The South African Maritime Industry Conference (SAMIC 2017) brought together some 300 stakeholders from the country’s maritime sector, as well as visiting experts from the African continent and further afield in Port Elizabeth from 5 to 7 April 2017.

The intention was to create a platform for strategic conversations amongst government, industry, investors, entrepreneurs, academia and civil society on developing South Africa’s oceans economy, and to sustain this engagement beyond the conference.

More specifically, the conference aimed to profile and market opportunities for investment in the maritime sector, explore and establish a national collaborative framework to realise the sector’s economic growth and job creation potential, and support the mainstreaming of women in the sector’s development agenda. It also provided an opportunity to review progress since the inaugural SAMIC event in 2012 and highlight the achievements of Operation Phakisa: Ocean Economy, which was launched in mid-2014.

SAMIC 2017 was convened by the South African International Maritime Institute (SAIMI), based at Port Elizabeth’s Nelson Mandela University. The conference was preceded on the evening of 5 April by a cocktail function hosted by the South African Maritime Safety Authority (SAMSA) aboard the training vessel SA Agulhas I. The former Antarctic supply ship had recently docked in Port Elizabeth following a three-month voyage to Antarctica and the Indian Ocean, which had provided valuable sea-time for cadets from the National Cadet Programme.

The conference took place at the Boardwalk Convention Centre, with the two-day programme of plenary and breakaway sessions structured around the overall theme “Expanding Africa’s maritime industry potential – implementing the maritime agenda”.

Section 1 of this document represents an overview of the conference proceedings, summarising key points from the presentations and discussions.

Section 2 provides an analysis of progress in implementing the maritime agenda, both within South Africa and at the continental scale, and examines gaps and challenges as well as the interventions proposed to address them.
EXPANDING AFRICA’S MARITIME INDUSTRY POTENTIAL
IMPLEMENTING THE MARITIME AGENDA
SAMI was launched in November 2014 in Port Elizabeth, where it is hosted by Nelson Mandela University. It is housed in the new Ocean Sciences Campus in Summerstrand, which is being developed as a marine and maritime hub for research, teaching and learning.

Vision
To be an apex maritime institute that will enable development as well as contribute to the maritime sector and the economy of South Africa and Africa through the effective coordination of quality education and research.

Mission
SAMI is South Africa's national institute for the coordination and provision of marine, maritime and related education, research and training.

Objectives for SAMI by 2020
• A National Institute recognised and respected internationally
• A centre of excellence to support the SA Government on marine and maritime policy formulation
• A centre of excellence to support the maritime sector through applied research
• Offering a range of professional development opportunities
• Support national Skills Development
• Highly qualified, high performing staff in teaching, research and industry engagement
• Comprised of five focus areas
• Staff of 30 maritime sector specialists

National government has tasked SAMI with the development and implementation of the maritime skills development plans emanating from Operation Phakisa. A three-year grant has been secured from the National Skills Fund for the operation of SAMI and its management of the National Cadet Programme.

The South African International Maritime Institute (SAMI) is a national multi-disciplinary, multi-stakeholder institute established to coordinate the provision of the skills and research needed to support the growth of the “Blue Economy”.

The primary purpose of SAMI is to create linkages and collaboration amongst role-players in maritime research, education and training in South Africa, and to work closely with similar institutes in Africa and the rest of the world.

More specifically, its objectives are to:
• Coordinate, promote and support the education, skills and research needs of the maritime sector
• Knowledge generation and information-sharing
• Research & development
• Improve the quality of teaching, learning and research in the maritime sector
• Support professional development in the maritime sector
• Facilitate continental and international cooperation
• Research & development
• Broaden the range of education options to meet industry needs.
The second South African Maritime Industry Conference (SAMIC 2017) “Expanding Africa’s Maritime Industry Potential – Implementing the Maritime Agenda” focused on the following outcomes:

- Sustain discussion and collaboration between all stakeholders to grow South Africa’s oceans economy through skills development, investment and funding, research and innovation, and socio-economic transformation
- Profile and market South African and African opportunities for investment
- Establish a national collaborative framework for a partnership of the maritime industry, academia, research institutions, entrepreneurs, funders and investors to realise the maritime sector’s economic growth and job creation potential
- Support the mainstreaming of women in the development agenda for the maritime sector and create the necessary institutional mechanisms to achieve this.

SUSTAINING DISCUSSION

SAMIC 2017 provided a platform for reviewing and renewing the strategic objectives and discussions of SAMIC 2012. However, while similar conferences in future can continue to play such a role, the consensus was that there is a need for a more strategic and coordinated approach to driving implementation of the maritime agenda. The outcomes of SAMIC 2017 should therefore be used as a starting point for the development of such a strategy.

OPPORTUNITIES FOR INVESTMENT

Since its inception, Operation Phakisa: Ocean Economy has:

- Unlocked R7,323 billion in both public and private sector investments
- Created more than 6 952 new jobs

This success underlines the potential of the sector. SAMIC 2017 identified the following short-term opportunities:

- Open up new opportunities through a sustainable development approach to the Prince Edward Islands and Antarctica, and accessing new fishing quotas for international waters
- Industrial Development Corporation willing to fund vessel building and repair, and aquaculture ventures
- Potential Development Bank of South Africa (DBSA) funding for the acquisition and subsequent South African flagging of vessels
- Clustering of maritime-related manufacturing and repair activities
- Public private partnerships between state-owned enterprises (SOEs) and the private sector
- Collaborative research between universities and the private sector, which will provide solid research findings to inform investment decisions, while training the next generation of maritime specialists
- New harbour developments at Port Nolloth, Port St Johns and Port Edward
- Aquaculture - which will be stimulated once the Aquaculture Bill is passed by Parliament
- Invest SA providing a one-stop shop for investment in South Africa
- Industry and tertiary institution training partnerships
- Marine manufacturing
- Ship repair
- Ship building

ESTABLISHING A NATIONAL COLLABORATIVE FRAMEWORK

The consensus was that SAIMI will help steer the correct course for the growth of the Blue Economy by independently coordinating research and skills development across academia, the private and public sectors and the community at large.

Specific roles identified for SAIMI include:

- Ongoing applied research into all aspects of the Blue Economy
- Coordinating the establishment and development of Blue Economy clusters
- Advising and lobbying government on enabling legislation and programmes
- Establishing a maritime education and training centre of excellence to serve South Africa and the rest of the continent
- Provide support for government Blue Economy working groups
- Supporting the development of maritime clusters by providing a platform for dialogue and cooperation between maritime-based businesses, higher education, research institutions and private organisations at local, national, continental and international levels
- Supporting the expansion of small scale fisheries and aquaculture by providing a platform for dialogue, training and research
- Supporting the development of marine-based tourism by providing the necessary framework and multi-sectoral platform for the sustainable use of marine resources for tourism-related activities.

MAINSTREAMING OF WOMEN

International Maritime Organisation (IMO) statistics show that women still make up only 2% of the maritime workforce globally. The empowerment of African women in the maritime sector requires political will to put in place effective policies, combined with intervention through education and training systems.

However, there are a number of success stories in South Africa, and these should be shared to inspire and motivate others, as one of the biggest challenges is that school children and young women school leavers are unaware of the opportunities offered by the sector, both at sea and on land. Shore-based opportunities include the management of marine ecosystems, renewable energy and biotechnologies, as well as shipping-related marketing, economic intelligence and logistics.

This deficit can be addressed by organisations such as SAIMI by raising awareness of the opportunities from primary school level and establishing programmes which empower young women with the necessary skills for entry into the maritime sector.

Supporting programmes include:

- WIMA-Africa is the continental platform that ensures a better coordination of activities related to the empowerment of maritime women, with emphasis on the need to mentor younger women
- International Maritime Organisation’s Programme for the Integration of Women in the Maritime Sector
- The Women’s International Shipping and Trading Association (WISTA)
- An annual Cal Maritime Women in Maritime Leadership conference in California
- Programmes by the South African Maritime Training Academy (SAMTRA).
The second South African Maritime Industry Conference (SAMIC 2017) took place in Port Elizabeth from 5 to 7 April 2017. In keeping with the inaugural conference in 2012, the theme of which was “Delivering on South Africa’s Maritime Agenda – A Call for Action”, SAMIC 2017 focused on “Expanding Africa’s Maritime Industry Potential – Implementing the Maritime Agenda”.

Apart from providing an opportunity to review progress achieved during the intervening five years, SAMIC 2017 had the following key objectives:

• Arrange and sustain strategic conversations among industry, government, investors, entrepreneurs, academia and civil society on developing South Africa’s oceans economy through skills development, investment and funding, research and innovation, and socio-economic transformation
• Profile and market South African and African opportunities for investment
• Establish a national collaborative framework for a partnership of the maritime industry, academia, research institutions, entrepreneurs, funders and investors to realise the maritime sector’s economic growth and job creation potential
• Support the mainstreaming of women in the development agenda for the maritime sector and create the necessary institutional mechanisms to achieve this.

The conference was convened by the South African International Maritime Institute (SAIMI), and was attended by approximately 300 stakeholders in the maritime sector.

SAMIC 2017 got off to an auspicious start on Wednesday evening with a cocktail function hosted by SAMSA aboard the SA Agulhas I – South Africa’s first dedicated training vessel for seafarer cadets.

The Agulhas was acquired by SAMSA in 2012 after being retired by the Department of Environmental Affairs as an Antarctic research and supply vessel. She is made available for charter to contribute towards operational funding, while providing experiential training in support of the National Cadet Programme.

The vessel had docked in Port Elizabeth the previous month upon returning from a three-month voyage to the Indian Ocean and Antarctica, having been chartered by India’s National Centre for Antarctic Research. In mid-December seven engineering cadets, 23 deck cadets and two training officers had joined the South African crew aboard the Agulhas in Cape Town before sailing to Mauritius to collect the Indian scientists. The voyage was an important contribution to the minimum 12-month sea-time the cadets must acquire before being eligible to complete their studies and take oral exams for a Certificate of Competency (COC).

