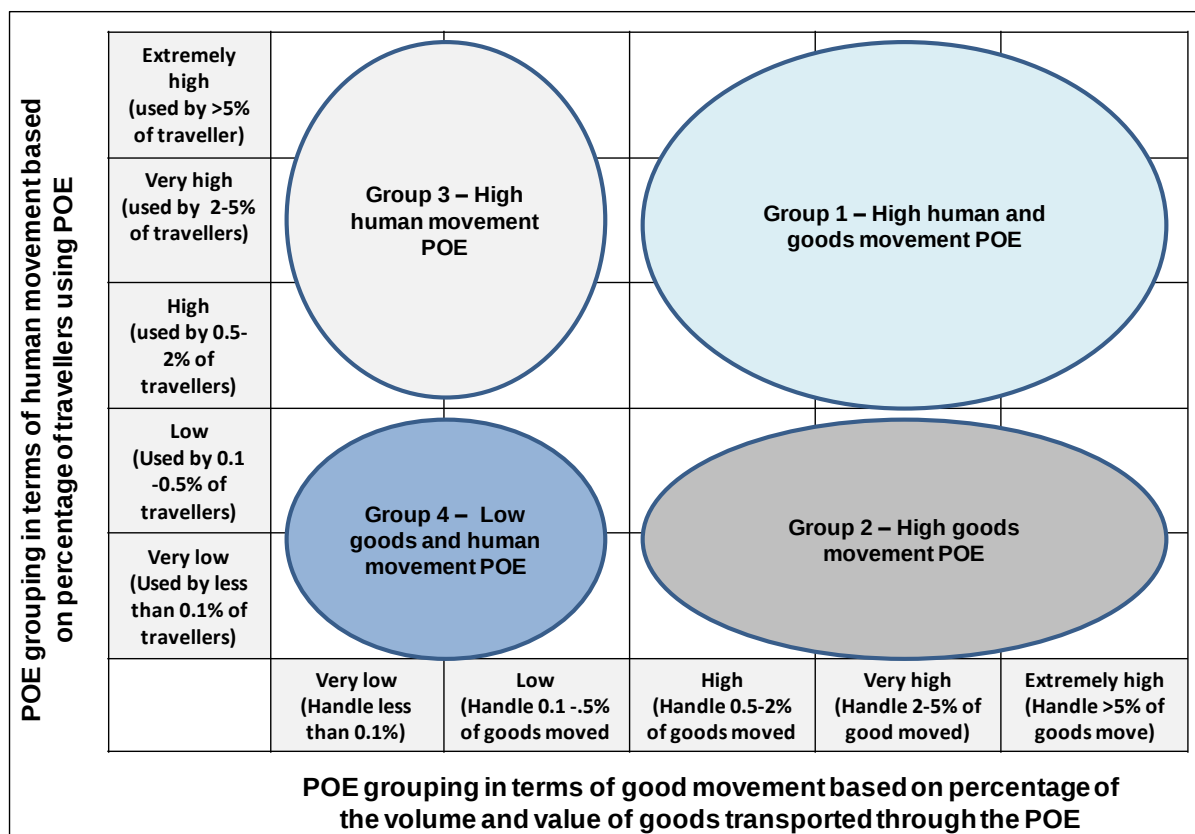
Cost category	Level 1 cost components
Cost of employee	Salary and wages, social benefits, uniform and clothing, training and cost of additional professional & support staff, and casual labour
Communication	Communication equipment and services, publications and advertising, events and audio visual equipment
Computer services	IT infrastructure, personnel computers, printing, spend on SITA, software licences and other IT services (such as satellite link)
Contractors	Legal and business services, courier services, laboratory services, maintenance and repair for non-infrastructure, medical services, office ambience (decorations) and other veterinary services
Infrastructure	Facilities management, building inventory, facilities upgrade, machinery & equipment, professional service providers and utilities charges
Security	Security equipment, firearms and security services

Cost category	Level 1 cost components
Transport services & equipment	Air charter services and landing, fleet management, fuel, oil and lubricants, licence plates, marine equipment, marine services, other transport equipment, transport for excursions, transport service providers, transport vehicles, and travel agent fee
Travel & subsistence	Catering for departmental activities, domestic & foreign air travel, domestic & foreign accommodation, domestic & foreign incidentals and allowances, domestic & foreign by road and rail, transport of non-employee and out of town allowance
Other	Transfers & subsidies, domestic equipment, laboratory equipment, furniture's & office equipment, laundry services, survey equipment, medical and veterinary consumables, media collection, lease payments, administrative fees, consumables, stationary, entertainment, admin costs, farming supplies, inventory for ship and marine stores, laboratory consumables, medical expenses for detained persons, competency certificates and licences, storage costs and household gas

2.4 Proposed BMA expenditure drivers

From an input perspective, the key expenditure driver for each function layer described in section 2.2 above of the proposed BMA is the number and type of resources (e.g. staff, buildings, equipment) allocated to each function layers. While we understand that there are factors such as security that have to be taken into account, when examined purely from an outcome perspective, the relation between the ports of entry expenditure and the ports of entry performance in terms of the number of travellers and/or volume and goods transported through the port of entry provides an indication of the effectiveness of the resource allocation decision.

To this end, the 72 POE have been divided into four groups based on the number of travellers and volume of goods transported through the ports of entry.

Figure 4: Framework used to categorised South African POE

The ports of entry that fall within each of the above groupings are shown in Table 10 below. The specific volumetric indicators for each port of entry used to determine each grouping are the number of arrivals and departures for human movement and the number of declarations handled and value of goods for goods movement. Appendix A2 provides the specific achievement per volumetric indicator for each port of entry.

Using this analysis, 29 ports of entry fall into groups 1, 2 or 3. As expected the majority of the sea harbours fell into “Group 2 High goods movement” but did not feature in human movement. The airports were split with three of them falling into “Group 1: High goods and human movement” and no land port fell into “Group 2: High goods movement”

These grouping are particularly important, as it forms the basis for the analysis in section 3.2 in the analysis of personnel to ports of entry and section 4.4. where expenditures are linked to these volumetric indicators.

Table 10: Categorisation of ports of entry in terms volume of human and goods movement

POE Grouping	Airports	Sea harbour	Land Border Posts
Group 1: High goods and human movement POE	1. Cape Town 2. King Shaka 3. OR Tambo		4. Beit Bridge 5. Ficksburg Bridge 6. Golela 7. Groblers Bridge 8. Kopfontein 9. Lebombo 10. Mahamba 11. Maseru Bridge 12. Oshoek 13. Ramatlabama 14. Skilpadshek 15. Van Rooyens Gate 16. Vioolsdrift
Group 2: High goods movement POE		1. Cape Town 2. Durban 3. East London 4. Mossel bay 5. Port Elizabeth 6. Richards Bay 7. Saldanha Bay	
Group 3: High human movement POE			1. Caledonspoort 2. Emahlathini 3. Jeppesreef 4. Kosi Bay 5. Mananga 6. Nakop
Group 4: Low human and goods movement POE	1. Bloemfontein 2. Kruger Mpumalanga 3. Lanseria 4. Pilanesberg 5. Polokwane 6. Port Elizabeth 7. Uppington	8. Port Ngqura Harbour	9. Alexander Bay 10. Boesmansnek 11. Bothashoop 12. Bray 13. City Deep 14. Derdepoort 15. Gemsbok 16. Giryondo 17. Josefsdal 18. Makgobistad 19. Makhaleng Bridge 20. Makopong 21. McCarthy's Rest 22. Middelputs 23. Monantsa Pass 24. Nerston 25. Ongeluksnek 26. Onseepkans 27. Onverwacht 28. Pafuri 29. Peka Bridge 30. Platjan 31. Pontdrift 32. Quacha's Nek 33. Ramatsilitso 34. Rietfontein 35. Sani Pass 36. Sendelingsdrift 37. Sepapus Gate

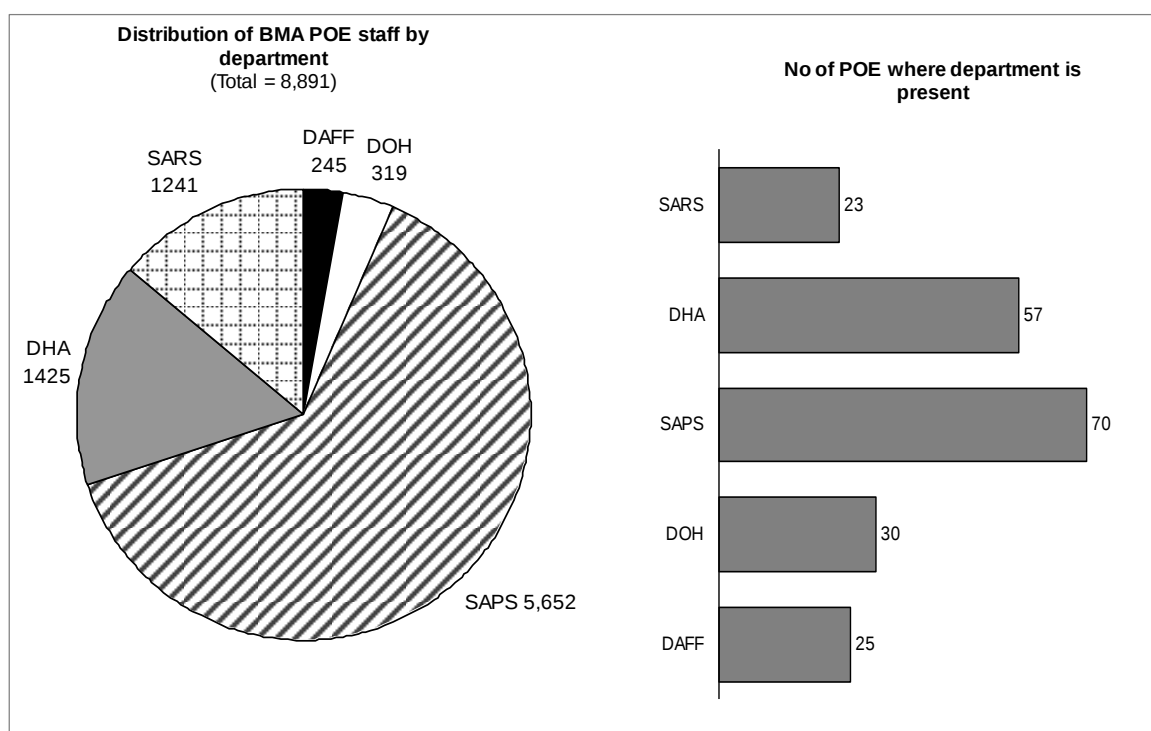
POE Grouping	Airports	Sea harbour	Land Border Posts
			38. Stockpoort 39. Swartkopfontein 40. Tele Bridge 41. Tweek Rivieren 42. Waverley 43. Zanzibar

3. Resource allocation per department across ports of entry

3.1 Staff allocation across ports of entry

Based on an analysis of PERSAL data for SAPS and DHA, and staff numbers provided by SARS, DOH and DAFF, the total number of staff deployed to POE is calculated at 8 891 people. Excluded from this total is the number of staff in units providing shared operational and corporate functions within each department as well as additional staff deployed to ports of entry during peak periods.

Figure 5: Distribution of departmental staff across ports of entry



SAPS staff numbers are significantly higher than the other departments. The only two ports of entry where they are not present are Bloemfontein Airport and Saldanha Bay Harbour. Whilst a case can be made to exclude some of these activities from the proposed BMA, for the purpose of this review, it was assumed that all the listed police functions will be included in the proposed BMA.

3.2 Distribution of ports of entry staff across port of entry groupings

With reference to Table 10 below, 83% of staff are allocated to ports of entry that either handle a relatively high volume of goods or human movement (i.e. group 1,2 or 3). 17% of staff are allocated to POE that handle both a low volume of goods and travellers (i.e. group 4).

Table 11: Comparison of POE staff allocations to POE goods and human movement volumetric indicators

	Group number and description				
Efficiency Indicator	1. High goods and human movement POE	2.High goods movement POE	3. High human movement POE	4. Low human and goods movement POE	100% equals
Number of POE	16	7	6	43	72
% of total number of travellers (arrivals and departures)	90%	0.3%	6.1%	3.5%	39.4 million per annum
% of total number of declarations	77%	20.6%	1.2%	0.5%	5.5 million per annum
% of total value of goods traded	42%	57%	0.1%	0.2%	R 2 362 billion per annum
% of total number of BMA staff	55%	22%	5%	17%	8 891 people

In terms of labour efficiency (see Table 11 below) ports of entry in groups 1 and 3 receive 19-22 travellers per day per staff and up to 5.4 goods declaration per staff member per day. In contrast, ports of entry in group 4 receive less than 3 travellers per day per staff member and do not process a single goods declaration.

Table 12: Comparison of labour efficiency indicators across POE groupings

	Group number and description				
Efficiency Indicator	1. High goods and human movement POE	2.High goods movement POE	3. High human movement POE	4. Low human and goods movement POE	100% equals
Ratio of number of travellers to number of human movement staff	35	1	19	2	21
Ratio of number of goods declaration to number of goods movement staff	5.4	2	2	n/a	4

3.3 Potential port of entry over and under staffing per department

Table 13 below shows the departmental presence per port of entry within each port of entry group. The departments where there is potential to improve staff allocation across ports of entry groupings are SARS, SAPS and DOH.

- From the data available to us SARS appears under invested within group 1 (High Human and Goods movement) and group 2 (High goods movement) ports of entry which have high volumes of goods movement. However, it is noted that SARS may not need to have a permanent presence at the bulk cargo sea ports within group 2 (e.g. Richards Bay, Saldanha Bay and Mossel Bay Harbours) as declarations are normally done via the SARS IT portal or alternatively personnel could be stationed at regional compliance centres.
- SAPS appears to have a high presence at both group 2 (High goods movement) and group 4 (low human and goods movement) ports of entry. In the case of group 4, SAPS staff allocation is potentially misaligned to the percentage of travellers using ports of entry within this group 4. This analysis is purely based on human and goods movement and does not take into account specific security concerns.
- Similarly from the information provided to us, DOH's staff allocation to ports of

entry in group 4 (low human and goods movement) is potentially high compared to the percentage of travellers using ports of entry in this grouping. Although specific risks or diseases could have been identified that led to these staffing patterns.

- DHA's staff appears to be appropriately allocated across port of entry groupings particularly in Groups 1,3 and 4. The same holds for DAFF staff.