The National Cadet Programme is managed by the South African International Maritime Institute (SAIMI) and funded by the Department of Higher Education and Training through the National Skills Fund.
OPENING SPEECHES

Prof Derrick Swartz (Chair: SAIMI Steering Committee and Vice-Chancellor: Nelson Mandela University) welcomed all participants, noting that SAIMIC 2017 was an opportunity for stakeholders to discuss how best to work together in energising and revitalising the maritime sector. He highlighted the NMU’s commitment to supporting the ocean economy, demonstrated by the university’s acquisition of the former CSIR campus in Summerstrand to establish a dedicated Ocean Sciences Campus. He outlined the important role of universities in terms of skills development, R&D and technology innovation, but stressed the need for partnerships with the private sector, which has to take the lead in driving the ocean economy. This applies not only to large conglomerates, but also to coastal fishing communities, which must be given a stake in the ocean economy to ensure social justice, democratisation and spreading of prosperity.

Cllr Athol Trollip (Executive Mayor: Nelson Mandela Bay Municipality) noted that the conference presented opportunities for extending socio-economic development in an inclusive manner. Nelson Mandela Bay Municipality recognised its responsibility in increasing efforts to enhance the SAIMIC 2017 objectives, given the bay’s potential to contribute to the growth of the regional economy. Port Elizabeth and other coastal cities also need to start initiatives that will provide employment opportunities for young residents so they do not have to move away in search of jobs. Cllr Trollip stressed, however, that growth of the ocean economy should not be at the expense of marine mammals and seabirds, some of which are already threatened, nor should it compromise the quality of the bay’s seawater and beaches, which are key to the local tourism industry.

Mr Milbo Qoboshiyane (MEC: Eastern Cape Rural Development & Agrarian Reform) welcomed conference delegates on behalf of the provincial government. He gave an update on progress relating to Operation Phakisa ocean economy programmes in the Eastern Cape, noting that oceans economy is identified in the provincial Economic Development Strategy as one of six areas to stimulate economic growth, the others being the automotive sector, light manufacturing, renewable energy, agro-processing and tourism. Mr Qoboshiyane asked delegates to work with the province in implementing the ocean economy programmes in order to reduce unemployment, eradicate poverty and grow the economy, and wished them well for their deliberations.

Dr Blade Nzimande (Minister of Higher Education and Training) delivered the keynote address, which focussed on government initiatives to improve the maritime skills base. These include a new NRF-funded Research Chair in petroleum geosciences and engineering, the establishment of the South African International Maritime Institute (SAMI), and the NSF-funded cadetship programme, which uses the SA Agulhas as a training vessel. Dr Nzimande stressed that Government alone cannot achieve economic growth and job creation, but can create an enabling environment for investors to invest, for businesses to grow by exploring new opportunities, and for young people to enter the job market through access to education and appropriate level of skills.

Mr Sobantu Tilayi (Acting CEO: South African Maritime Safety Authority) reported on achievements since SAIMIC 2012. Following a McKinsey study in 2013, which indicated that the sector was capable of creating a million jobs and contributing R177 billion to the GDP, the ocean economy was selected as the initial focus area for Operation Phakisa, which was launched in mid-2014. The “Oceans Economy Lab” has since helped coordinate efforts in the various maritime sub-sectors, and provided a platform through which to engage industry stakeholders. Significant progress has been made in a number of areas, particularly with regard to port refurbishment, maintenance and new development, as well as additions to the South African Ship Registry.

Mr Rudzani Mudau (Director: Operation Phakisa, Department of Planning, Monitoring and Evaluation) gave an overview of achievements channelled by Operation Phakisa: Ocean Economy, which involves multiple organisations and government departments. Since its inception, Operation Phakisa: Ocean Economy has:

- Unlocked R7,323 billion in both public and private sector investments
- Created more than 6,952 new jobs

Mr Mudau outlined the role of DPME in reporting such progress, and noted that Operation Phakisa has compelled Government to rid itself of a silo mentality in order to ensure departments work together towards a common goal.

Prof Stephen Hosking (Head: Graduate School of Business Management, Cape Peninsula University of Technology) spoke about trends, opportunities and challenges in the ocean economy, which sustains around 427,000 employment opportunities. A value-added analysis conducted for the year 2014 at 2010 price levels revealed that the primary sector (marine fisheries, mining and oil/gas extraction) contributed 2.7% to the South African GDP, while the secondary sector (marine-associated manufacturing and construction) contributed 3.3%.

Tertiary sectors such as trade, transport and business services for marine tourism contributed 5.2%. Government-initiated opportunities to facilitate ocean sector growth could potentially include a sustainable development approach to the Prince Edward Islands and Antarctica, and accessing new fishing quotas for international waters.

ADDITIONAL KEY POINTS FROM THE SESSION

- The formation of SAIMI is a flagship achievement emanating from SAIMIC 2012, where it was recognised that skills development is fundamental to the success of the maritime sector.
- The ocean economy has the potential to create a million jobs and contribute R177 billion to the GDP. The taxes generated can also be used to fund policing, search and rescue, and pollution control activities required within South Africa’s 200 nautical mile Exclusive Economic Zone in accordance with UNCLOS.
- Future resource exploitation from the oceans will be facilitated by advances such as high-frequency radar for better monitoring and prediction of ocean waves and currents, caged fish farm structures capable of withstanding high-energy storms, and new ocean technology and seismographic equipment that reduce the cost of finding and extracting oil and gas.
- Progress against the action themes identified at SAIMIC 2012, as well as Operation Phakisa: Ocean Economy achievements, are reflected in Section 2.1 and Table 1.
In September 2015, the bulk carrier Cape Orchid became the first merchant ship to be registered on South Africa’s Ship Registry since 1985 – and the first to be registered under the Ship Registration Act of 1998 – followed soon after by sister ship Cape Enterprise. Both are owned by Yuka Marine, a joint venture between Via Maritime Holdings of South Africa and K-Line of Japan. They previously sailed under the flag of Panama. On her first voyage from South Africa flying the country’s flag, the Cape Orchid sailed from Saldanha Bay carrying a cargo of iron ore from Anglo American’s Kumba iron ore business to Asian markets. Also on board were three cadets, who had been given the opportunity for a six-month stint of sea-time training.

The third ship to be added to the SA Registry, in July 2016, was the oil tanker Lefkas. Built in 2010, the Lefkas was previously registered under the flag of Liberia. She is one of four ships now being used by Aegean Bunkering Marine Services to provide an offshore bunkering service in Algoa Bay.

In March 2017, the Greatship Manisha became the fourth ship to be registered on the SA Registry. The 93.67 m multi-purpose platform supply and support vessel (MPSV) is owned by Greatship Global Offshore Services based in Singapore, and previously sailed under that country’s flag. The vessel has been charted by Cape Town based Marine Crew Services (MCS) to service its two-year contract with PetroSA, and will operate out of the Port of Mossel Bay.

In November 2011, South Africa sent representatives to the Big, Fast Results (BFR) seminar organised by the Performance Management and Delivery Unit (PEMANDU) in Malaysia. During subsequent bilateral discussions with the Malaysian Prime Minister in August 2013, President Zuma expressed interest in learning more about the BFR approach, which is an 8-step problem-solving methodology.

Operation Phakisa is an adaptation of this methodology, designed to accelerate delivery on the NDP 2030 goals by bringing stakeholders together to translate solutions into detailed implementation plans. Its flagship programme, Oceans Economy, was launched in August 2014 with the aim of increasing the GDP contribution of the country’s oceans from R54 billion in 2008 to between R129 billion and R177 billion by 2030, and increasing jobs from 256 000 to between 800 000 and 1 million over the same period.

The Ocean Economy focus areas are marine transport and manufacturing; offshore oil and gas exploration; aquaculture; marine protection services and ocean governance; small harbours development, and coastal and marine tourism. In addition, research, technology and innovation, as well as skills development and capacity building, are recognised as key enablers to support these focus areas.
BUSINESS OPPORTUNITIES

Mr Kingsley Dell-Robertson (Regional Manager: Industrial Development Corporation) reported that the IDC approved R14.5bn of funding for the 2016 financial year. Vessel building and repair, as well as aquaculture, were highlighted as areas that the IDC would consider funding. Project proposals should include a Business Plan that addresses development outcomes, potential markets, technical viability and competitiveness, financial viability and management. Some of the criteria against which projects are considered include their economic merit in terms of profitability and sustainability, environmental compliance and BBBEE status. The promoter is expected to make a reasonable contribution and put up security, such as a personal guarantee or pledge of company shares.

Mr Richard Vallihu (Chief Executive: Transnet National Ports Authority) talked about the role of state-owned enterprises (SOEs) in maritime sector initiatives, and reviewed progress on Operation Phakisa projects at the various ports. He noted that Transnet had invested R148bn in its ports, rail and pipelines over the last five years, and would be investing a further R229bn over the next seven years to ensure efficient and appropriate infrastructure. Some R67bn would be spent on port infrastructure development alone during the next decade. Transnet also spends R750-800 million per year on training, and more than 500 graduates had been trained the previous year at the maritime centres of excellence at Durban, Cape Town and Port Elizabeth.

Mr Prasheen Maharaj (CEO: Southern African Shipyards) spoke in his capacity as Director of the Ethekwini maritime cluster. He noted that the main objective for developing clusters is to improve the business environment, capabilities and performance of local firms in the targeted industries, but they also create space for new entrants. Research suggests that there are four criteria necessary for successful operation of an industrial cluster: spatial concentration of economic activity; the presence of horizontal and vertical relationships between connected industries; the existence of inter-firm cooperation and collaboration; and the presence of a central actor such as a university of research centre, which allows R&D and innovation to be rapidly shared amongst cluster participants.

Mr Greg Wessels (CPO: Nautic Africa) shared Nautic Africa’s experience of building patrol vessels for Nigeria. He noted that the company was able to charge more than international competitors because the vessel and technology is considered better quality; but clients want value and for their boats to be delivered on time. Customer value can be improved by benchmarking and setting efficiency targets, while timely delivery requires that vessels are designed to be easy to build. South African boat-builders should learn from international best practice, work together on local business, and then enter into global markets as real competitors. Continuity of projects is vital to avoid losing skilled team members.

ADDITIONAL KEY POINTS FROM THE SESSION

- SOEs have a responsibility to facilitate, support and engender development and capability building in the ocean economy through partnerships and collaboration. By coordinating their projects, they could also help sustain the local boat-building industry through continuity of baseload work.
- SAIMI can play an important role in maritime clusters by providing a platform for dialogue and cooperation between maritime-based businesses, higher education, research institutions and private organisations at local, national, continental and international levels.
- Aquaculture feasibility studies need to include cost-benefit analyses, so that the risk of new ventures to existing viable industries can be properly assessed.

OFFSHORE OIL & GAS INDUSTRY

Ms Anthea Davids (Geologist: PetroSA) provided a short history of the oil and gas industry in South Africa, and gave an overview of offshore exploration activity over the past few years. The majority of acreage is either under licence or under application, but current work programmes are low-key following a period of intensive seismic acquisition between 2013 and 2016. Exploration data-gathering is increasingly being done through risk-sharing mechanisms such as multi-client surveys and partnerships over licence areas, as well as reprocessing of vintage data instead of more expensive acquisition. It is anticipated that exploration activity will move to deep to ultra-deep water, although this is constrained by high engineering, geological and capital risks.

Prof Charles Okujeni (Emeritus Professor: Geochemistry, University of the Western Cape) reviewed the goals of UWC’s research and capacity-building initiatives, as well as opportunities for strategic partnerships with the oil and gas industry. Partnering between the industry and academia would increase understanding of petroleum systems through collaborative research and development, while enhancing the employability of graduates. Prof Okujeni presented the course outline for the UWC Taught Masters Programme in Petroleum Geosciences, which began in 2013 and has already produced 24 graduates. He identified the resources required to run such a course, and noted that a number of oil companies had provided support to the university’s Department of Earth Sciences.

Prof Trevor Jones (International Bunker Industry Association-Africa & Director: Unit of Maritime Law and Maritime Studies, University of KwaZulu-Natal) gave an overview of the economic benefits and commercial challenges of South African ports as bunker (fuel) supply hubs, using Durban as a case study. The port of Durban supplies vessels calling at the port for other business (terminal callers) as well as those stopping in for bunkers only (bunkers-only callers). The latter generally make use of ships’ agents, chantiers, transport and medical services during their visit, so they are important to the local economy. Over the past decade, bunker volumes supplied in Durban and the number of bunkers-only callers has decreased significantly due to cost and operational issues, both in the ports and within the oil industry.

Ms Sandisile Ncemane (Business Development Manager: Energy Projects, Coega Development Corporation) noted that investment in more sustainable energy options such as natural gas could support a carbon-resilient future, a cost-effective power sector and greater energy independence. Importation of liquefied natural gas (LNG) in the short to medium term would build readiness for the exploitation of indigenous gas reserves by enabling market and infrastructure development. To this end, Richards Bay and Coega (Nigeria) have been identified as ports for the importation of LNG. The Coega LNG-to-Power project is a core component of the Strategic Framework for Developing a Gas Economy in the Eastern Cape Province.

ADDITIONAL KEY POINTS FROM THE SESSION

- Challenges facing oil and gas exploitation in South African waters include questionable economic viability due to the slump in the oil price, and uncertainties around the policy and regulatory framework. However, the current low production presents an opportunity to develop capacity that will be required when the economic environment improves.
- Although exploration activities are predominantly undertaken by international companies, they generally operate in partnership with PetroSA and/or local companies. South African businesses also benefit through the provision of supplies and services to foreign operators.
- While South Africa can supply relatively cheap bunker fuels, these are over a limited grade and do not include low-sulphur fuels. Additional offshore bunkering sites are constrained by sea conditions along much of the coastline, but ports could improve their storage capacity, the accessibility of berths and the cost of port services to help arrest the decline in demand for bunkers.
COASTAL TOURISM & SMALL HARBOURS

Prof Melville Saayman (Director: Tourism Research in Economic Environments & Society, North-West University) gave a presentation on the potential economic impact of marine tourism to the Blue Economy. While it is relatively easy to put a value to other marine sectors such as ports or gas extraction, doing so for marine tourism is more difficult because it includes tourists’ accommodation, transport and food. A Marine Tourism Framework had recently been completed by his unit, for which the economic value of various marine destinations, events and activities in South Africa had been estimated. Priorities for the sector include the development of a marine tourism strategy for South Africa and a dedicated marketing campaign.

Ms Nimi Ramchand (Chief Planner: Transnet National Ports Authority) focused on TNPA’s “People’s Port” concept, which forms a key part of the long-term planning framework for social development of the ports. Public access to ports had been restricted by the introduction of the International Ship and Port Facility Security (ISPS) Code, but the People’s Port concept would help ensure the sustainability of public access and promote alternate investment. Ms Ramchand presented design concepts for Durban’s proposed Victoria Embankment and new “dig-out port”, as well as current and planned public access and recreational activities in the ports of Richards Bay, Cape Town, Mossel Bay, East London and Port Elizabeth.

Mr Dhaya Govender (Deputy Director-General: Small Harbours, Department of Public Works) noted that problems plaguing small harbours and other state infrastructure along the coastline include poor management and lack of maintenance, skills shortages, the historical bias in favour of the Western Cape fishing harbours, and inefficient lease management. In 2014, the DPW and DAFF had commissioned the development of Spatial and Economic Development Frameworks (SEDFs) for 12 Proclaimed Fishing Harbours, which identified critical capital and maintenance projects to the value of R400 million. In addition, three new harbours would be developed, at Port Nolloth, Port St Johns and Port Edward. Investor conferences would soon be convened to solicit proposals for small harbour developments.

Ms Itumeleng Pooe (Manager: Marine Tourism and Leisure, SAMSA) gave a progress report on the integrated marine tourism and leisure strategy that SAMSA had embarked upon in 2014 in order to provide more clarity on marine tourism in the National Tourism Strategy. Five strategic thrusts had been identified, namely cruise tourism (destination and preparedness); inland waterways such as lakes, rivers and dams; beach tourism; harbours and ports; and recreation and events. Since SAMSA does not have a mandate for tourism, it had worked in partnership with the Department of Tourism, which had in turn collaborated with the Department of Environmental Affairs.

ADDITIONAL KEY POINTS FROM THE SESSION

- A Small Harbours and Coastal Development Lab has been established as part of Operation Phakisa, convened by the DPW’s new Small Harbours and State Coastal Property Development Unit, the aim being to stimulate private investment in order to create jobs, increase revenue and ensure economic growth.
- A Marine and Coastal Tourism Plan has been submitted to cabinet for approval.
- An open bid processes for cruise terminal development and operation in the ports of Durban and Cape Town had been conducted by the TNPA. The V&A Waterfront had been awarded the Cape Town tender, while an announcement on Durban was announced in June 2017.
FISHERIES & AQUACULTURE

Ms Lisa Geswindt (Deputy Director: Investment Promotion, Department of Agriculture, Forestry and Fisheries) noted that aquaculture is a young industry in South Africa, with production dominated by abalone, fish, oysters and mussels. Challenges faced by the mostly small-scale operators include a surplus of red tape, high start-up costs and a limited skills base. Progress has been made on legislative reform, establishing an Inter-Departmental Authorisations Committee and Aquaculture Development Fund, building capacity and other supporting initiatives. Certain areas have also been earmarked as Aquaculture Development Zones to encourage investment in the sector.

Ms Zimasa Jika (Acting Director: Sustainable Aquaculture Management, Department of Agriculture, Forestry and Fisheries) reported on the development of the Aquaculture Bill. The process began in December 2014, with the first draft gazetted for public participation in March 2016. Apart from promoting environmentally and socially responsible aquaculture development, the Bill aims to enhance food security, sustainable livelihoods, transformation, investment, research coordination and disease control. Ms Jika gave a chapter breakdown of the Bill and explained the next steps before it goes through the parliamentary process and is finalised.

Mr Edward Shalala (CEO: Oceans Economy Development) spoke about challenges in the South African fishing industry, including irrational fisheries rights allocations, fragmentation of the industry, compliance management and climate variability. He noted that the industry already compares favourably with other sectors in terms of transformation, but there is a lack of transparency by DAFF in terms of transformation targets. The Marine Living Resources Act, promulgated almost 20 years ago, should be reviewed so that new legislation can build upon its achievements. Management decisions should be based on sound scientific advice, while open and inclusive dialogue is needed to grow the sector and resolve its problems.

Mr Ferdie Endemann (Specialist Extension Officer: Aquaculture Farmer Support & Development, Western Cape Government) noted that the provincial government recognises the potential of aquaculture to improve livelihoods in economically marginalised coastal communities. Some of the aspects to consider in the development of an aquaculture venture include distance to markets, suitability of the site, demand for the product, ability to attract investment and skilled staff, and potential for upsScaling or expansion, all of which contribute to the economic sustainability of the venture. Regulation of the aquaculture sector falls within the mandate of a number of different government departments.

ADDITIONAL KEY POINTS FROM THE SESSION

- There are currently 35 Operation Phakisa aquaculture projects, 25 of which are in production, and a Strategic Environmental Assessment for marine and freshwater aquaculture development in all nine provinces is being conducted.
- The Aquaculture Development Fund will in future provide relief funding for events classified as a natural disaster, including red tides, which have resulted in layoff of workers and financial setbacks for shellfish aquaculture businesses.
- Transformation in the fishing industry has resulted in job losses, and this is likely to be compounded by implementation of the Small-Scale Fisheries Policy.

The Hamburg fish Pilot Project is a community-based initiative driven by the Department of Agriculture, Forestry and Fisheries (DAFF), which identified a number of aquaculture projects offering potential to empower coastal communities through technology transfer, skills development and job creation. The project is owned by the Siyazama Cooperative, which currently employs 21 people from Hamburg - a small settlement at the Keiskamma Estuary, about 60 km south-west of East London - plus a project manager with technical experience in aquaculture.