Table 13: Departmental presence at POE within a POE category

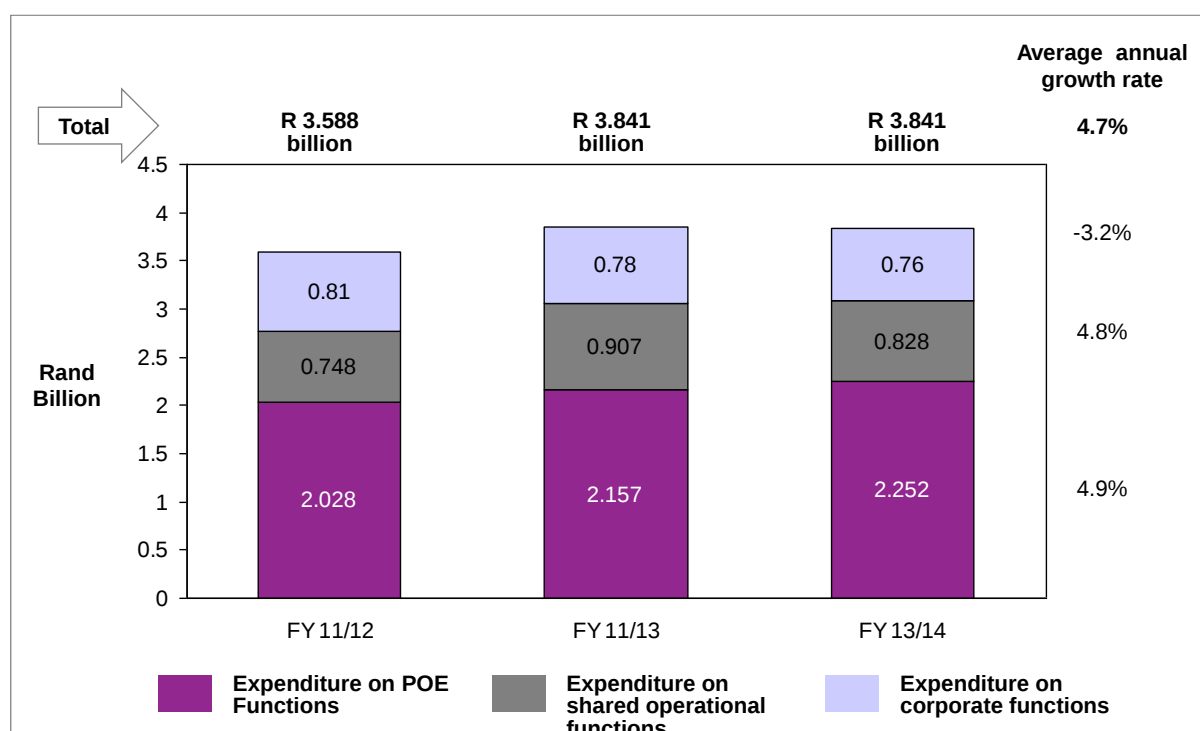
Group	Departmental presence	Department				
		SARS	DHA	SAPS	DOH	DAFF
Group 1: High goods and human movement POE (No of POE = 15)	Staff allocated to group	69%	79%	45%	67%	75%
	No of POE with departmental presence	14	16	16	16	13
Group 2: High goods movement POE (No of POE = 7)	Staff allocated to group	17%	4%	28%	10%	13%
	No of POE with departmental presence	3	3	6	4	5
Group 3: High human movement POE (No of POE = 7)	Staff allocated to group	8%	5%	4%	2%	7%
	No of POE with departmental presence	3	6	6	3	4
Group 4: Low human and goods movement POE (No of POE = 43)	Staff allocated to group	6%	13%	22%	20%	5%
	No of POE with departmental presence	3	33	42	7	3

4. Expenditure analysis

4.1 Total expenditure on border management functions

Based on the FY 2013/14 data, the total expenditure across the departments with a presence at POE is calculated at R3.84 billion. This calculation assumes that all the identified shared operational functions (see Table 14) and the allocated programme 1 costs will be part of the proposed BMA.

Figure 6: Total expenditure on border management functions



As shown in Figure 6 above, the total expenditure on border management functions has grown at an average annual rate of 4.7% over the last three years. At a more detailed level, expenditure growth for port of entry functions and shared operational functions has averaged 4.9% and 4.8% respectively. Expenditure on corporate functions has shrunk by an average of 3.2% per year due to a steep decline in SAPS' expenditure on corporate functions (R365 million in 2012/13 to R299 million in 2013/14). This decline was partially offset by the growth in expenditure from the other departments.

4.2 Departmental expenditure on proposed BMA functions

SAPS (42%), SARS (27%) and the DHA (17%) account for 87% of the total

expenditure on the border management functions.

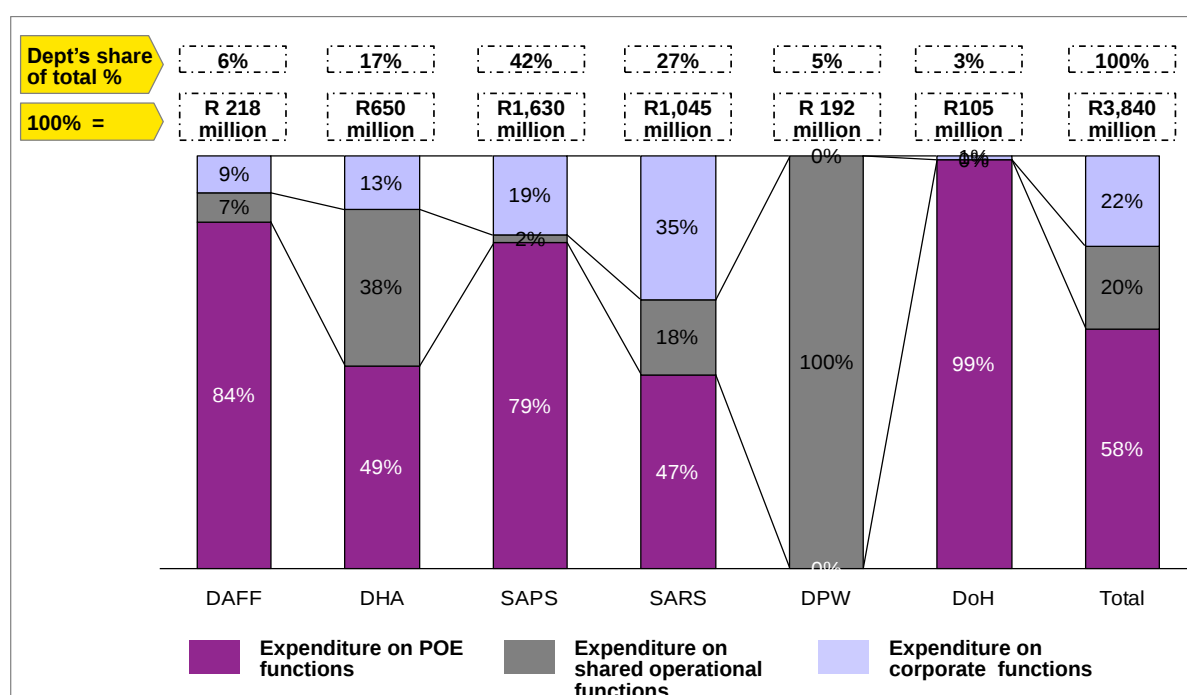
In terms of expenditure per ports of entry staff, DAFF and SARS expenditure per port of entry staff are significantly higher than the other three departments. This could be as a result of specialist skills and different pay grades in use. The difference would need to be borne in mind in the formation of the proposed BMA particularly of the decision was taken to regularise the pay grades which could have material effect on cost of employees.

Table 14: Departmental expenditure on proposed BMA functions

	2013/2014						
	DAFF	DHA	SAPS	SARS	DPW	DOH	Total
Port of entry functions	72,349,275	319,534,155	1,268,271,753	487,285,585	0	104,600,000	2,252,040,768
Shared operational functions	137,808,168	247,169,241	63,426,036	188,327,121	191,683,826	0	828,414,392
Corporate functions	8,171,791	83,040,889	298,990,033	369,618,892	0	709,224	760,530,829
Total departmental expenditure on proposed BMA functions	218,329,234	649,744,285	1,630,687,822	1,045,231,597	191,683,826	105,309,224	3,840,985,989
Department's share of total BMA expenditure (%)	6%	17%	42%	27%	5%	3%	100%
Number of department POE staff	254	1425	5652	1241	n/a	319	8 891
Total expenditure per department POE staff	859,563	455,961	288,515	842,250	n/a	330,123	432,008

With reference to Figure 7 below, the average distribution of expenditure across corporate, shared operational and POE frontline functions is 58:22:20 indicating that less than 80% of the present expenditure is actually on ports of entry control of people and goods, and/or goods inspection activities as envisaged in the proposed BMA mandate. Comparing this distribution across departments, DHA and SARS are the two departments where expenditure on ports of entry is significantly below 80% of the total BMA expenditure.

Figure 7: Distribution of departmental expenditure across the proposed BMA functional layers



The ratios for DHA and SARS could, in future, be affected by the decisions taken by the BMA PMO with regards to the shared operational functions to be included in the BMA and how the BMA corporate functions will be structured. For example, in the DHA the calculated expenditure on shared operational functions of R247 million (36% of DHA BMA expenditure) and corporate functions of R83 million (13% of DHA BMA expenditure) includes expenditure from the DHA Airline Liaison (R192 million), Port Control (R31.6 million), Port of Entry Oversight (R19 million) and Operational Support (R4 million), all of which may or may not become part of the proposed BMA.

With regards to SARS, the expenditure on shared operational and corporate functions is calculated at R200 million (i.e. 30% of SARS BMA expenditure) and

R370 million (i.e. 35% of SARS BMA expenditure) respectively. The SARS shared operational functions consist of SARS customs and BCOCC head office costs, which may or may not be part of the proposed BMA. In addition expenditure on corporate functions includes modernisation initiatives related to customs and the BCOCC which may or may not be included in the proposed BMA should the decision to include ongoing improvement projects in the BMA be reversed.

If the BMA PMO takes the decision to exclude all of the identified shared operational functions, only leaving expenditure on POE and corporate functions, the expenditure on frontline POE functions will still only account for 75% of the expenditure on BMA functions. This indicates the need to appropriately structure the proposed BMA's corporate functions to ensure greater expenditure on the BMA core control and inspect mandate.

4.3 Aggregated expenditure on proposed BMA functions by expenditure categories

4.3.1 Aggregated expenditure on proposed BMA functions by expenditure categories

With reference to Table 15 below, the three expenditure categories with the highest expenditure are cost of employees (76%), travel and subsistence (8%) and computer services (6%).

Table 15: Aggregated expenditure on POE and shared operational functions per expenditure category

Consolidated	Share of FY 2011/12 (%)	Share of 2012/13 %	Share of FY 2013/14 %	Growth rates		
				FY 2012/13: Year on Year Growth (%)	FY 2013/14: Year on Year Growth (%)	2 Year Average Annual Growth Rate (%)
Cost of employees	77%	73%	76%	5%	4%	4%
Infrastructure	1%	1%	1%	27%	-37%	-4%
Computer services	5%	6%	6%	24%	1%	10%
Transport services & equipment	1%	1%	1%	28%	0%	11%
Travel & subsistence	10%	11%	8%	81%	-6%	21%
Communication	0%	0%	0%	-7%	-22%	-16%
Other	2%	3%	3%	13%	24%	17%
Contractors	2%	4%	3%	2%	28%	15%
Security	1%	1%	2%	-2%	23%	11%

100% POE and shared operational functions*	2 777	3 061	3 080	10%	1%	5%
---	--------------	--------------	--------------	------------	-----------	-----------

*The total is less than total BMA expenditure estimate of R3.8 billion due to the exclusion of expenditure on corporate functions which is not available at a cost category level

Over the two year period, the cost categories with relatively fast growth in expenditure, albeit off low bases, are transport services and equipment (11%), travel and subsistence (21%), contractors (15%) and other (17%). SAPS was responsible for increase in transport services and equipment as well as contractors, while DHA was responsible for travel and subsistence.

Table 16 below, shows the distribution of departmental expenditure across cost categories for POE and shared operational functions. With an emphasis on expenditure on cost of employees, there is significant variation in the distribution of expenditure across departments. For example, the average overall expenditure on cost of employees is 76%, but at least 3 departments have a deviation of more than 15% points from the mean.

Table 16: Distribution of departmental expenditure on POE and shared operational functions per cost category

	Total	DAFF	DHA	SAPS	SARS	DPW	DoH
Cost of employees	76%	92%	57%	92%	85%	0%	43%
Infrastructure	8%	1%	0%	0%	7%	100%	0%
Computer services	6%	0%	31%	0%	0%	0%	3%
Travel & subsistence	3%	2%	12%	1%	3%	0%	5%
Transport services & equipment	3%	3%	0%	5%	2%	0%	2%
Contractors	1%	0%	0%	1%	0%	0%	12%
Communication	1%	2%	0%	1%	1%	0%	4%
Security	0%	0%	0%	0%	0%	0%	0%
Other	2%	1%	0%	1%	1%	0%	31%

If expenditure on shared operational functions is excluded, and the emphasis is only on ports of entry expenditure (see Table 17 below), the variation in the distribution across cost categories is significantly reduced. With the exception of DOH, each department's expenditure on cost of employees falls within +/- 5% percentage points of the mean of 89%.

Table 17: Distribution of departmental ports of entry expenditure per cost category

Cost Element Grouping	Total	DAFF	DHA	SAPS	SARS	DoH
Cost of employees	89%	92%	94%	93%	85%	43%
Transport services & equipment	3%	3%	0%	4%	2%	2%
Travel & subsistence	2%	2%	5%	0%	2%	5%
Communication	1%	2%	0%	1%	1%	4%
Other	2%	1%	0%	1%	1%	31%
Infrastructure	2%	1%	0%	0%	8%	0%
Computer services	0%	0%	0%	0%	0%	3%
Contractors	1%	0%	0%	1%	0%	12%
Security	0%	0%	0%	0%	0%	0%

Although there is similarity in the share of ports of entry expenditure on cost of employees, the analysis highlights:

1. Across all departments, the cost categories with significant expenditure at a POE level are people related (i.e. cost of employees, travel and subsistence and to a lesser extent transport services)
2. Recurring expenditure related to providing and maintaining assets in the form infrastructure, information technology and communication services and other plant and equipment is either minimal, not allocated to ports of entry or the departmental units involved in border management activities. Only SARS has significant expenditure at a POE level which is mostly related to infrastructure.

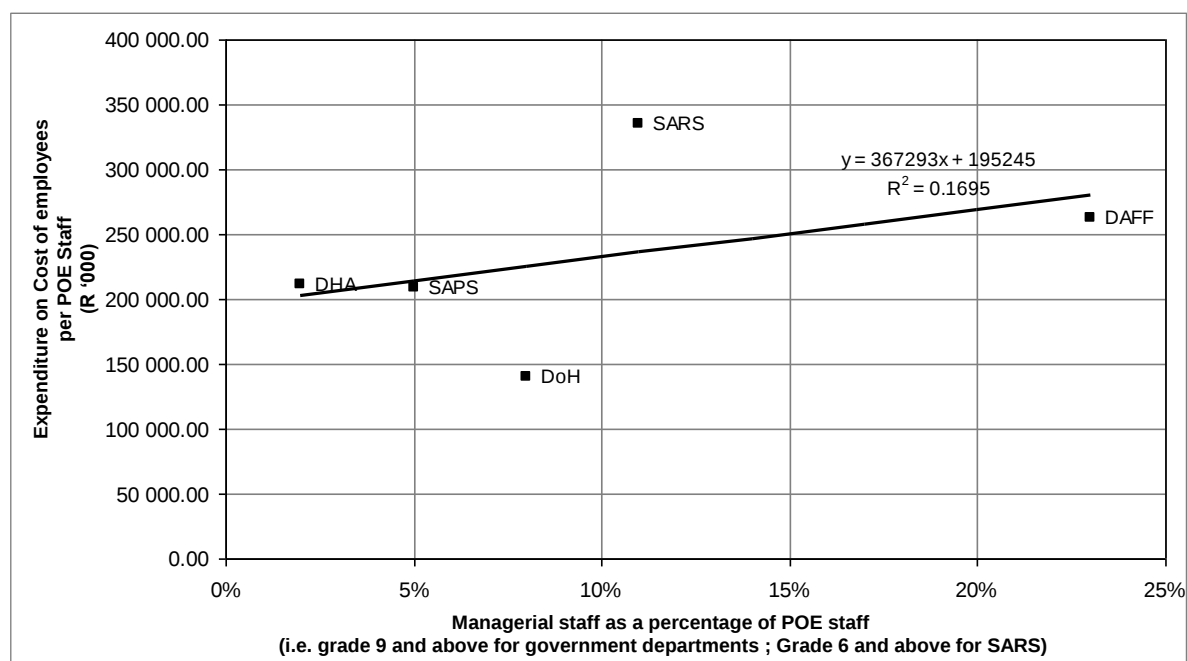
Therefore, when identifying and qualifying budget to transfer to the BMA, care must be taken to ensure that sufficient funds related to providing the aforementioned assets are set aside. This should include performing a full inventory of assets and an operating model review. Further, as shown in the following section, a detailed understanding between the relationship between staff numbers and expenditure on people related cost categories will present an opportunity to optimise the proposed BMA POE expenditure costs.

4.3.2 Variation of POE cost of employees expenditure on across departments

Figure 8 below compares the expenditure on cost of employees per staff member

across each of the departments to the percentage of staff in managerial positions. The outliers in terms of expenditure on cost of employees per staff member are SARS and DOH. SARS appears to spend significantly more per staff member compared to the other departments, whilst the DOH appears to spend significantly less as reflected on the y axis of the figure below. DAFF in contrast have a higher percentage of managerial staff even though the average cost remains slightly higher than the other Departments with the exception of SARS.

Figure 8: Departmental expenditure on cost of employee per staff member



. The above chart normalises expenditure per FTE to the ratio of managerial staff allocated to POE functions. The R2 value highlights the degree of correlation between the x and y axis. The lower the value the lower the correlation.

With reference to Table 18, at a cost component level, the composition of SARS' expenditure on cost of employees differs from that of DHA, DAFF and SAPS. SARS's expenditure on salaries and wages (82.5%), and social benefits (17.4%) compared to the average, salaries and wages (85.8%), and social benefits (14.1%) of DHA, DAFF and SAPS expenditure on cost of employees. DOH is excluded from this analysis, as its data was not available at the same level of granularity.

Further, there is significant variation in the composition of each cost component.

1. With regards to salaries and wages, overtime and allowances account for a

greater proportion of a SARS' employee's cost to company (i.e. cost of employee). SARS' expenditure on overtime accounts for the 8.3% of the expenditure on cost of employees, compared to an average of 2.3% for the other departments. Similarly, SARS' expenditure on allowances accounts for 12.9% of the expenditure on cost of employees compared to 9.2% for the other departments.

2. With regards to social benefits, payments for medical aid and other social benefits account of a greater proportion of a SARS' employee's cost to employer. SARS' expenditure on medical aid accounts for 8.3% of its expenditure on cost of employees, compared to an average of 4.3% for the other departments. Similarly, SARS spends 1.5% of its expenditure on cost of employees on other social benefits, whilst the other department do not.

Table 18: Comparison of expenditure on cost of employee per departmental POE staff member

	DAFF	DHA	SAPS	SARS	Average (excl. SARS)
Salaries and wages					
<i>Basic salary</i>	68%	70%	72%	56%	70%
<i>Bonus and performance awards</i>	6%	6%	6%	5%	6%
<i>Housing allowance</i>	4%	4%	4%	6%	4%
<i>Leave discounting</i>	0%	0%	0%	0%	0%
<i>Other S&W and allowance</i>	3%	4%	5%	7%	4%
<i>Overtime</i>	5%	1%	0%	8%	2%
Salaries and wages subtotal	85%	84%	88%	82%	86%
Social Benefits					
<i>Leave gratuity</i>	0%	0%	0%	0%	0%
<i>Medical aids contributions</i>	5%	6%	1%	8%	4%
<i>Other social benefits</i>	0%	0%	0%	1%	0%
<i>Pension contributions</i>	9%	9%	12%	7%	10%
Social Benefits (subtotal)	14%	16%	12%	17%	14%

Other (i.e. uniforms, training and additional professional and support staff)	0%	0%	0%	0%	0%
Casual labour	0%	0%	0%	0%	0%
Cost of additional professional & support staff, and casual labour	0%	0%	0%	0%	0%
Total	100%	100%	100%	100%	100%
100% equals	R262,205	R223,141	R204,925	R343,239	R230,090

The BMA PMO will need to ensure policies across the proposed BMA are consistent and the effect of changes in policies evaluated. For instance, as SARS employees receive more than their counterparts standardising the policies could have the effect that all the policies are changed for the benefit of the employee resulting for instance in higher overtime costs, medical aid costs and benefits for the other departments

4.3.3 Assessment of variation in POE expenditure on travel across departments.

Total POE expenditure on travel (i.e. expenditure on travel and subsistence and expenditure on transport services and equipment) across all departments in financial year 2013/14 was R101m (i.e. 4.5% of the expenditure on the proposed BMA functions). With reference to Table 19 below, the top three departments in terms of expenditure are SAPS (53%), SARS (20%) and DHA (17%). Collectively these departments account for 90% of the total expenditure on travel. In terms of travel expenditure per POE staff member the DOH, SARS and DAFF spend more than the other departments. In the case of DAFF and DOH this can be partially explained by the need to travel between POE and inland quarantine and health facilities.

Table 19. Breakdown of departmental expenditure on travel

Department	DAFF	DHA	SAPS	SARS	DOH	Total
Travel & subsistence (Rand)	1 343 899	16 132 533	2 267 758	10 304 762	5 417 574	35 466 526
Transport services & equipment (Rand)	2 006 172	585 950	51 246 745	9 651 528	1 758 785	65 249 180
Total expenditure on travel (Rand)	3 350 071	16 718 483	53 514 503	19 956 290	7 176 359	100 715 706
Total expenditure on travel (% of total exp. on travel)	3%	17%	53%	20%	7%	100%
Expenditure per port of entry employee	13 189	11 732	9 468	16 080	22 496	11 327

4.4 Ports of entry with the highest expenditure

4.4.1 Ranking of ports of entry expenditure in terms of total expenditure

The top 35 ports of entry in terms of expenditure and their categorisation in terms of the volume of travellers and goods through the port are shown in Table 20 below.

22 ports of entry account for 80% of the total expenditure on POE functions. The remaining 13 ports of entry in the top 35 account for a further 10% of the total expenditure on POE functions. The remaining ports of entries account for the remaining 10% of the total expenditure on port of entry functions.

Only two of the 29 POE that fall either within group 1 (high people and goods movement), 2 (high goods movement) and 3 (high people movement) are not part of the top 35 POE in terms of expenditure. These are Caledonspoort and Emahlathini which respectively rank 36th and 52nd in terms of POE expenditure.

Six of the eight ports of entry in the top 35, that handle low volumes of travellers and goods (i.e. are group 4), are airports. This highlights a general trend that expenditure at airports is higher than expenditure at a port with similar numbers of travellers or volume of goods. The remaining two POE in group 4 in the top 35 are City Deep and Port Ngquara Harbour.

Table 20: Top 35 POE in terms of total POE expenditure

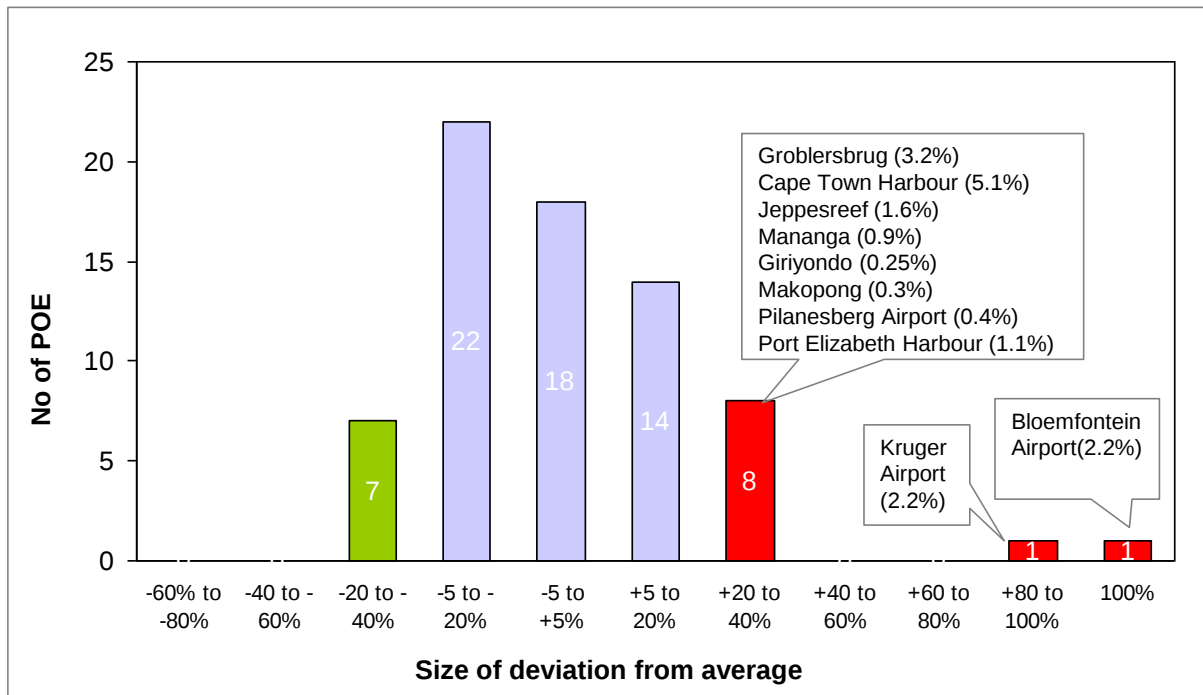
POE ranking in terms expenditure	POE name	POE type:	POE operating hours:	Relative volume of travellers through the POE	Relative volume of goods through the POE	Grouping of POE in terms of volume of travellers and goods	Total expenditure for 2013/2014 (Rand)	POE's share of total annual expenditure	Cumulative share of total annual expenditure
1	OR Tambo Airport	Air	17-24 Hrs	Extremely high	Extremely high	1	418,630,344	18.69%	18.69%
2	Durban Harbour	Sea	17-24 Hrs	Low	Extremely high	2	266,070,550	11.88%	30.57%
3	Beit Bridge	Land	17-24 Hrs	Extremely high	Extremely high	1	126,893,219	5.67%	36.23%
4	Lebombo	Land	17-24 Hrs	Extremely high	Very low	1	124,806,362	5.57%	41.81%
5	Cape Town Harbour	Sea	17-24 Hrs	Low	Extremely high	2	114,255,334	5.10%	46.91%
6	Cape Town Airport	Air	17-24 Hrs	Very high	Very high	1	85,147,507	3.80%	50.71%
7	King Shaka Airport	Air	17-24 Hrs	High	High	1	75,344,977	3.36%	54.07%
8	Grobblersbridge	Land	13-16 Hrs	High	Very high	1	71,466,362	3.19%	57.26%
9	Skilpadshek	Land	17-24 Hrs	High	Extremely high	1	53,517,083	2.39%	59.65%
10	Ramatlabama	Land	13-16 Hrs	Very high	High	1	49,021,992	2.19%	61.84%
11	Kruger Mpumalanga Airport	Air	9-12 Hrs	Very low	Very low	4	48,373,335	2.16%	64.00%
12	Kopfontein	Land	17-24 Hrs	Very high	Extremely high	1	46,024,879	2.05%	66.06%
13	Maseru Bridge	Land	17-24 Hrs	Extremely high	Very high	1	40,651,214	1.81%	67.87%
14	Richards Bay Harbour	Sea	13-16 Hrs	Very low	Extremely high	2	40,494,439	1.81%	69.68%
15	Lanseria Airport	Air	17-24 Hrs	Low	Very low	4	40,258,298	1.80%	71.48%
16	Jeppesreef	Land	13-16 Hrs	High	Low	3	36,827,538	1.64%	73.12%
17	Ficksburg Bridge	Land	17-24 Hrs	Extremely high	High	1	33,281,915	1.49%	74.61%
18	Nakop	Land	17-24 Hrs	High	Very low	3	29,172,420	1.30%	75.91%
19	Violsdrift	Land	17-24 Hrs	High	Extremely high	1	28,268,013	1.26%	77.17%
20	Oshoek	Land	13-16 Hrs	Extremely high	Extremely high	1	27,437,592	1.22%	78.39%
21	Golela	Land	13-16 Hrs	Very high	High	1	26,625,301	1.19%	79.58%
22	Port Elizabeth Harbour	Sea	17-24 Hrs	Very low	Extremely high	2	25,136,467	1.12%	80.71%
23	Polokwane Airport	Air	13-16 Hrs	Very low	Very low	4	24,573,493	1.10%	81.80%

24	East London Harbour	Sea	17-24 Hrs	Very low	Extremely high	2	21,719,998	0.97%	82.77%
25	Mananga	Land	9-12 Hrs	High	Low	3	20,123,948	0.90%	83.67%
26	Mahamba	Land	13-16 Hrs	High	High	1	17,367,759	0.78%	84.45%
27	Upington Airport	Air	On Call	Very low	Very low	4	17,288,947	0.77%	85.22%
28	City Deep	Land	8 Hrs	Very low	Very low	4	16,705,494	0.75%	85.96%
29	Mossel bay Harbour	Sea	17-24 Hrs	Very low	High	2	15,103,421	0.67%	86.64%
30	Van Rooyens Gate	Land	13-16 Hrs	High	High	1	13,563,817	0.61%	87.24%
31	Port Ngqura Harbour	Sea	17-24 Hrs	Very low	Very low	4	13,339,595	0.60%	87.84%
32	Kosi Bay	Land	9-12 Hrs	High	Very low	3	13,324,179	0.59%	88.43%
33	Bloemfontein Airport	Air	On Call	Very low	Very low	4	13,239,143	0.59%	89.03%
34	Saldanha Bay Harbour	Sea	9-12 Hrs	Very low	Very high	2	11,706,747	0.52%	89.55%
35	Port Elizabeth Airport	Air	On Call	Low	Low	4	11,642,402	0.52%	90.07%
Total							R 2.02 billion	90.07%	

4.4.2 Ranking of POE expenditure in terms of POE expenditure per POE staff member

Excluding Bloemfontein Airport, which is a significant outlier, the POE expenditure per POE staff varies from R144,547 per staff member to R428,547 per staff member. 54 of the 72 POE fall within 20% of the average POE expenditure per staff member (see Figure 9 below). Seven POE outside of this 20% range are below the average.

Figure 9: Variation of POE expenditure per staff



The categorisation of the POE that fall outside of this 20% range and are higher than average is shown in Table 21 below. Whilst there is no discernible trend with regards to the POE that are outliers, five of these POE fall handle low volumes of travellers and goods and 3 of these POE are airports (i.e. Bloemfontein, Kruger and Pilanesberg Airport).