The dusky kob Argyromus japonicus, also known as kabeljou, is considered overexploited by line fishing and trawling in its natural habitat, but has shown promise as a target species for aquaculture. At Hamburg the fish are grown in tanks in a 2 ha land-based facility with the capacity to produce 20 tons of kob per year, but this could be expanded if the pilot project shows the venture to be viable. Financial support is provided by DAFF, which is willing to share the risks associated with developing this relatively new type of finfish farming in order to promote interest and investment in the aquaculture sector. There are also plans to revitalise an oyster farm in the estuary. The project is one of the 25 Operation Phakisa Aquaculture Lab projects currently in the implementation phase.
Ms Olufunmilayo Folorunso (Secretary-General: African Shipowners Association) drew attention to policy documents relevant to the Africa-wide maritime sector, including the African Union’s 2050 Africa’s Integrated Maritime Strategy (2050 AIM Strategy) and Charter on Maritime Security, Safety and Development, as well as the UN Economic Commission for Africa’s guide ‘Africa’s Blue Economy: A policy handbook’. She gave a number of suggestions about how South Africa could play a leading role in driving an African Maritime Development Agenda, stressing the need for national policy to have a Pan Africa outlook.

Ms Zukiswa Ncapayi (Chief Director: Industrial Policy, Department of Trade & Industry) outlined the policy context for the DTI’s Industrial Policy Action Plan (IPAP), which has identified marine manufacturing as a strategic sector for job creation and economic growth. The seven pillars making up the action programme for the success of the industry are: localisation and access to the local market, components manufacturing certification and accreditation, industrial financing, skills development, innovation framework, infrastructure and access to the African market. Public-private partnerships are considered key to the success of these interventions.

Mr Dean Hoff (Director: Invest SA, Department of Trade and Industry) reported that the DTI’s Invest SA initiative had recently been relaunched with an extended mandate for investment promotion and facilitation. It will serve as a one-stop shop providing strategic guidance and reducing red tape for those looking to invest in South Africa. A variety of maritime-related services offer opportunities for investing and doing business here. Mr Hoff reviewed government support for investors through Invest SA as well as Special Economic Zones, Customs Control Areas and valuable incentives that make business easier and more profitable for all port users.

KEY POINTS FROM THE SESSION

• Localisation is considered a key lever for industrial development, job creation, competitiveness and growth, yet of the R19 billion spent on working vessels by the South African Government and SOEs since 1994, only R900 million was on local procurement.

• The DTI has now designated the marine manufacturing sector for local procurement (60% local content) under the Preferential Procurement Policy Framework Act.

• Invest SA has compiled a document that outlines South Africa’s ocean economy opportunities in other countries, and provides useful information to potential investors, including any bilateral agreements and MOUs in place.

MEMORANDUM OF UNDERSTANDING FOR SEAFARER TRAINING

A highlight of SAMIC 2017 was the historic signing of a Memorandum of Understanding (MoU) between the South African International Maritime Institute (SAIMI) and the Global On-Board Training Centre (GOBTC). The MoU commits the two organisations to work together to secure berths on vessels for maritime cadets.

SAIMI is now responsible for managing South Africa’s national cadet programme, but a shortage of berths for the compulsory year-long on-board training creates a ‘bottleneck’ for the young mariners’ qualification. The MoU will increase opportunities for placing cadets on trading vessels around the world.

A similar agreement was signed between GOBTC and the African Shipowners Association.
Mr Andrew Adams (Assistant Director: Department of International Relations & Cooperation) noted that much of DIRCO’s focus is on building political relationships to create a conducive environment for investors to come into the country, while recognising that South Africa’s future is intricately linked with Africa’s future. Its Operation Phakisa Oceans Economy desk liaises with Missions abroad to explore opportunities in areas such as advocating for the programme objectives and goals; sourcing partnerships with host governments, the private sector and civil society abroad; encouraging foreign direct investment; seeking new export markets for our beneficiated products, and sourcing skills and capacity building programmes.

Mr Dumisani Ntuli (Acting Chief Director: Maritime Transport Policy, Department of Transport) gave an overview of the Comprehensive Maritime Transport Policy that is to be considered by Cabinet. A draft National Maritime Policy was published in 2008, but the current policy is aligned with the 2030 National Development Plan, published in 2012. In the case of the marine manufacturing and offshore industries, for example, the policy addresses government’s role in providing and promoting supporting services and infrastructure, incentive packages, pollution preparedness and response, a bunkering framework, and enhanced research and development.

ADDITIONAL KEY POINTS FROM THE SESSION

- A bilateral MOU on the ocean economy has been concluded with China, and synergies sought with regional initiatives such as the Indian Ocean Rim Association, the African Union’s Agenda 2063 and 2050 AIM Strategy, the Benguela Current Commission and the Abidjan Convention.
- The Comprehensive Maritime Transport Policy advocates the development of a regulatory framework for governance of navigation safety, security, protection of marine environment and operation. A cabotage regulatory framework will also be developed, and the advantages of using South African flagged ships for exporting cargo promoted.
- Representatives from the Bargaining Council for the Fishing Industry noted that the policy neglects aspects relating to fishing vessels and their specific labour issues.

Ms Nikki Funke (Senior Researcher: CSIR) gave an overview of the Research, Innovation and Knowledge Management Road Map for the South African Maritime Sector. Its overarching vision is for South Africa to be globally recognised as a maritime nation by 2030. While Operation Phakisa is a Presidential initiative for fast results delivery on critical development issues, the Road Map is a long-term, sector-driven initiative focussed on strategic objectives and action plans. However, Phakisa projects that are aligned with Road Map objectives draw on networks within the sector to address those objectives.

Dr Karl Klingsheim (Science & Technology Counsellor: Royal Norwegian Embassy and Innovation Norway) provided an international perspective on maritime research and innovation, and noted that new opportunities for cooperation between Norway and South Africa are emerging in ocean space and the blue economy. Norway has published a strategy for cooperation on higher education and research with South Africa and other BRICS countries for the years 2016-2020, as well as a Road Map for bilateral research cooperation with South Africa. Dr Klingsheim shared information on Norway’s Blue Maritime Strategy Task Force, African Union Commission) spoke about the team approach needed by African governments and the AU leadership to implement the 2050 Africa’s Integrated Maritime Strategy. The 2050 AIM Strategy consists of the long-term, multi-layered plans of actions that will achieve the African Union’s objectives to enhance maritime viability for a prosperous Africa. Its overarching vision is to foster increased wealth creation from Africa’s oceans and seas by developing a sustainable, thriving blue economy in a secure and environmentally sustainable manner.

ADDITIONAL KEY POINTS FROM THE SESSION

- The DBSA only funds infrastructure, and project proponents are expected to co-fund the project preparation phase.
- Aquaculture projects fall within the mandates of the IDC or Land Bank, but the DBSA Project Preparation Unit can assist in targeting these or other funders, and possibly co-fund associated infrastructure such as bulk water supply, electrical power or roads.
- Project preparation funds plus a commensurate rate of return must generally be paid back to the DBSA for projects found to be feasible. However, for projects with high development impact the DBSA instead considers socio-economic returns, such as the number of jobs created or the benefits to the community.
MARITIME EDUCATION & TRAINING

Dr Hisashi Yamamoto (Secretary-General: Global On-Board Training Centre) spoke about the training of seafarers through on-board training. This model, already practised in Japan, departs from the traditional learning hub in that shipping companies employ graduates and then send them for on-board training and additional virtual learning. The approach not only reduces the time taken to earn the Certificate of Competency qualification to a year or two, but produces high-quality seafarers. Dr Yamamoto also gave an overview of the role and contribution of the Global On-Board Training Centre.

Ms Elsie du Toit (Deputy Principal: Umbilozi TVET College) outlined the potential role of Technical Vocational Education and Training (TVET) Colleges in the maritime industry. The Umbilozi TVET is in the process of establishing a maritime campus in the Richards Bay Industrial Development Zone. Apart from training future seafarers, the campus could provide apprentice training and trade testing for fitters and turners, electricians, welders, boilermakers and instrument technicians in other maritime sectors, such as marine transport and manufacturing, offshore oil and gas, and aquaculture. An MoU has been signed with the Kalmar Maritime Academy in Sweden to ensure the curriculum and training methods are of an international standard.

Prof Ed Snyders (Head: Maritime Studies and Survival Centre, Cape Peninsula University of Technology) spoke about the role of universities in supporting human capacity development in the maritime sector, noting that academia has a moral obligation to assist Government in reversing high levels of unemployment and poverty. Given that the Higher Education Qualifications Sub-Framework (HEQSF) promulgated in 2013 had rendered the National Diplomas currently offered by CPUT and DUT for seafarers obsolete, from 2019 CPUT will instead offer two undergraduate bachelor degrees in Marine Engineering and Nautical Science. It is the intention that these will articulate into postgraduate degrees, unlocking myriad research opportunities.

Mr Adrian Strydom (Skills Programme Manager: South African Oil and Gas Alliance) provided an introduction to recognition of prior learning (RPL), which acknowledges that people build knowledge, understanding, skills and competence in their daily lives and workplaces. A system is needed to assess this learning so that people can be credited for their knowledge, facilitating their access to further education and training, and their progression within career paths. RPL is seen by government as a key approach to redressing past injustices in education, training and employment opportunities.

ADDITIONAL KEY POINTS FROM THE SESSION

- An articulation strategy is needed to ensure that students with qualifications from TVETs or SETA-accredited short learning programmes are given academic credit if they advance to universities
- Maritime education should not be limited to training for seafarers, but broadened to cater for career paths such as environmental management, maritime law, tourism, port development and ship building
- Selection of candidates for cadet training programmes should be more carefully considered in light of the challenges presented by life at sea, the work-experience bottlenecks and the global supply and demand issues that limit seafarers’ opportunities to complete training and find employment
- Cadets and officers should be absorbed into positions at maritime institutions or industry partners while waiting for training berths/jobs to become available.

Mr Malcom Alexander (Education, Training & Development Specialist: Transport Education & Training Authority) gave an overview of the role of the TETA and explained the two methods of accessing funding. He noted that most project proposals are submitted by small companies that pay low levies, so the TETA funds far more than is received from the sector. Among the initiatives being funded are learnerships for unemployed youth. The TETA works with the Quality Council for Trades and Occupations (QCTO) to ensure that SAMSA maritime training and associated SAQA land-based training meets quality criteria.

ADDITIONAL KEY POINTS FROM THE SESSION

- Australia’s Group Training model and Malaysia’s Perla Scheme were highlighted as examples of how other countries facilitate apprenticeships and other training programmes through partnerships with industry
- Boat-building businesses generally cannot bear the cost of long apprenticeships owing to their highly variable workload
- Some shipping companies are recruiting directly from universities and have their own cadetship programmes, which contributes to the shortage of training births available to the National Cadetship Programme. However, their reluctance to accept cadets from the National Cadetship Programme or their sea-time on the Agulhas should be explained so that any problems can be addressed.
- Accredited training courses for the fishing industry will be needed to comply with the IMO’s International Convention on Standards of Training, Certification and Watchkeeping for Fishing Vessel Personnel (STCW-F).
Lawhill Maritime Centre, which forms part of Simon's Town School in Cape Town, began as a pilot programme in 1995. The programme aimed to stimulate maritime awareness among young people, attract them to the shipping industry, and provide the maritime sector with skilled and knowledgeable employees.

Today the Centre offers two specialised subjects for students in Grades 10, 11 and 12.

- Maritime Economics is designed for students to proceed into the maritime industry ashore, and deals with topics such as maritime geography, port studies, maritime trade patterns, the structure of the local shipping industry, various aspects of ship operation and chartering, the bunker trade, ships' agency procedures, ship-breaking, cargo clearing, and maritime ecology
- Nautical Science prepares students directly for a career at sea and covers seamanship, coastal and astro-navigation, ship construction, cargo stowage, ship stability, and various other aspects of marine science

Forming an integral part of the school curriculum, the syllabi for these subjects are approved by the South African education authority as full subjects for the Senior Certificate examinations.

Lawhill Maritime Centre does not receive any direct Government funding and relies solely on grants, donations and industry-sponsored student bursaries. With the opening in early 2017 of new education and boarding facilities, the Centre currently provides instruction for approximately 80 day students and 16 boarders. The new facilities include an electronic navigation classroom with PC-based simulation training in electronic chart display systems (ECDIS). In addition, a 26 foot yacht was donated in April 2017 for practical sail and navigation training.

Increasing Participation of Women

Ms Hermoine Manuel (SHEQ Manager: Nautic Africa) noted that there were a number of initiatives to promote women’s participation in the maritime sector, such as the IMO’s Programme for the Integration of Women in the Maritime Sector, the Women’s International Shipping and Trading Association (WISTA), the recent Women in Maritime Leadership conference in California, and – at national level – efforts by SAMTRA. Although IMO statistics show that women still make up only 2% of the maritime workforce, there are a number of success stories in South Africa, and these should be shared to inspire and motivate others. Women’s participation in the maritime sector can be encouraged through support from family, friends and colleagues as well as from the media, industry and government.

Ms Angelique Touenguéné-Nlend (Director: Douala Port Authority, Cameroon, and WIMA-Africa) noted that opportunities for careers in the maritime sector are not limited to the traditional professions of the sea, but include the management of marine ecosystems, renewable energy and biotechnologies, as well as shipping-related marketing, economic intelligence and logistics. The empowerment of African women in the maritime sector requires political will to put in place effective policies, combined with intervention through education and training systems. The latter includes awareness-raising from primary school level about maritime opportunities, and the creation of maritime vocational colleges to develop the necessary skills.

Ms Sefale Montsi-Zuma (Director: Damen Shipyards Cape Town) reported that Damen Shipyards established a Training Centre in Cape Town in 2010 to provide technical and practical training for local students. However, only 23% of the trainees have been women, in part due to a lack of awareness of the opportunities available. At a more practical level there are challenges in the maritime industry such as physical strength requirements, no ablutions for women, an absence of women mentors, and socio-cultural attitudes that normalise bad behaviour in men but stigmatise women. There is clearly a need for policies aimed at promoting female participation in the maritime industry, which would be to the benefit of women and to the industry as a whole.

Ms Asmaa Benslimane (Vice-President: Arabic countries, WIMA-Africa and President: WISTA Morocco) spoke about the Women in Maritime Associations (WIMA) that arose from the IMO’s gender programme. WIMA-Africa is the continental platform that ensures a better coordination of activities related to the empowerment of maritime women, with emphasis on the need to mentor younger women. Over the next five years WIMA-Africa plans to develop a Maritime Knowledge & Academics Initiative, an integrated coastal management programme, a gender policy framework and a Research Initiative Mechanism. It will also implement a reporting system from local to continental level, and strengthen relationships with the AU and the IMO.

Additional Key Points from the Session

- The importance of mentorship was highlighted, particularly in shore-based maritime careers, where women have made significant inroads. However, mentoring programmes may need to be supported through government funding.
- Interventions are needed to raise awareness at high school level about possible careers for women in the maritime industry.
- Statistics on women’s participation in South Africa’s maritime workforce are needed in order to measure progress in this regard. Such information should include the percentage of women in management roles or business ownership.
Transnet National Ports Authority (TNPA) announced its appointment of women into a number of key positions in April 2017.

Mpumi Dweba, previously Port Manager at the Port of Ngqura, has been appointed as the first female Port Manager of the Port of Cape Town. Ms Dweba was instrumental in delivering on TNPA’s strategy to position the Port of Ngqura as a major container trans-shipment hub linking ports in the East, West and Southern Africa with their trading partners.

Former Mossel Bay Port Manager Tandi Lebakeng has been transferred to the Port of Ngqura, bringing with her more than 20 years of Transnet experience in trade and logistics, business strategy, and planning and development.

Jacqueline Brown, previously East London Port Manager, has been appointed as Executive Manager for Capacity Development and Enablement at TNPA Head Office, while Debbie Cilliers, a Chartered Accountant who has served as Executive Manager: Supply Chain and National Business Manager for the Auxiliary and Ports business unit at Transnet Engineering, has been appointed as Executive Manager: Office of the Chief Executive. Ayanda Mantshango, previously Corporate Affairs Manager at the Port of Durban, has been appointed as Executive Manager: Corporate Affairs.
The key objective of the inaugural South African Maritime Conference (SAMIC 2012) was ‘to provide a platform for dialogue with public and private sector role-players to share information on how to advance the maritime development agenda’.

Similarly, the objectives of SAMIC 2017 were to promote strategic conversations amongst stakeholders, but – more specifically – to profile opportunities for investment, establish a national collaborative framework and promote the mainstreaming of women in the maritime sector.

SAMIC 2017 also provided an opportunity to review progress since SAMIC 2012.

IMPLEMENTING THE MARITIME AGENDA

SECTION 2

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Progress since 2012

Perhaps the single most important outcome of SAMIC 2012 was the recognition of the potential of the maritime sector to make a significant contribution to the South African economy. The conference identified a number of activities aimed at realising this potential by addressing some of the challenges it faced at the time.

These activities included:
• Creating an institutional framework to coordinate all maritime-related efforts
• Addressing backlogs related to policy, regulatory and strategic framework
• Enhancing maritime awareness
• Business development, marketing and promotion
• Promoting infrastructure development to support growth of the sector
• Promoting maritime capacity, education, training and awareness.

More specific Key Action Items were identified for the various sub-sectors of the Maritime sector, including Marine Tourism and Leisure; Offshore Oil and Gas; Shipping, Ports and Logistics; Fishing and Aquaculture; Marine Manufacturing; and the growth of the South African Shipping Registry.

Progress in the implementation of the activities identified at SAMIC 2012 is summarised in Table 1.

Some of the highlights include:
• Operation Phakisa: The Oceans Economy component of Operation Phakisa - an approach adopted by Government in 2014 to accelerate delivery of the national priorities espoused in the National Development Plan 2030 – was the first to be implemented. This was largely due to the findings of the McKinsey report, commissioned as a direct result of the actions identified at SAMIC 2012. The McKinsey report estimated the value of the maritime sector and suggested that its further development could lead to the creation of about 1 million jobs and contribute as much as R177 billion to the GDP. Operation Phakisa has made a significant contribution to developing the Oceans Economy, in particular the sub-sectors of Maritime Transport and Manufacturing, Offshore Oil and Gas, and Aquaculture. It also includes programmes on Ocean Governance and Protection, Coastal and Marine Tourism, and Small Harbours and Coastal Development, as well as the cross-cutting enablers Skills Development and Capacity Building, and Research, Technology and Innovation. To date, it has unlocked R7,323 billion in both public sector and private sector investments and more than 6,952 new jobs have been created.

• South African International Maritime Institute (SAIMI): The origins of SAIMI go back to various SAMSA initiatives including a Maritime Skills Development study and Maritime Skills Summit in 2011, at which such an institute was recommended. SAMIC 2012 gave renewed impetus to these efforts, and a feasibility study was commissioned in 2013, with SAIMI being formally established in 2015. SAIMI has now been embraced by Operation Phakisa and the Department of Higher Education and Training (DHET) as the vehicle responsible for facilitating collaboration between various educational and research institutions and industry to meet the skills, technological development and information needs of the maritime industry. SAIMI has also been tasked with coordinating cluster development in South Africa.

• Policy, regulatory and strategic framework: A number of new Bills have been produced, including a Marine Spatial Planning Bill (plus a National Framework for Marine Spatial Planning), the Marine Protected Areas Bill (plus declaration notices for 22 offshore MPAs), the Ballast Water Management Bill and the Aquaculture Development Bill. In addition, the White Paper on National Environmental Management of the
Ocean was released for public consultations in 2014 and a draft Comprehensive Maritime Transport Policy in 2017. Marine Manufacturing has been designated under the Preferential Procurement Policy Framework Act. At the international level, South Africa has signed MARPOL Annexes IV and VI and a draft National Strategy on implementation of Annex VI has been completed.