Table 21: Top ten POE in terms of expenditure per staff

Ranking in terms of expenditure	Port of Entry	Operating hours:	Relative volume of travellers through the POE	Relative volume of goods through the POE	Grouping of POE in terms of volume of travellers and goods	Cost per FTE
33	Bloemfontein Airport	On Call	Very low	Very low	4	6 619 572
11	Kruger Airport	9-12 Hrs	Very low	Very low	4	428 083
8	Groblers Bridge	13-16 Hrs	High	Very high	1	327 827
5	Cape Town Harbour	17-24 Hrs	Low	Extremely high	2	320 942
16	Jeppesreef	13-16 Hrs	High	Low	3	306 896
25	Mananga	9-12 Hrs	High	Low	3	304 908
56	Giriyondo	8 Hrs	Very low	Very Low	4	297 100
50	Makopong	8 Hrs	Very low	Very low	4	294 237
39	Pilanesberg Airport	9-12 Hrs	Very low	Very low	4	290 594

4.4.3 Comparison of POE expenditure to volume of travellers and goods

4.4.3.1 Allocation of POE expenditure to human and good movement

The annual expenditure on human and goods movement is estimated at R1.25 billion and R999million respectively. The methodology used to calculate the total expenditure on human movement and goods movement are shown in appendix A10.

As shown in

Table 22 below, 62% of the expenditure on human movement is on ports of entry that fall within groups 1 and 3, and 98% of the expenditure on goods movement is on POE which fall within groups 1 and 2. Up to 38% of the estimated expenditure for human movement is on ports of entry that receive low numbers of travellers and in total handle less than 4% of the total number of travellers into and out of South Africa, highlighting an opportunity to rationalise port of entry expenditure.

Table 22: Distribution of human movement and goods movement expenditure across ports of entry groupings

Group name	Number of Ports of Entry	Share of number of travellers	Share of total expenditure on human movement	Share of total expenditure on goods movement
1. High goods and human movement POE	16	90%	54.6%	58.1%
2. High goods movement POE	7	0.3%	7.6%	40%
3. High human movement POE	6	6.1%	6.9%	2.4%
4. Low goods and human movement POE	43	3.5%	30.8%	0%
100% equals	72	39 441 155	R1.25 billion	R999 million

4.4.3.2 Variation in ports of entry human and good movement efficiency indicators

Table 23 and Table 24 below rank the ports of entry with recorded human¹ and goods² movements in terms of:

- Expenditure per traveller and the ratio of number of travellers per day to the number of ports of entry staff dedicated to human movement for human movement; and
- Expenditure per goods declaration and the ratio of number of declarations per day to the number of goods movement staff for goods movement.

With regards to human movement, generally land ports of entry which handle high volumes of travellers (i.e. fall in group 1 or 3) have greater efficiencies compared to ports of entry which handle low volumes of travellers (i.e. in fall in group 4). Ports in

¹ POE with no recorded number of travellers are Boesmansnek; Bray; City Deep; East London Harbour; Gembok; Makgobistad; Makopong; Monantsa Pass; Mossel Bay Harbour; Ongeluksnek; Onseepkans; Port Ngqura Harbour; Saldanha Bay Harbour; and Zanzibar

² Excluded from the analysis are all group 4 POE and group 1, 2 and 3 POE with no recorded goods movement data. The latter POE are Emahlathini, Kosi Bay, and Nakop

group 1 and 3, have lower expenditure per number of travellers as well as a higher ratio of travellers per day to the number of POE staff. In contrast ports of entry in group 4 tend to have a higher expenditure per number of travellers and very low ratios in terms of number of travellers per day to the number of staff. The POE with the lowest resource efficiencies are airports again suggesting that expenditure on airports is significantly higher than expenditure at POE with similar numbers of travellers.

With regards to goods movement, land ports of entry that fall within group 1 have the highest resource efficiencies. Similar to the human movement efficiency indicators, there is a wide range in the efficiency performance indicators, with expenditure per declaration ranging from R35 per declaration to R36 068 per declaration. The ratio of number of declarations per day to number of goods movement staff at the POE also varies from 18.4 to as low as 0.02 declarations per day.

Table 23: Variation of human movement efficiency indicators across POE

		POE in Top 20% in terms of expenditure		POE in 60 percentile in terms of expenditure		POE in 40 percentile in terms of expenditure		POE in 20 percentile in terms of expenditure		POE in bottom 20% in terms of expenditure
	Top 20%		60th Percentile		40th percentile		Bottom 40%			
	POE Name	POE Group	POE Name	POE Group	POE Name	POE Group	POE Name	POE Group	POE Name	POE Group
	Ficksburg Bridge	1	OR Tambo Airport	1	Swartkopfontein	4	Josefsdal	4	Bloemfontein Airport	4
	Oshoek	1	Mananga	3	Stockpoort	4	McCarthy's Rest	4	Durban Harbour	2
	Maseru Bridge	1	Cape Town Airport	1	Derdepoort	4	Giriyondo	4	Kruger Mpumalanga	4
	Beit Bridge	1	Groblersbrug	1	Nakop	3	Cape Town Harbour	2	Sendelingsdrift	4
	Lebombo	1	Violsdrift	1	Makhaleng Bridge	4	Sani Pass	4	Sepapus Gate	4
	Van Rooyens Gate	1	Tele Bridge	4	King Shaka Airport	1	Middelputs	4	Pilanesberg Airport	4
	Caledonspoort	3	Jeppesreef	3	Peka Bridge	4	Pafuri	4	Richards Bay Harbour	2
	Mahamba	1	Skilpadshek	1	Nerston	4	Port Elizabeth Harbour	2	Polokwane Airport	4
	Emahlathini	3	Kosi Bay	3	Bothashoop	4	Lanseria Airport	4	Upington Airport	4
	Kopfontein	1	Onverwacht	4	Rietfontein	4	Ramatsilitso	4	Port Elizabeth Airport	4
	Golela	1	Quacha's Nek	4	Twee Rivieren	4	Waverley	4		
	Ramatlabama	1	Alexander Bay	4	Pontdrift	4	Platjan	4		
	Share of POE grouping in percentile									
Group 1	83%		42%		8%		0%			
Group 2	0%		0%		0%		18%			
Group 3	17%		25%		8%		0%			
Group 4	0%		33%		83%		82%			
	Variation in key performance indicators within percentile									
Range of expenditure per number of travellers	6 to 28		29 to 60		64 to 248		209 to 30 397			
Range ratio of number of travellers per day to number of staff per day	25 to 101		11 to 25		2 to 9		0-2			

Table 24: Variation of goods movement efficiency indicators across POE

		POE in Top 20% in terms of expenditure		POE in 60 percentile in terms of expenditure		POE in 40 percentile in terms of expenditure		POE in 20 percentile in terms of expenditure		POE in bottom 20% in terms of expenditure
	Top 20%		60th Percentile		40th percentile		Bottom 40%			
	POE Name	POE Group	POE Name	POE Group	POE Name	POE Group	POE Name	POE Group	POE Name	POE Group
	Oshoek	1	Skilpadshek	1	Lebombo	1	Mahamba	1	Jeppesreef	3
	Maseru Bridge	1	OR Tambo Airport	1	Beit Bridge	1	Cape Town Harbour	2	King Shaka Airport	1
	Vioolsdrift	1	Golela	1	Van Rooyens Gate	1	Ramatlabama	1	East London Harbour	2
	Kopfontein	1	Ficksburg Bridge	1	Mananga	3	Groblersbrug	1	Richards Bay Harbour	2
	Caledonspoort	3	Cape Town Airport	1	Port Elizabeth Harbour	2	Durban Harbour	2	Saldanha Bay Harbour	2
									Mosssel bay Harbour	2
	Share of POE grouping in percentile									
Group 1	80%		100%		60%		36%			
Group 2	0%		0%		20%		55%			
Group 3	20%		0%		20%		9%			
Group 4	0%		0%		0%		0%			
	Variation in key performance indicators within percentile									
Range of goods movement expenditure per number of declarations	35 to 88		109 to 153		157 to 193		197 to 36 068			
Range of ratio of number of declarations per day to number of staff	6.48 to 14.1		4.09 to 7.16		3.38 to 5.86		0.00 to 3.39			

4.4.3.3 Correlation between expenditure on human movement and the number of travellers

Figure 10, below compares the expenditure on human movement per port of entry to the number of travellers using the port of entry. The figure highlights that ports of entry can be divided into a minimum of two groups based on the number of travellers using the POE.

For ports used by less than 100,000 travellers per annum (i.e. group A), the ports of entry expenditure appears to be range bound between R3 to 10 million per annum. The least busy POE are clustered at the lower end of the range and the more busy POE are clustered at the higher end of the range. Key outliers in this group are Lanseria Airport and Cape Town Harbour whose expenditure is significantly outside of this range, and Pafuri land ports whose expenditure are relatively higher than the trend line and/or a POE with similar number of travellers.

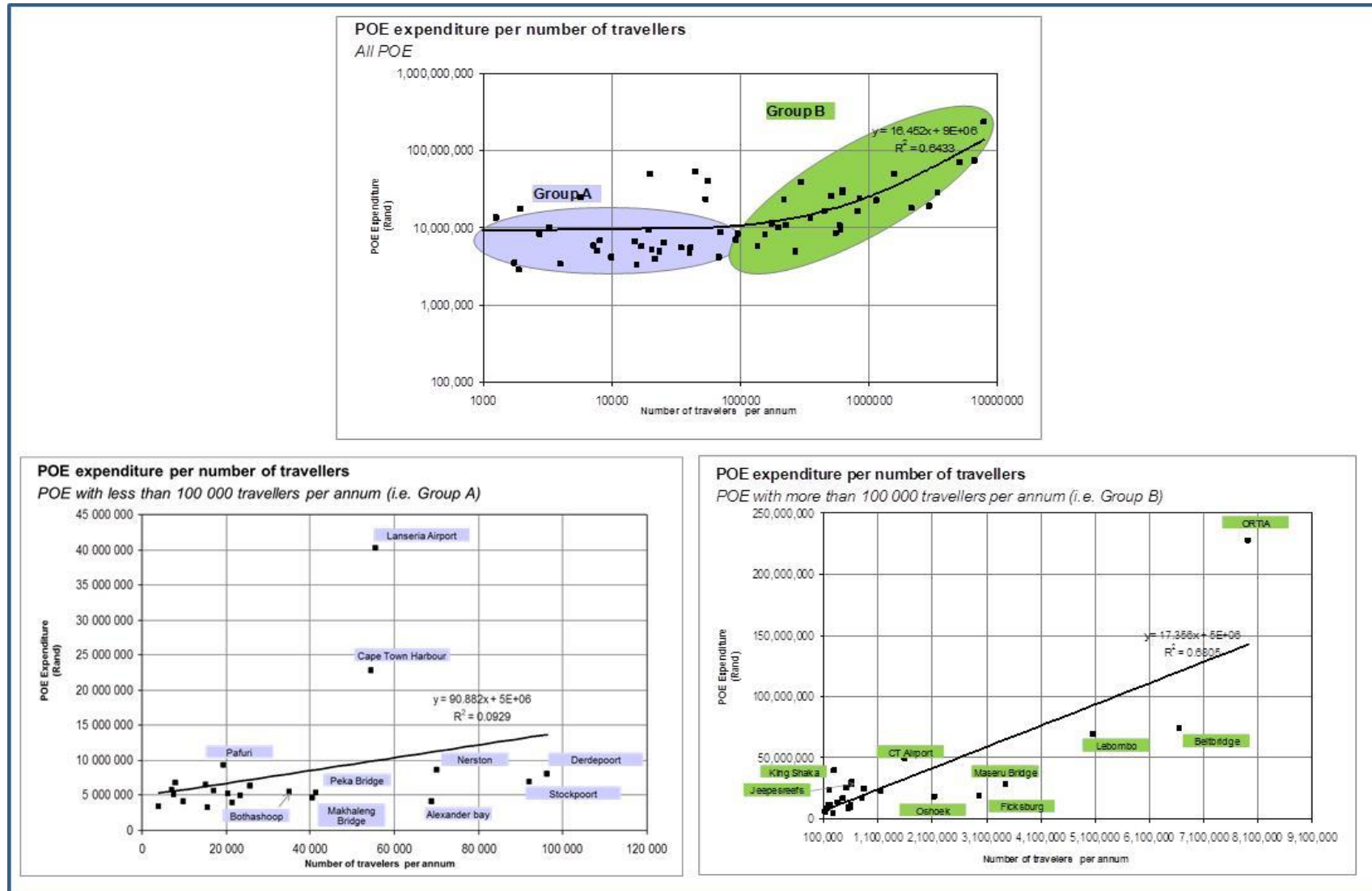
For ports of entry used by more than 100,000 travellers per annum (i.e. group B), the total expenditure tends to increase in a linear manner as the number of travellers increase. However, key outliers that skew the trend line upwards are OR Tambo, Cape Town, and King Shaka Airports.

This analysis shows that if a top-down approach is used to allocate budget to different ports of entry, ports in group A could be allocated a fixed budget of between R3 million to R5 million for a port of entry at the lower end of the scale and between R7 million to R9 million at the top end of the range to ensure that the “fixed” cost element is covered and the capacity to deliver the services in place.

For ports of entry in group B, a formula based on the number of travellers can be used to allocate funds to POE based on the number of travellers.

Implicit in this approach, is that expenditure for ports of entry in group A does not vary with number of travellers, but the expenditure is necessary to keep the port of entry open which requires a minimal staff compliment. As the number of travellers increases above a certain cut off point, the expenditure, not only covers the fixed cost associated with keeping the port of entry open, but also begins to cover the incremental costs associated with the extra staff needed cope with the high traveller loads.

Figure 10: Variation of POE expenditure and the number of travellers per POE



5. Key insights into building a cost model for POE functions

The cost model for the future BMA should have the ability to predict the establishment and operational costs for individual POE as well as the aggregated BMA.

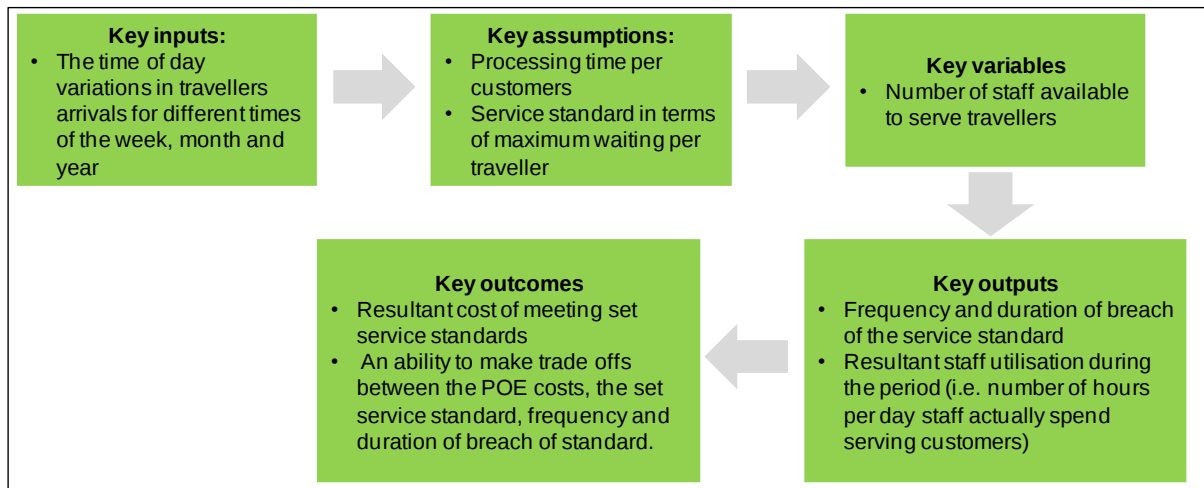
Establishment costs should include but not be limited to (1) the acquisition of moveable assets such vehicles, furniture, and computers; (2) the compensation of staff for any change in employment conditions resulting from their transfer to the BMA; (3) evaluation of efficiency of existing asset structures aligned to the staffing needs; and (4) the training of staff to adopt the proposed ways of working that will allow the BMA to continue working seamlessly with its parent departments in a manner that enables the realisation of the intended benefits.