**Funding and investment:** Operation Phakisa – through TNPA – has developed a Public-Private-Partnership model to finance new port infrastructure; DTI has relaunched Invest SA – a one-stop shop for investors; DIRCO has played a supportive role by working with its missions abroad to identify and promote opportunities for foreign investment in maritime projects, new export markets, and skills and capacity building programmes; DAFF has established Aquaculture Development Zones to attract investors and is working with other Government departments to establish an Aquaculture Development Fund, while DPW has scheduled investor conferences in May-June 2017 to secure funding for small harbour development.

**Infrastructure:** There has been significant investment in the upgrading or provision of port infrastructure, aimed at supporting the expansion of a range of maritime industries. Saldanha Bay, for example, is being promoted as an oil and gas hub via the construction of an offshore supply base, a new rig repair facility, and a jetty off the existing Mossgas Quay. Total public and private investment in this initiative is estimated at R9.2 billion. Other infrastructure being developed is intended to boost the boat/ship building and repair industry, and to enhance the availability of bunkers with a view to attracting passing ship traffic. In addition, Spatial and Economic Development Frameworks have been developed for 13 fishing harbours in the Western Cape. These will be extended to four others, and there are plans for the proclamation of three new harbours.

**Ship registry:** one of the action items identified at SAMIC 2012 was to grow the South African ship registry. The recent registration of four ships under the South African Flag was only possible because National Treasury was prevailed upon to amend taxation legislation, which was acting as a strong disincentive for shipping companies. The Taxation Laws Amendment Act, 2013, inserted section 12Q into the Income Tax Act, which exempts shipping activities from taxation.

**Aquaculture:** Some 35 aquaculture projects have been identified under Operation Phakisa, 25 of which are in the process of implementation. The implementation of aquaculture projects has been streamlined through the establishment of an Inter-Departmental Authorisations Committee, while funding will be provided through the Aquaculture Development Fund. Certain areas have also been earmarked as Aquaculture Development Zones to encourage investment in the sector, including in Amatikulu (KZN), Coega, Qolora, Algoa Bay and East London (EC), Vanderkloof (NC) and Saldanha Bay (WC).

**The African Maritime Agenda**

Although the broader African maritime agenda was not included in the Action Plan produced at SAMIC 2012, the session on Shipping, Ports and Logistics did recognise the need to establish an African Regional Coastal Shipping system or network, in line with the African Maritime Charter, as well as Pan African Partnerships. Subsequently, South Africa has played a leading role in initiatives around ocean governance and the blue economy at continental level, including:

- The establishment in 2013 of the Association of African Maritime Administration (AAMA), of which South Africa was the Interim Chair and Secretariat until April 2017
- The adoption of Africa’s Integrated Maritime Strategy (2050 AIM Strategy) by the AU in 2013/14 and the establishment of a Maritime Desk (currently in progress)
- The revision of the African Maritime Transport Charter, which is in the ratification process and which will enhance cooperation amongst African countries in the development of maritime transport
- The publication of a guide titled ‘Africa’s Blue Economy: A policy handbook’ by the UN Economic Commission for Africa

South Africa also, at the request of the AU, organised the African Maritime Domain (AMD) Conference in 2014, the primary objectives of which were to contribute to the development of the African Integrated Maritime Human Resources Strategy and other policies that complement Africa’s Integrated Maritime (2050 AIM) Strategy, as well as related initiatives in South Africa. A general conclusion was that there was a need to develop partnerships and collaboration around maritime training and education across Africa, as well as to improve coordination of the sector.
ADDRESSING THE GAPS & CHALLENGES

“Challenges facing our society, planet, and business communities can actually be turned into opportunities if we adopt the right mindset” - Klinghime (SAMIC 2017)

Despite the progress made over the past five years, numerous gaps and challenges remain. Many of the sub-sector specific challenges have been reported in the summaries of individual presentations. Those that are considered key to moving implementation of the maritime agenda forward are discussed briefly below – together with proposed interventions – while Table 2 provides a more detailed overview. It is noted that i) in some cases, efforts are already underway, and ii) the proposed interventions are largely based on those put forward at SAMIC 2017. With respect to the latter, cognisance must be given to the fact that none of the proposals were discussed in any depth and should therefore not be regarded as having been adopted. Instead they should be used as a starting point for the development of a strategy for implementation of the maritime agenda.

Coordination of maritime-related efforts:
While Operation Phakisa, through the Oceans Economy component, has provided a platform for coordination of activities across selected sub-sectors, and has made a significant contribution to the SAMIC objectives; it is a programme rather than an institutional framework. It is furthermore focused on those sub-sectors considered to have the greatest potential in terms of the National Development Plan, so it is not comprehensive. Concern has also been expressed that, although stakeholders were involved in the Labs, consultation has not been carried through to implementation. Consideration should be given to establishing:

- A more formal, all-embracing structure (a statutory body) to take the sector forward in the longer term – for example, an Oceans Council. Any discussions to this end should also take into account the White Paper on National Environmental Management of the Oceans (2014).

Regulatory framework:
The Comprehensive Maritime Transport Policy (CMTP) and a number of Bills still need to be finalised. The Mineral and Petroleum Resources Development Amendment (MPRDA) Bill, for example, has not been signed off by the President, which is of particular concern because it is creating uncertainty in the oil and gas sector. In addition, the Merchant Shipping Act (1958) and MARPOL are out of date, with the latter not having been amended since 1996 despite many new developments in the relevant IMO legislation. Moreover, although internationally trading ships have been exempted from tax in South Africa since changes to the Income Tax Act in 2014, this exemption has not yet been extended to coastal trading ships and the issue is therefore still hampering growth of the South African register.

Financial issues:
Although Operation Phakisa has unlocked a significant amount of funding through government procurement and private sector investment, some sub-sectors – and particularly SMMEs within those – still face challenges in terms of:

- Clustering is an appropriate mechanism for enhancing collaboration. There are already maritime clusters (established or incipient) in Durban, East London, Nelson Mandela Bay and Saldanha. Furthermore, in June 2016 the Oceans Economy Secretariat hosted a seminar on maritime clusters with the ultimate goal of laying the foundation for a National Maritime Cluster in South Africa. These initiatives should be pursued and consideration should be given to establishing a mechanism that would link clusters at the local/regional level to the proposed Ocean Council (or similar), allowing for a more active role for the private sector, academia and civil society. They could also be used to promote the uptake of maritime issues at provincial and local government level.

1) Reducing import duties on imported components (such as engines) for specific sectors

2) Extending support to promoting local production of components (as proposed by DTI) including those based on green/clean technology for use in the maritime sector, especially where these will be required to meet new international requirements (e.g. more efficient engines, exhaust emission control systems). These components would need accreditation and certification to global standards.

3) Greater involvement of Development Finance Institutions such as the IDC

4) Leveraging of third party funding through the DBSA.

Partnerships for skills development:
While there has been much in skills development, there are a variety of opportunities to enhance this through strategic partnerships. Possibilities include:

- The establishment of partnerships between industry and educational institutions. The Masters course in Petroleum Geosciences at UWC, for example, was presented as an opportunity to build the skills required by the oil and gas industry, but it would need support from industry to provide the resources to make it viable.

- Partnerships between local and international institutions: examples already established or in development include an agreement between DAFF and Stirling University for training of aquatic vets and aquaculture specialists, and another between the Umfolozi TVET and a Swedish institution aimed at ensuring international standards in maritime training are met. Similar opportunities should be identified for skills that are scarce or lacking in the country.

- Partnerships with organisations that are able to provide mentoring should also be sought. For example, it was reported that the General Botha Old Boys Association (OBA) not only has a bursary fund, its members are also actively involved in mentoring and motivational outreach activities such as work shadowing, ships’ visits, practical training and industry exposure.

Mainstreaming participation of women:
IMO statistics show that women still make up only 2% of the maritime workforce, and it is clear that South African women in the industry face many challenges. Nevertheless, it is noted that some 18% of cadets on the National Cadet Programme are women, and that some funding agencies include gender-based criteria.

Fisheries:
while the fishing industry compares favourably with other sectors of the economy in terms of transformation levels, the wild capture fisheries are largely based on stocks that are either fully exploited or overexploited. In addition, the scientifically based recommendations on catch limits are being increasingly disregarded, quota allocations have not been scientifically based recommendations on catch limits are being increasingly disregarded, quota allocations have not been properly taken into account and poaching is a major issue, particularly in the inshore fisheries. Fisheries policy and legislation needs to be reviewed to move away from its focus on transformation – which has largely been achieved, or will be once the Small Scale Fisheries Policy is achieved, or will be once the Small Scale Fisheries Policy is implemented – and refocus on protecting dwindling stocks to ensure that the industry remains sustainable.
SAMIC 2012 played a significant role in jump-starting dialogue on the potential of the Blue Economy in South Africa – dialogue that led to numerous other initiatives aimed at realising this potential.

SAMIC 2017 was an important opportunity to continue this dialogue, and to take stock of the progress that has been made over the previous five years. However, while similar conferences in future can continue to play such a role, there is a need for a more strategic and coordinated approach to driving implementation of the maritime agenda.

The outcomes of SAMIC 2017 should therefore be used as a starting point for the development of such a strategy.
## TABLE 1

### PROGRESS SINCE 2012

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<thead>
<tr>
<th>ACTION (SAMIC 2012)</th>
<th>PROGRESS TO 2017</th>
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<tr>
<td><strong>1. Creation of an institutional framework to coordinate all maritime-related efforts</strong></td>
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<tr>
<td>Create an institutional framework to coordinate all maritime-related efforts at national, provincial and local government level consisting of key stakeholders under the leadership of the DOT, with the focus on harnessing the wealth creation potential of the maritime sector.</td>
<td>The Operation Phakisa: Oceans Economy component provides a platform for coordination of efforts around the development of the various sub-sectors of the Oceans Economy. It is being driven by the DPME and DEA as part of efforts to implement the National Development Plan. A wide range of stakeholders have been involved in the Labs, and Delivery Units have been established in the key national departments. While this is not a formal institutional structure as such, it has accelerated efforts to harness the economic potential of the maritime sector.</td>
</tr>
<tr>
<td>Adopt a “design us in” approach to ensure that parastatals, companies, the private sector, SMMEs, consultants, institutions, local, provincial and national government are all part of an integrated approach to harnessing the wealth and economic development potential of the maritime sector.</td>
<td>Implement an integrated approach to maritime planning and licensing in order to maximise the potential for South Africa’s maritime economy. A draft Marine Spatial Planning Bill and National Framework for Marine Spatial Planning have been produced.</td>
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| Create an institutional mechanism to coordinate all efforts of private industry stakeholders covering all sub-sectors of the maritime industry with the focus on harnessing the wealth creation potential of the maritime sector. This could be in the form of a South African Maritime Sector Development and Competitiveness Council. | Create sub-institutional mechanisms at sub-sector level to coordinate efforts of different subsectors of the industry covering:  
- Shipping Ports and Logistics  
- Marine Tourism and Leisure  
- Offshore Oil and Gas  
- Offshore Mining  
- Fishing and Aquaculture  
- Marine Manufacturing and Ship Repairs  
Operation Phakisa: Oceans Economy has convened Labs on Marine Transport & Manufacturing (MTM), Offshore Oil and Gas, Aquaculture, Ocean Governance and Protection, Coastal and Marine Tourism, and Small Harbours and Coastal Development. The Delivery Units in the relevant Departments are assisting in the coordination of implementation of the activities identified during the Labs. |
| Remove blockages and bottlenecks that restrict / restrain the ability of the country to unlock its maritime economic potential. | Ensure that maritime features in all economic development plans for the country to seize job creation opportunities. There has been limited progress in uptake of maritime issues at provincial and local government level, with the Eastern Cape being a notable exception. |
| Tax legislation has been amended by insertion of section 12Q into the Income Tax Act to exempt shipping activities from taxation. An Inter-Departmental Authorisations Committee has been established to reduce the time lag in approving applications for aquaculture projects. In addition, a monitoring and certification system for aquaculture facilities is in the process of being implemented (some standards already implemented). | Establish SAMIC as a formal coordination and implementation agency to coordinate all efforts of different stakeholders. SAMI was established in Port Elizabeth in 2014/15 to promote collaboration in education, training and research in the maritime sector. It has also been requested to promote the establishment of clusters. |
## Action (SAMIC 2012) Progress to 2017

### 2. Address backlogs related to policy, regulatory and strategic framework

<table>
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<tr>
<th>Action</th>
<th>Progress to 2017</th>
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<tr>
<td><strong>Review consolidation and updating of the legislation impacting on marine environment and activities.</strong></td>
<td>It is unclear whether a comprehensive review was undertaken, but a number of Bills have been produced including the Marine Spatial Planning Bill, the Marine Protected Areas Bill (+ a declaration notice for 22 offshore MPAs), the Ballast Water Management Bill and the Aquaculture Development Bill. In addition, SA has signed MARPOL Annexes IV and VI and a draft Strategy on Implementation of Annex VI has been completed under GloMEEP.</td>
</tr>
<tr>
<td><strong>Finalise a National Maritime Policy in consultation with key stakeholders in the maritime sector.</strong></td>
<td>A Comprehensive Maritime Transport Policy has been developed by DoT and public consultations held. This is aligned with the NDP. In 2014, DEA produced a White Paper on National Environmental Management of the Ocean.</td>
</tr>
<tr>
<td><strong>An integrated strategy on harnessing economic potential of the sector must be developed and reviewed periodically. This must spell out a clear vision, high-level goals and integrated actions across policy, governance and business to enable South Africa’s maritime potential to be realised.</strong></td>
<td>Operation Phakisa is effectively fulfilling this although it does not cover all sub-sectors. In addition, the DTI’s IPAP 2011/12 - 2013/14 iteration identified Marine Manufacturing as a strategic sector for job creation and economic growth. Marine Manufacturing has also been designated under the Preferential Procurement Policy Framework Act. A Marine and Coastal Tourism Plan has been submitted to Cabinet for approval.</td>
</tr>
<tr>
<td><strong>Develop a maritime knowledge, research and innovation strategy for South Africa, which is properly funded and provide direction and focus for maritime related research.</strong></td>
<td>A Research, Innovation and Knowledge Roadmap has been completed with implementation workshops due to be held in 2017.</td>
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### Action (SAMIC 2012) Progress to 2017

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<tr>
<td><strong>There is a need to quantify the direct and indirect contribution of the maritime economy to South Africa’s GDP, job creation and transformation.</strong></td>
<td>Completed in the form of the McKinsey report commissioned by DEA. This was one of the catalysts for the establishment of the Oceans Economy component of Operation Phakisa.</td>
</tr>
<tr>
<td><strong>Creation of a research portal to allow information-sharing about the potential of the maritime sector, as well as prospects and opportunities.</strong></td>
<td>A National Oceans and Coastal Information System is being developed.</td>
</tr>
<tr>
<td><strong>Development of a national maritime database which must be accessible to all stakeholders in the maritime sector.</strong></td>
<td>Maritime information collected must also be disseminated at local level. Capacity should be built at local level on maritime data collection and interpretation. A national maritime research committee under the leadership of SAMSA must be formed to manage all maritime-related information. It is anticipated that SAIMI will play a coordinating function for maritime research.</td>
</tr>
<tr>
<td><strong>A mechanism must be put in place to ensure that emerging entrepreneurs have access to information and data collected on opportunities.</strong></td>
<td>A mechanism must be put in place to ensure that emerging entrepreneurs have access to information and data collected on opportunities. Integration of maritime into the macroeconomic policy of the country including the New Growth Path and plans of the National Planning Commission. This has been done via Operation Phakisa.</td>
</tr>
<tr>
<td><strong>A baseline study on the state of the maritime sector in South Africa must be undertaken and reviewed annually.</strong></td>
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### 3. Enhanced Maritime Awareness

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<tr>
<td>Build South Africa's maritime heritage and strengthen South Africa's maritime identity.</td>
<td>TETA provides career guidance to numerous schools, and at events and exhibitions.</td>
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<tr>
<td>Implementation of a targeted programme to heighten the awareness and appreciation of the maritime sector as central to the development of South African economy and addressing unemployment challenges.</td>
<td>Limited progress has been made on this, although Operation Phakisa has increased awareness around the potential of the Oceans Economy.</td>
</tr>
<tr>
<td>Ensure that there is engagement and participation by all South Africans in the maritime economy.</td>
<td>Operation Phakisa has also increased participation in the Oceans Economy.</td>
</tr>
<tr>
<td>Develop a maritime knowledge, research and innovation strategy for South Africa, which is properly funded and provide direction and focus for maritime related research.</td>
<td>A Research, Innovation and Knowledge Roadmap has been completed with implementation workshops due to be held in 2017.</td>
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### 4. Business Development, Marketing and Promotion

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<tr>
<td>Develop a common message with themes to promote maritime products.</td>
<td>DTI has relaunched Invest SA - a one-stop shop for investors - and published a guide outlining the capabilities of South Africa's ocean economy, and setting out useful contacts and information for potential investors. Special Economic Zones, Customs Control Areas and other incentives have been established for port users.</td>
</tr>
<tr>
<td>Give a clear message to South African and international investors on what South Africa is opening up to Market South Africa as a world-class maritime nation that is open to responsible business opportunities.</td>
<td>DIRCO has played a supportive role by working with its missions abroad to identify and promote opportunities for foreign investment in maritime projects, new export markets and skills and capacity building programmes. A bilateral MoU has been signed with China on the Oceans Economy.</td>
</tr>
<tr>
<td>Encourage coastal communities to avail themselves of existing and future maritime enterprises and opportunities.</td>
<td>TETA provides career guidance to numerous schools, and at events and exhibitions.</td>
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More specific key Action items were identified in breakaway discussions for the various sub-sectors of the Maritime sector, including Marine Tourism and Leisure; Offshore Oil and Gas; Shipping, Ports and Logistics; Fishing and Aquaculture; and Marine Manufacturing and Ship Repair. Details of the proposed interventions can be found in the SAMIC 2012 Report.

In addition to the development of infrastructure and skills development summarised in Actions 5 and 6 respectively, the following activities have been completed or are underway for specific sub-sectors:

- **Coastal and Marine Tourism:** Lab completed in 2016, and Marine and Coastal Tourism Plan submitted to Cabinet. A Marine Tourism Framework has also been completed (NWU). Includes various initiatives: events and routes development, beach precinct development and enhancement, tourist safety, research and skills development.

- **Offshore Oil and Gas:** DME has issued 15 new exploration licences; DoE established Gas Independent Power Producer Programme; Saldanha Bay to become oil & gas hub; offshore bunkering facility established in Algoa Bay.

- **Aquaculture:** Aquaculture - 35 aquaculture projects identified; 25 in process of implementation; Strategic Environmental Assessment underway to identify suitable locations. Some Aquaculture Development Zones identified (Amatikulu – KZN; Algoa Bay, Coega, East London, Qolora – E. Cape; Vanderkloof – N. Cape; Saldanha Bay – W. Cape).

- Establishment of Aquaculture Development Fund underway.

- Establishment of AquaSA (statutory body under the Marketing of Agricultural Products Act).

- DAFF and the DTI in discussion on procurement of fish products by schools, hospitals, corrections services etc.

- **Marine Manufacturing and Repair:** TNPA commissioned nine new tugboats (four completed); plans for numerous other vessels, including fishing vessels (part recapitalisation); investment for production of catamarans. Marine Manufacturing has also been designated under the Preferential Procurement Policy Framework Act.
5. PROMOTE INFRASTRUCTURE DEVELOPMENT TO SUPPORT THE SECTOR GROWTH

Ensure provision of adequate and timely Maritime Infrastructure Development, particularly by Transnet. This includes access to suitable marine manufacturing sites, harbours, cruise terminals with appropriate infrastructure and regulatory processes that do not inhibit sustainable business operations.

Maximise the utilisation of existing infrastructure and put in place integrated policies for developing new key strategic infrastructure to support job creation and economic growth.

Carry out national, provincial and local initiatives aimed at tapping into the potential of new and existing maritime infrastructure to develop sustainable products, services and jobs.