With regards to operational costs, section 4.3 – expenditure on proposed BMA functions by expenditure categories, showed that at a POE level, expenditure on cost of employees accounts for 89% of the POE expenditure. A further 6% of the expenditure is on transport services and equipment, travel and subsistence and communication, which are also people driven cost categories. Therefore, operational costs per POE can be estimated by:

1. Developing cost norms per staff member for cost categories that are dependent on the number of staff.
2. Assuming that the expenditure on non-staff related cost categories and associated components will remain fixed or increase by a predetermined percentage of FY 2013/14 baseline.

Adopting this approach expenditure on salaries and wages can be derived from the salary bands of the staff likely to become part of the BMA. The remaining cost norms for the people related categories will be a percentage of the expenditure on salary and wages.

The residual challenge in building a cost model is to determine the number of staff allocated to the POE. Applying the principles of queuing and constraints theory, with specific reference to human movement, the key inputs, assumptions, variables and outputs of the resultant POE staff calculator are shown in Figure 11 below.

Figure 11: Structure of proposed POE staff number calculator

The resultant model can thus be used to make trade-offs between the number of staff deployed to a POE, the applied service standards in terms of the maximum waiting times per customer and the accepted frequency (including variations arrival and departure times specifically for air POE) and duration or periods of a breach of the service standard, bearing seasonality of activity at POE in mind.. This will allow the sizing of each POE in a manner that minimises the frequency and duration of any breach of service standards whilst optimising staff utilisation throughout the year. This would empower the proposed BMA to make decisions of ensuring staff can fulfil multiple roles thereby creating efficiencies.

A similar approach will be followed for goods movement, based on the time taken to complete an inspection and the control standard in terms of percentage of consignments searched.

By combining the similar roles for people and goods movement additional efficiency savings could be obtained on the assumption that the appropriate training is provided.

Through the development of the operating model and the staffing requirements as discussed above the appropriate support costs and back office costs could be established.

Appendix A1: Categorisation of cost element categories

To enable the aggregation and comparison of expenditure across departments, expenditure items across all departments were standardised and categorised according to the data mapping table shown below.

In future this could form the basis for the Standard Chart of Accounts for the monitoring and management information in the proposed BMA.

Table A1: Cost element categorisation adopted in the expenditure analysis

Cost category	Cost component	Cost element	Additional notes
Communication	• Communication equipment and services	• Cell phone • Radio & TV • Fixed line networks & services • Postage • Satellite & communication channels	
	• Audio visual equipment		
	• Events		
	• Publications and advertising		
Cost of employees	• Salaries and wages	• Basic salary • Housing allowance • Bonus and performance awards • Leave (Discounting) • Overtime • Other S&W and allowance	
	• Social Benefits	• Medical aids contributions • Leave (Gratuity) • Pension contributions • Other social benefits	
	• Training		
	• Uniform and clothing		
	• Cost of additional professional & support staff, and casual labour	• Casual labour • Cost of additional professional & support staff, and casual labour	
Computer services	• IT infrastructure		
	• Personnel computers		
	• Software licences		
	• Printing		
	• SITA		
	• Other IT services		
Contractors	• Medical services		
	• M&R for non-infra		
	• Office ambience		
	• Veterinary services		
	• Legal and business services		
	• Laboratory services		
	• Courier services		
	• Other*		*Other cash transfers to contractors
Infrastructure	• Facilities management	• Repairs and maintenance • Power infrastructure • Cleaning & garden services • Fumigation and pest control • Other chemicals	
	• Facilities upgrade		
	• Building inventory		
	• Machinery & equipment	• Agricultural equipment • Finance leases* • Aircons • Rescue equipment	*Finance leases on other machinery and equipment
	• Professional service providers		

Cost category	Cost component	Cost element	Additional notes
	Utilities	- Gas - Water - Electricity - Fire protection - Municipal services	
Security	- Security equipment - Security services - Firearms		
Transport services & equipment	Air charter services and landing		
	Fleet management		
	Fuel, oil and lubricants		
	Licence plates		
	Marine equipment		
	Marine services		
	Other transport equipment		
	Transport for excursions		
	Transport service providers		
	Transport vehicles		
Travel & subsistence	Travel agent fee		
	Catering for departmental activities		
	Domestic travel - accommodation		
	Domestic air travel		
	Domestic travel - incidentals and allowances	- Food and beverages - Incidental cost - Allowances	
	Domestic travel - other transport provider		
	Domestic travel - rail		
	Domestic travel - road	- Mileage claims - Car rental	
	Foreign air travel		
	Foreign travel - incidentals and allowances	- Food and beverages - Incidental cost - Allowances	
	Foreign travel - other transport provider		
	Foreign travel - rail		
	Foreign travel - road	Mileage claims	
	Foreign travel accommodation		
	Non-employee transport		
	Out of town allowance		
Other	Admin cost		
	Administrative fees		
	Competency certificates and licences		
	Consumables		
	Domestic equipment		
	Entertainment		
	Farming supplies		
	Furniture and other equipment <R5000		
	Furniture's & office equipment		
	Household gas		
	Laboratory consumables		
	Laboratory equipment		
	Laundry services		
	Marine transport*		*Inventory for ship and marine stores
	Media collection		
	Medical and veterinary consumables		
	Medical expenses - detained persons		
	Other operating cost		
	Stationary		
	Survey equipment		

Cost category	Cost component	Cost element	Additional notes
	- Transfers & subsidies - Storage costs		

Appendix A2: Categorisation of POE and associated volumetric indicators

Table A2: Key POE characteristics, volumetric data and resultant strategic importance of POE

Port of Entry	Port characteristics			Key human movement and goods movement volumetric data								Classification of POE
	Category	Neighbouring country	Operating hours:	Total arrivals 2014	Total departures 2014	Total human movement (arrivals and departures)	Number of declarations (2013-14)	Number of line items: 2013-2014	Value of goods: 2013-2014 (imports and exports)	Duty paid: 2013-2014	VAT paid out: 2013-2014	Overall classification of POE in terms of human and goods movement
Alexander Bay	Land	Namibia	13-16 Hrs	34 847	34 061	68908						4
Beit Bridge	Land	Zimbabwe	17-24 Hrs	3 609 042	3 045 434	6 654 476	324 528	1 188 077	124 093 897 093	7 336 696	866 473 749	1
Bloemfontein Airport	Air	SA Airports	On Call	393	881	1 274	0	0	0	0	0	4
Boesmansnek	Land	Lesotho	8 Hrs	0	0	0	0	0	0	0	0	4
Bothashoop	Land	Swaziland	8 Hrs	18 404	16 639	35 043	0	0	0	0	0	4
Bray	Land	Botswana	9-12 Hrs	0	0	0	0	0	0	0	0	4
Caledonspoort	Land	Lesotho	13-16 Hrs	304 308	301 445	605 753	26 034	68 007	1 143 294 076	0	4 495 422	3
Cape Town Airport	Air	SA Airports	17-24 Hrs	797 910	797 511	1 595 421	235 244	508 279	21 282 728 254	410 174 932	1 599 616 520	1
Cape Town Harbour	Sea	SA Harbours	17-24 Hrs	26 402	28 009	54 411	348 865	1 371 039	206 445 614 912	6 780 977 619	12 823 690 063	2
City Deep	Land	Other	8 Hrs	0	0	0	0	0	0	0	0	4
Derdepoort	Land	Botswana	13-16 Hrs	49 127	47 222	96 349	0	0	0	0	0	4
Durban Harbour	Sea	SA Harbours	17-24 Hrs	22 791	21 763	44 554	650 089	3 156 123	762 317 798 997	19 448 832 223	52 847 709 688	2
East London Harbour	Sea	SA Harbours	17-24 Hrs	0	0	0	17 898	103 780	31 001 139 501	2 295 468 644	3 347 102 503	2
Emahlathini	Land	Swaziland	9-12 Hrs	146 169	124 550	270 719	0	0	0	0	0	3
Ficksburg Bridge	Land	Lesotho	17-24 Hrs	1 591 775	1 378 035	2 969 810	94 784	310 713	4 560 237 375	0	190 992 434	1
Gemsbok	Land	Botswana	8 Hrs	0	0	0	0	0	0	0	0	4
Giriyondo	Land	Mozambique	8 Hrs	8 356	8 686	17 042	0	0	0	0	0	4
Golela	Land	Swaziland	13-16 Hrs	425 166	388 809	813 975	69 589	338 381	12 177 848 620	66 688	311 397 683	1
Grobblersbrug	Land	Botswana	13-16 Hrs	335 830	288 809	624 639	144 101	491 664	51 535 023 481	2 253 936	263 394 783	1
Jeppesreef	Land	Swaziland	13-16 Hrs	316 100	308 977	625 077	20 033	110 158	493 336 382	0	19 320 488	3

	Port characteristics			Key human movement and goods movement volumetric data								Classification of POE
Port of Entry	Category	Neighbouring country	Operating hours:	Total arrivals 2014	Total departures 2014	Total human movement (arrivals and departures)	Number of declarations (2013-14)	Number of line items: 2013-2014	Value of goods: 2013-2014 (imports and exports)	Duty paid: 2013-2014	VAT paid out: 2013-2014	Overall classification of POE in terms of human and goods movement
Josefsdal	Land	Swaziland	8 Hrs	9 322	11 124	20 446	0	0	0	0	0	4
King Shaka Airport	Air	SA Airports	17-24 Hrs	145 146	154 294	299 440	51 019	162 696	4 803 760 531	126 717 886	402 976 387	1
Kopfontein	Land	Botswana	17-24 Hrs	571 635	577 678	1 149 313	384 916	2 134 071	26 004 277 905	1 610 002	215 648 904	1
Kosi Bay	Land	Mozambique	9-12 Hrs	115 039	112 642	227 681	0	0	0	0	0	3
Kruger Mpumalanga Airport	Air	SA Airports	9-12 Hrs	8 215	11 733	19 948	0	0	0	0	0	4
Lanseria Airport	Air	SA Airports	17-24 Hrs	26 511	29 020	55 531	1	3	7 994	0	0	4
Lebombo	Land	Mozambique	17-24 Hrs	2 639 496	2 415 903	5 055 399	353 246	915 671	36 495 917 448	222 893 926	160 424 709	1
Mahamba	Land	Swaziland	13-16 Hrs	302 934	293 984	596 918	34 312	117 816	1 177 773 418	0	53 255 633	1
Makgobistad	Land	Botswana	9-12 Hrs	0	0	0	0	0	0	0	0	4
Makhaleng Bridge	Land	Lesotho	8 Hrs	23 774	16 845	40 619	0	0	0	0	0	4
Makopong	Land	Botswana	8 Hrs	0	0	0	0	0	0	0	0	4
Mananga	Land	Swaziland	9-12 Hrs	229 410	221 309	450 719	20 975	40 371	867 627 475	0	47 215 289	3
Maseru Bridge	Land	Lesotho	17-24 Hrs	1 770 403	1 687 637	3 458 040	238 329	683 367	13 180 154 680	0	140 242 543	1
McCarthy's Rest	Land	Botswana	8 Hrs	11 684	11 779	23 463	0	0	0	0	0	4
Middelputs	Land	Botswana	8 Hrs	5 061	4 970	10 031	0	0	0	0	0	4
Monantsa Pass	Land	Lesotho	8 Hrs	0	0	0	0	0	0	0	0	4
Mossel bay Harbour	Sea	SA Harbours	17-24 Hrs	0	0	0	335	346	13 946 191 172	80 774	122 119 573	2
Nakop	Land	Namibia	17-24 Hrs	112 213	108 527	220 740	0	0	0	0	0	3
Nerston	Land	Swaziland	9-12 Hrs	34 576	35 646	70 222	1 355	1 698	21 862 728	0	892 386	4
Ongeluksnek	Land	Lesotho	8 Hrs	0	0	0	0	0	0	0	0	4
Onseepkans	Land	Namibia	8 Hrs	0	0	0	0	0	0	0	0	4
Onverwacht	Land	Swaziland	9-12 Hrs	77 172	80 231	157 403	0	0	0	0	0	4

	Port characteristics			Key human movement and goods movement volumetric data								Classification of POE
Port of Entry	Category	Neighbouring country	Operating hours:	Total arrivals 2014	Total departures 2014	Total human movement (arrivals and departures)	Number of declarations (2013-14)	Number of line items: 2013-2014	Value of goods: 2013-2014 (imports and exports)	Duty paid: 2013-2014	VAT paid out: 2013-2014	Overall classification of POE in terms of human and goods movement
OR Tambo Airport	Air	SA Airports	17-24 Hrs	3 965 928	3 948 331	7 914 259	1 422 545	4 979 718	637 443 812 975	3 932 642 679	24 169 710 866	1
Oshoek	Land	Swaziland	13-16 Hrs	1 079 969	1 057 502	2 137 471	277 045	896 007	19 221 588 042	0	1 169 210 942	1
Pafuri	Land	Mozambique	8 Hrs	9 184	10 347	19 531	0	0	0	0	0	4
Peka Bridge	Land	Lesotho	8 Hrs	24 063	17 291	41 354	0	0	0	0	0	4
Pilanesberg Airport	Air	SA Airports	9-12 Hrs	1 648	1 628	3 276	0	0	0	0	0	4
Platjan	Land	Botswana	9-12 Hrs	3 605	3 663	7 268	0	0	0	0	0	4
Polokwane Airport	Air	SA Airports	13-16 Hrs	2 956	2 819	5 775	0	0	0	0	0	4
Pontdrift	Land	Botswana	8 Hrs	12 679	13 057	25 736	0	0	0	0	0	4
Port Elizabeth Airport	Air	SA Airports	On Call	142	241	383	11 037	25 599	4 085 818 739	8 034 140	236 600 123	4
Port Elizabeth Harbour	Sea	SA Harbours	17-24 Hrs	3 874	3 803	7 677	104 335	917 258	125 294 069 659	4 592 022 967	11 061 113 127	2
Port Ngqura Harbour	Sea	SA Harbours	17-24 Hrs	0	0	0	0	0	0	0	0	4
Quacha's Nek	Land	Lesotho	13-16 Hrs	99 325	97 443	196 768	7 694	31 700	84 014 976	0	1 221 132	4
Ramatlabama	Land	Botswana	13-16 Hrs	421 950	424 311	846 261	88 016	140 420	9 363 963 442	14 631	55 188 929	1
Ramatsilitso	Land	Lesotho	8 Hrs	2 624	1 399	4 023	0	0	0	0	0	4
Richards Bay Harbour	Sea	SA Harbours	13-16 Hrs	1 568	1 174	2 742	9 605	11 775	138 716 150 768	29 291 508	2 292 720 176	2
Rietfontein	Land	Namibia	8 Hrs	10 257	11 245	21 502	0	0	0	0	0	4
Saldanha Bay Harbour	Sea	SA Harbours	9-12 Hrs	0	0	0	514	892	76 676 790 879	0	0	2
Sani Pass	Land	Lesotho	9-12 Hrs	8 617	6 692	15 309	0	0	0	0	0	4
Sendelingsdrift	Land	Namibia	8 Hrs	919	978	1 897	0	0	0	0	0	4
Sepapus Gate	Land	Lesotho	8 Hrs	1 123	636	1 759	0	0	0	0	0	4
Skilpadshek	Land	Botswana	17-24 Hrs	253 647	261 025	514 672	258 585	1 171 738	25 951 434 353	20 568	295 689 900	1
Stockpoort	Land	Botswana	13-16 Hrs	46 474	45 644	92 118	0	0	0	0	0	4
Swartkopfontein	Land	Botswana	13-16 Hrs	95 066	80 563	175 629	0	0	0	0	0	4

Port characteristics				Key human movement and goods movement volumetric data								Classification of POE
Port of Entry	Category	Neighbouring country	Operating hours:	Total arrivals 2014	Total departures 2014	Total human movement (arrivals and departures)	Number of declarations (2013-14)	Number of line items: 2013-2014	Value of goods: 2013-2014 (imports and exports)	Duty paid: 2013-2014	VAT paid out: 2013-2014	Overall classification of POE in terms of human and goods movement
Tele Bridge	Land	Lesotho	13-16 Hrs	69 127	68 110	137 237	0	0	0	0	0	4
Twee Rivieren	Land	Botswana	8 Hrs	7 141	8 444	15 585	0	0	0	0	0	4
Upington Airport	Air	SA Airports	On Call	998	975	1 973	3 462	22 662	919 551 218	65 859	160 473	4
Van Rooyens Gate	Land	Lesotho	13-16 Hrs	296 720	259 764	556 484	30 911	103 623	850 689 644	0	2 525 122	1
Vioolsdrift	Land	Namibia	17-24 Hrs	173 726	179 287	353 013	266 433	1 469 972	11 435 160 934	24 676	169 485 362	1
Waverley	Land	Swaziland	8 Hrs	4 221	3 868	8 089	0	0	0	0	0	4
Zanzibar	Land	Botswana	8 Hrs	0	0	0	0	0	0	0	0	4
Total				20 366 762	19 074 393	39 441 155	5 495 835	21 473 624	2 361 591 537 671	37 858 530 353	112 870 594 910	

Appendix A3: Staff allocation across POE

Table A3: POE characteristics, categorization and allocation of staff per department

	Port characteristics			Classification of POE	POE Staffing numbers across departments					
Port of Entry	Category	Neighbouring country	Operating hours:	Overall classification of POE in terms of human and goods movement	DAFF	DHA	SAPS	SARS	DOH	Total Staff
Alexander Bay	Land	Namibia	13-16 Hrs	4	0	5	12	0	0	17
Beit Bridge	Land	Zimbabwe	17-24 Hrs	1	28	132	236	69	32	497
Bloemfontein Airport	Air	SA Airports	On Call	4	0	0	0	0	2	2
Boesmansnek	Land	Lesotho	8 Hrs	4	0	0	8	0	0	8
Bothashoop	Land	Swaziland	8 Hrs	4	0	8	17	0	0	25
Bray	Land	Botswana	9-12 Hrs	4	0	8	19	0	0	27
Caledonspoort	Land	Lesotho	13-16 Hrs	3	0	10	44	0	1	55
Cape Town Airport	Air	SA Airports	17-24 Hrs	1	16	92	262	11	5	386
Cape Town Harbour	Sea	SA Harbours	17-24 Hrs	2	19	21	174	166	0	380
City Deep	Land	Other	8 Hrs	4	7	0	51	0	11	69
Derdepoort	Land	Botswana	13-16 Hrs	4	0	4	33	0	0	37
Durban Harbour	Sea	SA Harbours	17-24 Hrs	2	9	35	1 043	37	20	1 144
East London Harbour	Sea	SA Harbours	17-24 Hrs	2	1	0	85	0	2	88
Emahlathini	Land	Swaziland	9-12 Hrs	3	0	8	20	0	0	28
Ficksburg Bridge	Land	Lesotho	17-24 Hrs	1	0	45	67	9	5	126
Gemsbok	Land	Botswana	8 Hrs	4	0	4	10	0	0	14
Giriyondo	Land	Mozambique	8 Hrs	4	0	5	16	0	0	21
Golela	Land	Swaziland	13-16 Hrs	1	10	24	61	0	15	110
Groblersbrug	Land	Botswana	13-16 Hrs	1	9	15	45	120	13	202

Port of Entry	Port characteristics			Classification of POE	POE Staffing numbers across departments					
	Category	Neighbouring country	Operating hours:	Overall classification of POE in terms of human and goods movement	DAFF	DHA	SAPS	SARS	DOH	Total Staff
Jeppesreef	Land	Swaziland	13-16 Hrs	3	2	19	44	54	0	119
Josefsdal	Land	Swaziland	8 Hrs	4	0	8	15	0	0	23
King Shaka Airport	Air	SA Airports	17-24 Hrs	1	3	31	313	22	12	381
Kopfontein	Land	Botswana	17-24 Hrs	1	3	36	91	46	3	179
Kosi Bay	Land	Mozambique	9-12 Hrs	3	3	3	50	0	2	58
Kruger Mpumalanga Airport	Air	SA Airports	9-12 Hrs	4	0	11	12	45	4	72
Lanseria Airport	Air	SA Airports	17-24 Hrs	4	3	21	117	0	39	180
Lebombo	Land	Mozambique	17-24 Hrs	1	19	165	180	65	12	441
Mahamba	Land	Swaziland	13-16 Hrs	1	7	15	42	20	6	90
Makgobistad	Land	Botswana	9-12 Hrs	4	0	8	33	0	0	41
Makhaleng Bridge	Land	Lesotho	8 Hrs	4	0	3	20	0	0	23
Makopong	Land	Botswana	8 Hrs	4	0	5	16	0	0	21
Mananga	Land	Swaziland	9-12 Hrs	3	6	13	33	23	0	75
Maseru Bridge	Land	Lesotho	17-24 Hrs	1	3	102	101	42	5	253
McCarthy's Rest	Land	Botswana	8 Hrs	4	0	3	24	0	0	27
Middelputs	Land	Botswana	8 Hrs	4	0	1	24	0	0	25
Monantsa Pass	Land	Lesotho	8 Hrs	4	0	4	33	0	0	37
Mossel bay Harbour	Sea	SA Harbours	17-24 Hrs	2	0	0	62	0	0	62
Nakop	Land	Namibia	17-24 Hrs	3	6	14	57	27	4	108
Nerston	Land	Swaziland	9-12 Hrs	4	0	12	25	21	0	58
Ongeluksnek	Land	Lesotho	8 Hrs	4	0	0	12	0	0	12
Onseepkans	Land	Namibia	8 Hrs	4	0	3	7	0	0	10

	Port characteristics			Classification of POE	POE Staffing numbers across departments					
Port of Entry	Category	Neighbouring country	Operating hours:	Overall classification of POE in terms of human and goods movement	DAFF	DHA	SAPS	SARS	DOH	Total Staff
Onverwacht	Land	Swaziland	9-12 Hrs	4	0	2	30	0	0	32
OR Tambo Airport	Air	SA Airports	17-24 Hrs	1	57	337	791	286	90	1 561
Oshoek	Land	Swaziland	13-16 Hrs	1	6	43	63	42	8	162
Pafuri	Land	Mozambique	8 Hrs	4	0	4	33	0	0	37
Peka Bridge	Land	Lesotho	8 Hrs	4	0	4	22	0	0	26
Pilanesberg Airport	Air	SA Airports	9-12 Hrs	4	1	4	33	0	0	38
Platjan	Land	Botswana	9-12 Hrs	4	0	0	28	0	0	28
Polokwane Airport	Air	SA Airports	13-16 Hrs	4	0	4	92	12	6	114
Pontdrift	Land	Botswana	8 Hrs	4	1	0	28	0	0	29
Port Elizabeth Airport	Air	SA Airports	On Call	4	0	0	55	0	0	55
Port Elizabeth Harbour	Sea	SA Harbours	17-24 Hrs	2	4	0	83	4	5	96
Port Ngqura Harbour	Sea	SA Harbours	17-24 Hrs	4	0	0	70	0	0	70
Quacha's Nek	Land	Lesotho	13-16 Hrs	4	0	4	40	0	1	45
Ramatlabama	Land	Botswana	13-16 Hrs	1	8	29	96	45	2	180
Ramatsilitso	Land	Lesotho	8 Hrs	4	0	0	13	0	0	13
Richards Bay Harbour	Sea	SA Harbours	13-16 Hrs	2	1	0	163	0	6	170
Rietfontein	Land	Namibia	8 Hrs	4	0	4	12	0	0	16
Saldanha Bay Harbour	Sea	SA Harbours	9-12 Hrs	2	0	0	0	0	0	0
Sani Pass	Land	Lesotho	9-12 Hrs	4	0	0	29	0	0	29
Sendelingsdrift	Land	Namibia	8 Hrs	4	0	2	11	0	0	13
Sepapus Gate	Land	Lesotho	8 Hrs	4	0	3	12	0	0	15
Skilpadshek	Land	Botswana	17-24 Hrs	1	11	24	115	47	2	199

Port of Entry	Port characteristics			Classification of POE	POE Staffing numbers across departments					
	Category	Neighbouring country	Operating hours:	Overall classification of POE in terms of human and goods movement	DAFF	DHA	SAPS	SARS	DOH	Total Staff
Stockpoort	Land	Botswana	13-16 Hrs	4	0	8	21	0	0	29
Swartkopfontein	Land	Botswana	13-16 Hrs	4	0	10	44	0	0	54
Tele Bridge	Land	Lesotho	13-16 Hrs	4	0	4	23	0	0	27
Twee Rivieren	Land	Botswana	8 Hrs	4	0	2	12	0	0	14
Upington Airport	Air	SA Airports	On Call	4	0	1	81	0	1	83
Van Rooyens Gate	Land	Lesotho	13-16 Hrs	1	0	17	46	0	1	64
Vioolsdrift	Land	Namibia	17-24 Hrs	1	11	13	49	28	4	105
Waverley	Land	Swaziland	8 Hrs	4	0	5	23	0	0	28
Zanzibar	Land	Botswana	8 Hrs	4	0	8	20	0	0	28
Total					254	1 425	5 652	1 241	319	8 891

Appendix A4: POE Expenditure per POE

Table A 4: POE Expenditure per cost category – all departments

	Classificati on of POE	Share of total expenditure per cost category (FY 2013/2014 figure) (exl DPW)									
Port of Entry	Overall classificati on of POE in terms of human and goods movement	COST OF EMPLOYEES	COMPUTER SERVICES	TRAVEL & SUBSISTE NCE	TRANSPOR T SERVICES & EQUIPMEN T	CONTRACTOR S	COMMUNICATI ON	INFRASTRUCT URE	SECURITY	OTHER	TOTAL
Alexander Bay	4	3 369 713	8 208	66 246	381 110	141 747	63 525	1 979	0	76 883	4 109 410
Beit Bridge	1	109 731 539	389 104	5 632 875	3 086 668	1 569 850	1 086 206	2 206 212	9 335	3 181 430	126 893 219
Bloemfontein Airport	4	12 656 632	57 923	33 971	119 483	87 781	28 168	0	282	254 904	13 239 143
Boesmansnek	4	1 759 526	0	28 036	124 576	26 069	118 286	0	2 250	49 608	2 108 350
Bothashoop	4	4 792 205	0	32 304	373 731	117 779	14 701	0	0	88 726	5 419 446
Bray	4	5 038 135	0	18 457	681 118	71 451	90 769	0	0	29 241	5 929 172
Caledonspoort	3	10 545 721	32 484	278 118	124 819	114 032	92 491	0	282	229 513	11 417 459
Cape Town Airport	1	80 611 322	135 990	527 849	1 273 011	417 428	612 847	382 412	1 749	1 184 899	85 147 507
Cape Town Harbour	2	100 988 303	199 356	1 601 892	3 058 660	485 183	1 067 775	5 316 310	22 396	1 515 460	114 255 334
City Deep	4	13 744 093	182 423	249 285	391 172	507 346	366 957	4 419	1 689	1 258 109	16 705 494
Derdepoort	4	6 867 907	0	14 114	628 226	324 858	132 611	0	0	104 651	8 072 367
Durban Harbour	2	248 919 934	524 797	1 143 719	5 859 696	3 155 782	1 397 620	1 319 654	10 209	3 739 139	266 070 550
East London Harbour	2	19 677 064	31 452	169 480	758 750	453 613	266 308	11 899	2 572	348 861	21 719 998
Emahlathini	3	5 288 127	5 115	33 019	264 388	183 295	29 520	104	0	199 699	6 003 268
Ficksburg Bridge	1	26 937 953	71 104	185 941	491 697	132 844	227 936	284 219	1 162	629 847	28 962 704
Gemsbok	4	2 869 837	13 485	46 677	269 377	97 410	69 309	0	0	31 949	3 398 043
Giriyondo	4	4 494 221	0	76 204	772 972	77 500	97 404	0	0	126 595	5 644 895
Golela	1	21 755 627	246 511	589 003	957 356	797 135	453 006	9 049	2 393	1 815 221	26 625 301
Grobblersbrug	1	60 454 789	252 472	1 508 177	2 088 563	748 677	922 720	3 817 276	11 417	1 662 271	71 466 362
Jeppesreef	3	32 171 744	102 750	582 477	853 901	355 452	393 372	1 708 996	5 004	653 842	36 827 538

Port of Entry	Classificati on of POE	Share of total expenditure per cost category (FY 2013/2014 figure) (exl DPW)									
	Overall classificati on of POE in terms of human and goods movement	COST OF EMPLOYEES	COMPUTER SERVICES	TRAVEL & SUBSISTENCE	TRANSPORT SERVICES & EQUIPMENT	CONTRACTORS	COMMUNICATION	INFRASTRUCTURE	SECURITY	OTHER	TOTAL
Josefsdal	4	4 471 855	384	13 747	440 094	130 899	16 675	0	0	112 925	5 186 579
King Shaka Airport	1	69 750 385	197 691	602 352	1 065 709	607 851	726 843	697 260	9 264	1 687 622	75 344 977
Kopfontein	1	41 403 912	124 558	546 908	1 065 220	356 038	431 014	1 455 620	4 205	637 402	46 024 879
Kosi Bay	3	11 563 795	23 898	81 359	652 682	459 539	91 820	2 641	282	448 164	13 324 179
Kruger Mpumalanga Airport	4	28 041 605	100 572	474 879	683 143	218 281	348 992	1 421 095	4 264	588 969	31 881 800
Lanseria Airport	4	33 565 687	376 780	509 656	862 100	1 307 414	500 672	7 507	4 223	3 124 258	40 258 298
Lebombo	1	98 309 913	336 720	1 905 329	1 673 647	1 064 807	866 174	2 066 685	8 020	2 476 189	108 707 482
Mahamba	1	21 059 659	116 099	374 409	869 877	681 214	343 204	636 132	2 912	1 137 365	25 220 871
Makgobistad	4	6 643 937	0	4 508	570 904	105 396	123 365	0	0	155 253	7 603 363
Makhaleng Bridge	4	4 341 772	4 121	81 536	63 991	10 171	53 398	0	0	26 374	4 581 362
Makopong	4	5 227 539	13 785	35 826	749 609	212 142	159 786	0	0	74 533	6 473 219
Mananga	3	17 603 441	44 897	267 073	572 074	325 761	256 829	728 547	2 173	323 153	20 123 948
Maseru Bridge	1	52 868 304	118 980	1 034 914	655 536	179 110	347 775	1 326 355	4 017	607 757	57 142 749
McCarthy's Rest	4	4 373 071	7 042	81 176	231 934	104 394	60 215	0	0	45 378	4 903 209
Middeldputs	4	3 355 901	32 214	116 437	322 845	89 825	71 572	0	0	58 535	4 047 329
Monantsa Pass	4	8 093 976	0	15 061	105 439	32 360	123 802	0	0	23 838	8 394 475
Mossel bay Harbour	2	13 593 724	22 495	49 661	895 704	169 965	74 026	595	5 416	291 835	15 103 421
Nakop	3	25 038 822	96 101	392 575	1 143 885	414 765	296 779	1 151 009	2 784	635 700	29 172 420
Nerston	4	14 843 781	30 286	214 383	683 160	128 145	160 970	663 178	1 727	156 692	16 882 320
Ongeluksnek	4	2 378 242	0	22 681	343 793	0	115 971	0	0	59 432	2 920 118
Onseepkans	4	1 956 169	2 566	67 731	192 496	36 300	38 764	0	0	69 057	2 363 083
Onverwacht	4	6 765 667	6 655	50 839	778 297	105 988	66 374	0	0	137 010	7 910 830
OR Tambo Airport	1	365 553 429	1 607 327	12 038 424	10 327 462	4 441 580	3 351 349	9 208 028	36 190	12 066 554	418 630 344

Port of Entry	Classificati on of POE	Share of total expenditure per cost category (FY 2013/2014 figure) (exl DPW)									
	Overall classificati on of POE in terms of human and goods movement	COST OF EMPLOYEES	COMPUTER SERVICES	TRAVEL & SUBSISTE NCE	TRANSPOR T SERVICES & EQUIPMEN T	CONTRACTOR S	COMMUNICATI ON	INFRASTRUCT URE	SECURITY	OTHER	TOTAL
Oshoek	1	38 363 224	188 506	682 500	825 932	619 388	512 083	1 330 774	5 003	1 401 718	43 929 127
Pafuri	4	6 918 014	0	16 482	1 889 067	70 046	73 278	0	0	326 542	9 293 428
Peka Bridge	4	5 118 085	9 484	26 968	139 663	31 091	31 650	0	0	33 532	5 390 473
Pilanesberg Airport	4	8 408 659	37 923	38 403	994 012	69 295	113 190	450	141	218 138	9 880 211
Platjan	4	5 020 091	5 632	11 542	319 603	250 629	92 449	0	0	61 468	5 761 415
Polokwane Airport	4	21 230 331	105 066	256 441	625 358	678 393	247 237	378 959	2 254	1 049 453	24 573 493
Pontdrift	4	5 555 675	2 587	33 616	323 661	169 966	51 118	1 473	0	235 807	6 373 902
Port Elizabeth Airport	4	10 156 589	41 973	80 820	523 389	258 741	107 103	0	563	473 224	11 642 402
Port Elizabeth Harbour	2	22 953 500	57 165	132 924	809 262	139 691	589 376	151 353	329	302 867	25 136 467
Port Ngqura Harbour	4	13 095 922	0	176 697	12 441	0	0	0	0	54 534	13 339 595
Quacha's Nek	4	8 659 148	10 009	97 632	530 894	39 456	138 879	0	141	511 848	9 988 005
Ramatlabama	1	43 857 037	154 624	606 342	1 335 135	452 685	418 593	1 424 777	10 917	761 881	49 021 992
Ramatsilitso	4	2 691 743	0	37 732	371 157	1 800	80 187	0	0	175 420	3 358 040
Richards Bay Harbour	2	36 426 501	65 143	128 133	1 780 405	774 573	227 846	32 676	1 952	1 057 209	40 494 439
Rietfontein	4	3 427 376	4 454	33 800	258 653	120 758	30 014	0	0	47 438	3 922 492
Saldanha Bay Harbour	2	10 537 992	16 747	28 157	549 467	181 509	93 390	114 700	0	184 785	11 706 747
Sani Pass	4	5 562 809	0	5 976	405 456	325 947	71 514	0	0	104 747	6 476 448
Sendelingsdrift	4	2 580 819	16 339	18 568	95 551	2 070	43 828	0	0	26 550	2 783 726
Sepapus Gate	4	3 145 225	13 444	84 172	126 031	2 901	29 671	0	0	55 952	3 457 396
Skilpadshek	1	48 222 537	100 154	581 275	1 540 349	404 430	612 267	1 490 988	4 287	560 796	53 517 083
Stockpoort	4	6 122 398	6 179	24 279	455 727	67 230	131 638	0	0	68 218	6 875 668
Swartkopfontein	4	10 048 854	4 180	41 548	905 110	157 492	95 611	0	0	77 418	11 330 214
Tele Bridge	4	5 371 141	0	16 295	68 846	3 657	118 599	0	0	94 117	5 672 655

	Classificati on of POE	Share of total expenditure per cost category (FY 2013/2014 figure) (exl DPW)									
Port of Entry	Overall classificati on of POE in terms of human and goods movement	COST OF EMPLOYEES	COMPUTER SERVICES	TRAVEL & SUBSISTE NCE	TRANSPOR T SERVICES & EQUIPMEN T	CONTRACTOR S	COMMUNICATI ON	INFRASTRUCT URE	SECURITY	OTHER	TOTAL
Twee Rivieren	4	2 835 807	2 886	34 410	246 911	8 512	48 427	0	0	66 359	3 243 312
Upington Airport	4	15 911 598	64 372	62 475	551 709	133 675	156 104	207 200	0	201 814	17 288 947
Van Rooyens Gate	1	12 905 441	16 358	108 093	172 280	111 005	87 011	0	141	163 488	13 563 817
Violsdrift	1	24 435 880	77 240	531 764	1 069 242	202 332	400 659	890 865	2 866	657 166	28 268 013
Waverley	4	6 055 596	16 692	14 001	382 406	167 122	23 968	0	0	68 664	6 728 449
Zanzibar	4	5 765 058	9 100	20 186	679 858	170 653	90 032	0	0	71 110	6 805 996
Total		2 004 862 032	6 542 603	35 730 533	65 496 450	26 662 218	20 873 621	40 451 393	184 809	51 237 109	2 252 040 768

Appendix A5: POE expenditure on human movement and the associated human movement performance indicators

Table A5: POE Expenditure on human movement and associated performance indicators

Port of Entry	Category	Neighbouring country	Operating hours:	Overall classification of POE in terms of human and goods movement	Total Expenditure for 2013/2014 (Rand)	Number of human movement staff	Total human movement (arrivals and departures)	POE cost per staff member (Rand)	Average number of daily human movements to number of POE staff	Cost per Human Movement (Rand)
Alexander Bay	Land	Namibia	13-16 Hrs	4	4 109 410	17	68 908	241 730	11	60
Beit Bridge	Land	Zimbabwe	17-24 Hrs	1	73 303 603	294	6 654 476	249 417	62	11
Bloemfontein Airport	Air	SA Airports	On Call	4	13 239 143	2	1 274	6 619 572	2	10 392
Boesmansnek	Land	Lesotho	8 Hrs	4	2 108 350	8	0	263 544	0	
Bothashoop	Land	Swaziland	8 Hrs	4	5 419 446	25	35 043	216 778	4	155
Bray	Land	Botswana	9-12 Hrs	4	5 929 172	27	0	219 599	0	
Caledonspoort	Land	Lesotho	13-16 Hrs	3	9 133 968	44	605 753	207 590	38	15
Cape Town Airport	Air	SA Airports	17-24 Hrs	1	49 169 078	229	1 595 421	215 088	19	31
Cape Town Harbour	Sea	SA Harbours	17-24 Hrs	2	22 851 067	76	54 411	300 672	2	420
City Deep	Land	Other	8 Hrs	4	16 705 494	69	0	242 109	0	
Derdepoort	Land	Botswana	13-16 Hrs	4	8 072 367	37	96 349	218 172	7	84
Durban Harbour	Sea	SA Harbours	17-24 Hrs	2	53 214 110	229	44 554	232 579	1	1 194
East London Harbour	Sea	SA Harbours	17-24 Hrs	2	4 344 000	18	0	246 818	0	
Emahlathini	Land	Swaziland	9-12 Hrs	3	4 802 614	22	270 719	214 402	33	18
Ficksburg Bridge	Land	Lesotho	17-24 Hrs	1	17 702 198	80	2 969 810	220 726	101	6
Gemsbok	Land	Botswana	8 Hrs	4	3 398 043	14	0	242 717	0	
Giriyondo	Land	Mozambique	8 Hrs	4	5 644 895	21	17 042	268 805	2	331
Golela	Land	Swaziland	13-16 Hrs	1	16 482 032	68	813 975	243 817	33	20
Grobiersbrug	Land	Botswana	13-16 Hrs	1	28 339 212	86	624 639	331 066	20	45
Jeppesreef	Land	Swaziland	13-16 Hrs	3	29 462 030	95	625 077	309 475	18	47
Josefsdal	Land	Swaziland	8 Hrs	4	5 186 579	23	20 446	225 503	2	254
King Shaka Airport	Air	SA Airports	17-24 Hrs	1	38 816 469	201	299 440	193 213	4	130
Kopfontein	Land	Botswana	17-24 Hrs	1	22 575 083	95	1 149 313	236 884	33	20

Port of Entry	Category	Neighbouring country	Operating hours:	Overall classification of POE in terms of human and goods movement	Total Expenditure for 2013/2014 (Rand)	Number of human movement staff	Total human movement (arrivals and departures)	POE cost per staff member (Rand)	Average number of daily human movements to number of POE staff	Cost per Human Movement (Rand)
Kosi Bay	Land	Mozambique	9-12 Hrs	3	10 659 343	46	227 681	229 727	13	47
Kruger Mpumalanga Airport	Air	SA Airports	9-12 Hrs	4	31 881 800	72	19 948	442 803	1	1 598
Lanseria Airport	Air	SA Airports	17-24 Hrs	4	40 258 298	180	55 531	223 657	1	725
Lebombo	Land	Mozambique	17-24 Hrs	1	64 510 177	276	5 055 399	233 817	50	13
Mahamba	Land	Swaziland	13-16 Hrs	1	12 954 954	48	596 918	268 775	34	22
Makgobistad	Land	Botswana	9-12 Hrs	4	7 603 363	41	0	185 448	0	
Makhaleng Bridge	Land	Lesotho	8 Hrs	4	4 581 362	23	40 619	199 190	5	113
Makopong	Land	Botswana	8 Hrs	4	6 473 219	21	0	308 249	0	
Mananga	Land	Swaziland	9-12 Hrs	3	16 099 159	60	450 719	268 319	21	36
Maseru Bridge	Land	Lesotho	17-24 Hrs	1	33 015 875	160	3 458 040	206 478	59	10
McCarthy's Rest	Land	Botswana	8 Hrs	4	4 903 209	27	23 463	181 600	2	209
Middelputs	Land	Botswana	8 Hrs	4	4 047 329	25	10 031	161 893	1	403
Monantsa Pass	Land	Lesotho	8 Hrs	4	8 394 475	37	0	226 878	0	
Mossel bay Harbour	Sea	SA Harbours	17-24 Hrs	2	3 020 684	12	0	243 604	0	
Nakop	Land	Namibia	17-24 Hrs	3	23 337 936	86	220 740	270 115	7	106
Nerston	Land	Swaziland	9-12 Hrs	4	16 882 320	58	70 222	291 074	3	240
Ongeluksnek	Land	Lesotho	8 Hrs	4	2 920 118	12	0	243 343	0	
Onseepkans	Land	Namibia	8 Hrs	4	2 363 083	10	0	236 308	0	
Onverwacht	Land	Swaziland	9-12 Hrs	4	7 910 830	32	157 403	247 213	13	50
OR Tambo Airport	Air	SA Airports	17-24 Hrs	1	227 438 341	876	7 914 259	259 603	25	29
Oshoek	Land	Swaziland	13-16 Hrs	1	22 692 397	91	2 137 471	248 276	64	11
Pafuri	Land	Mozambique	8 Hrs	4	9 293 428	37	19 531	251 174	1	476
Peka Bridge	Land	Lesotho	8 Hrs	4	5 390 473	26	41 354	207 326	4	130
Pilanesberg Airport	Air	SA Airports	9-12 Hrs	4	9 880 211	38	3 276	260 006	0	3 016
Platjan	Land	Botswana	9-12 Hrs	4	5 761 415	28	7 268	205 765	1	793

Port of Entry	Category	Neighbouring country	Operating hours:	Overall classification of POE in terms of human and goods movement	Total Expenditure for 2013/2014 (Rand)	Number of human movement staff	Total human movement (arrivals and departures)	POE cost per staff member (Rand)	Average number of daily human movements to number of POE staff	Cost per Human Movement (Rand)
Polokwane Airport	Air	SA Airports	13-16 Hrs	4	24 573 493	114	5 775	215 557	0	4 255
Pontdrift	Land	Botswana	8 Hrs	4	6 373 902	29	25 736	219 790	2	248
Port Elizabeth Airport	Air	SA Airports	On Call	4	11 642 402	55	383	211 680	0	30 398
Port Elizabeth Harbour	Sea	SA Harbours	17-24 Hrs	2	5 027 293	19	7 677	261 838	1	655
Port Ngqura Harbour	Sea	SA Harbours	17-24 Hrs	4	13 339 595	70	0	190 566	0	
Quacha's Nek	Land	Lesotho	13-16 Hrs	4	9 988 005	45	196 768	221 956	12	51
Ramatlabama	Land	Botswana	13-16 Hrs	1	23 943 700	93	846 261	257 459	25	28
Ramatsilitso	Land	Lesotho	8 Hrs	4	3 358 040	13	4 023	258 311	1	835
Richards Bay Harbour	Sea	SA Harbours	13-16 Hrs	2	8 098 888	34	2 742	238 203	0	2 954
Rietfontein	Land	Namibia	8 Hrs	4	3 922 492	16	21 502	245 156	4	182
Saldanha Bay Harbour	Sea	SA Harbours	9-12 Hrs	2	2 341 349	0	0			
Sani Pass	Land	Lesotho	9-12 Hrs	4	6 476 448	29	15 309	223 326	1	423
Sendelingsdrift	Land	Namibia	8 Hrs	4	2 783 726	13	1 897	214 133	0	1 467
Sepapus Gate	Land	Lesotho	8 Hrs	4	3 457 396	15	1 759	230 493	0	1 966
Skilpadshek	Land	Botswana	17-24 Hrs	1	25 314 105	100	514 672	252 888	14	49
Stockpoort	Land	Botswana	13-16 Hrs	4	6 875 668	29	92 118	237 092	9	75
Swartkopfontein	Land	Botswana	13-16 Hrs	4	11 330 214	54	175 629	209 819	9	65
Tele Bridge	Land	Lesotho	13-16 Hrs	4	5 672 655	27	137 237	210 098	14	41
Twee Rivieren	Land	Botswana	8 Hrs	4	3 243 312	14	15 585	231 665	3	208
Upington Airport	Air	SA Airports	On Call	4	17 288 947	83	1 973	208 301	0	8 763
Van Rooyens Gate	Land	Lesotho	13-16 Hrs	1	8 372 525	39	556 484	214 680	39	15
Vioolsdrift	Land	Namibia	17-24 Hrs	1	13 461 450	53	353 013	254 470	18	38
Waverley	Land	Swaziland	8 Hrs	4	6 728 449	28	8 089	240 302	1	832
Zanzibar	Land	Botswana	8 Hrs	4	6 805 996	28	0	243 071	0	
Total					1 252 702 213	5 103	39 441 155			

Appendix A6: POE expenditure on goods movement and the associated goods movement performance indicators

Table A6: POE Expenditure on human movement and associated performance indicators

Port of Entry	Overall classification of POE in terms of human and goods movement	Total for 2013/2014	Total Staff	Number of declarations (2013-14)	Number of line items: 2013-2014	Value of goods: 2013-2014 (imports and exports)	Duty paid: 2013-2014	VAT paid out: 2013-2014	Ratio of trade through POE to Total POE costs	Ratio of duty paid to total POE costs	Ratio of VAT paid to total POE costs	POE cost per staff	Average of number of declarations per day to number of POE staff	Total POE cost per declaration	Total POE cost per line item
Beit Bridge	1	53 589 616	203	324 528	1 188 077	124 093 897 093	7 336 696	866 473 749	2 316	0	16	263 858	4	165	45
Caledonsport	3	2 283 492	11	26 034	68 007	1 143 294 076	0	4 495 422	501	0	2	207 590	6	88	34
Cape Town Airport	1	35 978 429	157	235 244	508 279	21 282 728 254	410 174 932	1 599 616 520	592	11	44	228 580	4	153	71
Cape Town Harbour	2	91 404 267	304	348 865	1 371 039	206 445 614 912	6 780 977 619	12 823 690 063	2 259	74	140	300 672	3	262	67
Durban Harbour	2	212 856 440	915	650 089	3 156 123	762 317 798 997	19 448 832 223	52 847 709 688	3 581	91	248	232 579	2	327	67
East London Harbour	2	17 375 999	70	17 898	103 780	31 001 139 501	2 295 468 644	3 347 102 503	1 784	132	193	246 818	1	971	167
Emahlathini	3	1 200 654	6	0	0	0	0	0	0	0	0	214 402	0		
Ficksburg Bridge	1	11 260 506	46	94 784	310 713	4 560 237 375	0	190 992 434	405	0	17	245 863	6	119	36
Golela	1	10 143 269	42	69 589	338 381	12 177 848 620	66 688	311 397 683	1 201	0	31	239 228	4	146	30
Grobblersbrug	1	43 127 150	116	144 101	491 664	51 535 023 481	2 253 936	263 394 783	1 195	0	6	370 508	3	299	88
Jeppesreef	3	7 365 508	24	20 033	110 158	493 336 382	0	19 320 488	67	0	3	309 475	2	368	67
King Shaka Airport	1	36 528 508	180	51 019	162 696	4 803 760 531	126 717 886	402 976 387	132	3	11	202 823	1	716	225
Kopfontein	1	23 449 796	84	384 916	2 134 071	26 004 277 905	1 610 002	215 648 904	1 109	0	9	280 165	13	61	11
Kosi Bay	3	2 664 836	12	0	0	0	0	0	0	0	0	229 727	0		
Lebombo	1	44 197 306	165	353 246	915 671	36 495 917 448	222 893 926	160 424 709	826	5	4	267 700	6	125	48
Mahamba	1	12 265 917	42	34 312	117 816	1 177 773 418	0	53 255 633	96	0	4	293 443	2	357	104
Mananga	3	4 024 790	15	20 975	40 371	867 627 475	0	47 215 289	216	0	12	268 319	4	192	100
Maseru Bridge	1	24 126 874	93	238 329	683 367	13 180 154 680	0	140 242 543	546	0	6	259 150	7	101	35
Mossel bay Harbour	2	12 082 737	50	335	346	13 946 191 172	80 774	122 119 573	1 154	0	10	243 604	0	36 068	34 921

Port of Entry	Overall classification of POE in terms of human and goods movement	Total for 2013/2014	Total Staff	Number of declarations (2013-14)	Number of line items: 2013-2014	Value of goods: 2013-2014 (imports and exports)	Duty paid: 2013-2014	VAT paid out: 2013-2014	Ratio of trade through POE to Total POE costs	Ratio of duty paid to total POE costs	Ratio of VAT paid to total POE costs	POE cost per staff	Average of number of declarations per day to number of POE staff	Total POE cost per declaration	Total POE costs per line item
Nakop	3	5 834 484	22	0	0	0	0	0	0	0	0	270 115	0		
OR Tambo Airport	1	191 192 003	685	1 422 545	4 979 718	637 443 812 975	3 932 642 679	24 169 710 866	3 334	21	126	279 153	6	134	38
Oshoek	1	21 236 730	71	277 045	896 007	19 221 588 042	0	1 169 210 942	905	0	55	300 804	11	77	24
Port Elizabeth Harbour	2	20 109 173	77	104 335	917 258	125 294 069 659	4 592 022 967	11 061 113 127	6 231	228	550	261 838	4	193	22
Ramatlabama	1	25 078 293	87	88 016	140 420	9 363 963 442	14 631	55 188 929	373	0	2	288 256	3	285	179
Richards Bay Harbour	2	32 395 551	136	9 605	11 775	138 716 150 768	29 291 508	2 292 720 176	4 282	1	71	238 203	0	3 373	2 751
Saldanha Bay Harbour	2	9 365 397	0	514	892	76 676 790 879	0	0	8 187	0	0			18 221	10 499
Skilpadshek	1	28 202 978	99	258 585	1 171 738	25 951 434 353	20 568	295 689 900	920	0	10	285 167	7	109	24
Van Rooyens Gate	1	5 191 292	25	30 911	103 623	850 689 644	0	2 525 122	164	0	0	207 652	3	168	50
Vioolsdrift	1	14 806 563	52	266 433	1 469 972	11 435 160 934	24 676	169 485 362	772	0	11	284 195	14	56	10

Appendix A7: BMA Logical Framework

Table A7: Logical framework of the functions proposed for the BMA

Function	Output	Intermediate outputs
Port of entry function		
Vessel/craft health clearance at air and sea ports	Vessel/aircraft cleared to offload passengers or commercial goods at port of entry	N/A
Traveller/ crew member/ truck driver health control	Traveller/ crew member/ truck driver subjected to health inspection	- Traveller/ crew member/ truck driver inspected by health officer; health entry conditions verified and fulfilled - Traveller/ crew member/ truck driver referred for further health assessment is evaluated and cleared - Traveller/ crew member/ truck driver who fails further health assessment is evacuated to nearest healthcare facility
Traveller/ crew member/ truck driver immigration control	Traveller/ crew member/ truck driver is subjected to human movement entry/exit controls	- Traveller/ crew member/ truck driver who fulfils entry/exit conditions is granted entry/exit - Traveller/ crew member/ truck driver who failed to meet immigration requirements is refused entry/exit - Traveller/ crew member/ truck driver who overstayed is fined or barred from re-entry for a period of time - Carrier who brought the traveller without a valid permit/visa is fined - Carrier of overstaying crews is fined
Traveller/ crew member/ truck driver security/criminal control	Traveller/ crew member/ truck driver is subjected to human movement entry/exit controls	Traveller/ crew member/ truck driver who is criminal/security risk is delayed and handed over to SAPS
Asylum seeker traveller control	Traveller is subjected to human movement entry/exit controls	Asylum seeker traveller control
Traveller goods customs control	Goods carried by traveller/ crew member/ truck driver on a personal capacity are subjected to goods movement entry/exit controls	- Customs duty collected - Restricted (controlled) goods are detained - Prohibited goods are detained - Traveller/ crew member/ truck driver is fined for failing to declare restricted goods - Surrendered goods are binned and destroyed - Cross border movements of firearms are controlled
Traveller prohibited or restricted goods control	Detained goods are processed	- Goods are safely held in storage for further assessment - Goods are released back to traveller - Goods are destroyed - Traveller/ crew member/ truck driver is fined for noncompliance to restricted goods import/export policies
Movement of human remains	Detained goods are processed	Corpses cleared to enter RSA post assessment of permits and compliance to policy
Vehicle customs control	Vehicles cleared for temporary export	Vehicles profiled and searched
SAPS clearance control	Vehicle and passenger cleared by SAPS	Vehicle and passenger profiled and searched by SAPS
Reclaiming of VAT	VAT claims processed	- Goods assessed and invoices stamped - VAT claim received - VAT claim paid
Commercial goods customs control	Consignment subjected to goods movement entry/exit controls	- Consignments and accompanying documents verified - Cargo declaration and adjustment processed - Restricted goods are detained - Prohibited goods are detained - Importer/exporter is fined for noncompliance to import/export policies

Function	Output	Intermediate outputs
		SAPS is involved for further investigation into attempted import/export of prohibited goods
Restricted/prohibited commercial goods control	Detained goods are processed	- Detained goods are released - Detained goods are destroyed
Corporate support function		
Facility and infrastructure management	Provision and maintenance of appropriate physical infrastructure and equipment to execute BMA functions	N/A
HR management	Capacitated BMA through effective and efficient HR management practices	N/A
IT services and infrastructure management	Provision and maintenance of effective and efficient IT services and infrastructure	N/A
Finance and supply chain management	Compliance with the relevant public sector financial management prescripts	N/A
Security management	Security of personnel, premises, assets and classified information ensured	N/A
Strategic planning	Strategic direction of BMA is set	N/A
Legal, governance and risk management	BMA complies with all its legal, governance and risk compliance requirements	N/A
Communication and stakeholder management	BMA effectively manages and communicates with its key stakeholders	N/A
Policy implementation and service improvement	BMA effectively implements new border management policies (as set by parent department), functions, and service improvement projects.	N/A

Appendix A8: Description of shared operational units providing shared operational functions

Table A8: Other port of entry functions which are not strictly executed within the sterile area

Department	Function	Brief description
Department of Home Affairs ³	Airline liaison	- Oversight of the Advanced Passenger Profiling system - Establishment and maintenance of a global airline liaison network by stationing personnel in foreign countries
	Port Control	- Direct oversight of DHA responsibilities at the 3 major international airports (OR Tambo International, Cape Town International and King Shaka International) - Ensure adequate staffing at the 3 major international airports, including providing transport to staff members - Oversight of staff deployment to handle peak season volume
	Port of entry	- Policy setting and development - Provide input into EMCS development
	Operational support	- Provide 24/7 operational support to port of entry and APP (call centre) - EMCS development and roll out - Development of trusted traveller programme - Support data analysis on request
South African Police Service ⁴	Aviation policing	- Facilitation of VIP - Search and escort of valuable/vulnerable cargo - Fire arm office: permitting and safekeeping
	Security functions	- Patrol of inner and outer parameters of port of entry - Access control for ports of entry - To render a general policing and security service throughout the port
	Community service centre	Providing 24 hour operational support service for the various functional responsibilities
	Specialized Operation	- Render specialized dog support service - Render diving services - Render bomb disposal and explosives management services
	Visible policing	Assisting the local visible policing functions with special operations, farm visits and complaints in the area of the Port
	Crime investigation	Conduct general investigation and organised crime investigation relating to the port of entry area
	Information management	Address crime by gathering, collating and analysing intelligence information identifying the threat

³ Interview with Director: Airline Liaison, Dept. of Home Affairs, Mar 2015

⁴ SAPS Border Policing functional analysis, Dec 2015

Appendix A9: List of persons interviewed

Table A9: List of persons interviewed

Department	Name of contact
GTAC	Michael Acres Ronette Engela Robert Clifton Jerome Chaskalson (Contractor) Ynze De Jong' (Contractor)
SARS	William Mpye Varsha Singh Rani Naicker Pierre Viviers Beyers Theron
Department of Home Affairs	Ricardo Abrams Michael Schoeman Rika Anker
Department of Agriculture Floristries and Fisheries	Gilbert Mediroe
SAPS Border Policing	Brigadier David Chilembe General Zuma
Department of Health	Aneliswa Cele
Department of Public Works	Siphamandla Ngcobo

Appendix A10: Sources of data

The primary source of data used for the analysis was BAS and PERSAL particularly as it related to SAPS, DAFF, DHA and DPW. In this regard the responsibility fields and objectives fields were used to identify port expenditure depending on how the Departments classified them

The Department of Health had recently taken over the Port Health Functions from the Provincial Departments. However, no clear data could be obtained from BAS for the provinces as it was included in Environmental Health. Port health data was thus obtained from the National Department of Health based on their own analysis of information gathered in monitoring and the expected budget. They were also able to provide the staffing per port of health officials. In the absence of better quality data this information was used as it provided a baseline from which could now be monitored in a more transparent manner.

For DPW while a total expenditure amount could be identified in BAS it was not broken down per port or location. Attempts to gain more granular analysis from the Department were unsuccessful.

For DAFF additional information needed to be obtained on staffing levels per port as the PERSAL data only reflected the total personnel for all “Land ports” and a combined total for “Sea and Air”

As SARS operates on its own accounting system information had to be obtained from them directly. The expenditure was then matched to the expenditure categories used in the analysis. SARS was only able to provide us varying levels of data. The biggest challenge was that some port costs were allocated to regional compliance centers even though there were staff physically present at the ports which result in a

disconnect. Therefore the staffing numbers were used in the calculation of allocating port costs as it was more accurate and led to a more realistic allocation of expenditure.

Appendix A11: Assumptions used to allocate POE expenditure to goods and human movement

The assumptions used to allocate POE expenditure to goods and human movement are as shown below.

Table A10: Assumptions used to allocate POE expenditure to goods and human movement

Department	Group 1: High goods and human movement POE	Group 2: High goods movement POE	Group 3: High human movement POE	Group 4: Low goods and human movement
% allocation to human movement				
DHA	90	20	80	100
SARS	30	20	80	100
DOH	70	20	80	100
DAFF	50	20	80	100
SAPS	50	20	80	100
% allocation to goods movement				
DHA	10	80	20	0
SARS	70	80	20	0
DOH	30	80	20	0
DAFF	50	80	20	0
SAPS	50	80	20	0

EY | Assurance | Tax | Transactions | Advisory

About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

© 2013 EYGM Limited.

All Rights Reserved.

EY refers to the global organization and/or one or more of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organization, please visit ey.com.