Provide funding to support vessel acquisition and other aspects of the maritime sector and improve the ship registry for South Africa.

In 2015, TNPA published a National Port Development Plan and Operation Phakisa through TNPA has developed a Public-Private-Partnership model to finance new port infrastructure in Saldanha Bay, Port Elizabeth, East London, Durban and Richards Bay. This has catalysed numerous infrastructure projects which together represent investments of some R 16 billion. Examples include:

- Burgan Fuel storage facility (Cape Town)
- Gas pipeline network designed
- New slipway, upgraded boast hoist in PE
- New Liquid Fuels Terminal to be constructed at the Port of Ngqura
- Liquid Bulk Terminal for petroleum products at Island View in the Port of Durban – advertised for tenders;
- Floating dock launched at ship repair facility in Durban;
- Procurement of 20 new ship-repair cranes for Cape Town and Durban;
- Development of cruise terminals in Cape Town and Durban underway.

In addition, Spatial Economic and Development Frameworks were developed for 13 fishing harbours in the Western Cape, and three new harbours are planned. Investor conferences to secure funding for implementation will be convened in June 2017.


6. PROMOTE MARITIME CAPACITY, EDUCATION, TRAINING AND AWARENESS

Capacity building for South Africa’s maritime sector will be essential, incorporating the development of technology diffusion and innovation, research and development, business collaboration, supply chain efficiency and capital investment.

Plan for the appropriate human resources to be in place to efficiently and effectively meet current demands and capture future opportunities in relation to maritime economy.

Maintain and build capacity to meet the needs of the maritime sector through tailored education and training programmes and research capacity building by:

- Identifying skills needs and labour market supply and demand trends
- Tailoring basic, higher, vocational education and professional development programmes to meet identified needs
- Building maritime research capacity through targeted national and international research funding.

Workplace Based Learning Programme Agreement Regulations being developed by DHET.

Operation Phakisa Skills Working Groups.

Occupational teams established for strategic infrastructure projects.

Targets set for training of TVET students over the next five years.

New degree level courses planned at CPUT.

200 students appointed on Blue Flag Programme.

DOT/SAMSA/SAIMI initiatives:

- Launch of SA Agulhas I as a dedicated training vessel.
- MOU signed with Global Onboard Training Centre.
- Support to course on Ocean Governance in Africa (run by IOI-SA).
- Maritime Training Programme for TVET Colleges in place – aligned with skills requirements for Operation Phakisa: Oceans Economy priority sectors.
- The Umfolozi TVET College in the Richards Bay IDZ has signed a MoU with a college in Sweden to ensure the maritime training standards of the Umfolozi college are of an international standard. It is also being expanded to include facilities for apprentice training and trade testing at the Port.

DFF/SAIMI initiatives:

- Draft skills audit available.
- Draft agreement between DFF and Stirling University for training of aquatic vets and aquaculture specialists. Training scheduled to start in September 2017.

Panorama Strategy (2015):

Involves Norway, Japan and BRICS countries.

Objectives are to improve resources utilisation and exploit synergies.
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<tr>
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<tr>
<td>6. Promote maritime capacity, education, training and awareness</td>
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<tr>
<td>Industry to provide leadership in the implementation of the Maritime Sector Skills Study through the establishment of a Maritime Sector Human Resources and Skills Development Forum.</td>
<td>Industry-Education Skills Partnership. DTI has developed a skills development programme working with industry: pilot project to be funded by National Skills Fund. UWC run a Masters Course in Petroleum Geosciences with some support from oil companies.</td>
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<tr>
<td>Establish South Africa as an international maritime training destination for the continent and ensure that knowledge of maritime wealth is embedded into the primary and secondary school curriculum.</td>
<td>A number of new 'maritime' high schools have been established.</td>
</tr>
<tr>
<td>Develop outreach programmes to create awareness.</td>
<td>TETA provides career guidance to numerous schools, and at events and exhibitions. TNPA held its first People’s Port Festival in Port Elizabeth in March 2017.</td>
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## GAPS AND CHALLENGES: MOVING FORWARD

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<th>GAP/ CHALLENGE</th>
<th>PROPOSED INTERVENTIONS</th>
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<tr>
<td>1 Coordination of maritime-related activities</td>
<td>Although Operation Phakisa provides a platform for dialogue between the sub-sectors involved, coordination of maritime-related activities still needs to be improved. Moreover, some sectors – e.g. fisheries – have not been included in Operation Phakisa, and there is concern that stakeholders are being increasingly excluded in the implementation phase. The development of a more formal institutional framework should be considered – perhaps a Maritime Ministry, or an Inter-Ministerial or Oceans Council comprising relevant Ministers, civil society, academia and the private sector. The White Paper on ocean management (NEMO) needs to be brought into the discussion.</td>
<td>DPME, DEA, DOT, SAMSA, SAIMI, DoE, DHET, DTI, DIRCO</td>
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<td></td>
<td>An Oceans Council or Ministry could then be linked to clusters at regional/local levels, which could play a role in mainstreaming maritime issues into the development agendas at provincial and local government levels. Awareness of the opportunities available also needs to be increased.</td>
<td>SAIMI, Provincial and local government, SALGA, Industry stakeholders</td>
</tr>
<tr>
<td>2 Backlogs related, regulatory and strategic frameworks</td>
<td>Various Bills, especially the Mineral and Petroleum Resources Development Bill, need to be finalised. The Comprehensive Maritime Transport Policy (CMTP) needs to be finalised and implemented. It was proposed that it should have a Pan African outlook. The Merchant Shipping Act (1958) urgently needs to be updated to support the CMTP. MARPOL legislation needs to be amended and updated to include additional annexes, MEPC Resolutions etc., and to support the new CMTP. The National Strategy on implementation of Annex VI needs to be finalised and implemented, particularly components dealing with energy efficiency of vessels and port operations. Tax relating to coastal shipping needs to be addressed. There needs to be a review of the Commercial Ports Policy (2003) and a port land use spatial planning framework introduced.</td>
<td>DEA, DAFF, DoE, DOT, National Treasury</td>
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<td></td>
<td>DOSI, DGSA, Industry stakeholders, provincial and local government, industry stakeholders, and other stakeholders. Later will consider funding port infrastructure, natural gas handling facilities, vessel acquisition and bulk infrastructure for aquaculture.</td>
<td>DOT, TNPA</td>
</tr>
<tr>
<td>3 Financial issues</td>
<td>Reduce import duties on relevant components and/or expand marine manufacturing from boats and ships to other products to promote localisation of components and meet the demand for installation of green technologies. Encourage greater involvement of institutions such as the IDC, Land Bank and DBSA. Latter will consider funding port infrastructure, natural gas handling facilities, vessel acquisition and bulk infrastructure for aquaculture. Establishment of Aquaculture Development Fund to be finalised (to drive transformation by providing new entrants with access to funding). Need to further expand business and marketing opportunities in Africa.</td>
<td>DTI, Customs, DOT, DAF, SALGA, Industry stakeholders</td>
</tr>
<tr>
<td>4 Skills development</td>
<td>Promote the establishment of partnerships between: • Industry and educational institutions • Local and international entities • SAIMI and organisations that can provide mentoring. Develop a National Skills Plan for the Maritime Sector. Increase employer participation in maritime skills development – more internships, apprenticeships and mentoring programmes. Work towards effective articulation between the various HET institutions. Develop degree courses in maritime education and training – more competitive. Establish more schools based on the Lawhill model. Encourage electronic learning. Assess the value of the SA Agulhas as a cadet-training facility. National Cadet Programme needs to be restructured based on lessons learned and to meet international requirements. This should include STCW-F – IMO requirements for Fishing Vessel Personnel. Technical skills need to be developed for: • LNG project • Offshore oil and gas sector • Marine tourism sector • Marine finfish farming.</td>
<td>SAIMI, DHET, TETA</td>
</tr>
<tr>
<td></td>
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<tr>
<td>5 Research and innovation</td>
<td>Support and develop maritime-focused technology and innovation with an emphasis on promoting green/clean technologies as well as safety and security.</td>
<td>SAIMI, CSIR, Tertiary institutions</td>
</tr>
<tr>
<td>6 Mainstreaming the participation of women</td>
<td>Improve mentoring by and for women in the sector. Need to grow awareness amongst women of the value of the sector and the opportunities it presents. NOTE: A ‘Women in Maritime Summit’ was scheduled for 4 – 5 May 2017 in Cape Town (additional recommendations should be sought from that).</td>
<td>SAIMI, WIMA</td>
</tr>
<tr>
<td>7 Sub-sector development</td>
<td><strong>Coastal and marine tourism</strong>&lt;br&gt;• The value of Coastal and Marine tourism needs to be quantified.&lt;br&gt;• There is a need for a coastal and marine tourism strategy.&lt;br&gt;• Implementation of People’s Port concept.&lt;br&gt;• Investigation of potential for tourism to the Prince Edward Islands.&lt;br&gt;• Marketing campaign&lt;br&gt;• Need to provide berths for cruise ships in SA ports.</td>
<td>Department of Tourism, DEA, TNPA, Tourism Agencies</td>
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<td></td>
<td><strong>Oil and Gas</strong>&lt;br&gt;• Bunker products need to be reviewed to be in line with regulatory requirements under Annex VI of MARPOL.&lt;br&gt;• Bunkering framework needs to be established.</td>
<td>DoT, SAMSA, DoE, Oil industry</td>
</tr>
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<td></td>
<td><strong>Fisheries</strong>&lt;br&gt;• Fishing vessel recapitalisation.&lt;br&gt;• Explore opportunities in international waters.&lt;br&gt;• Review MLRA.&lt;br&gt;• Improve compliance.</td>
<td>DPME, DoT, DAFF, SAIMI</td>
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<td></td>
<td><strong>Shipping</strong>&lt;br&gt;• Grow the national fleet to take advantage of intra-African trade opportunities. Need a financing mechanism and fiscal incentives to encourage this. The DBSA option needs to be explored.&lt;br&gt;• Promote intra-continental/ regional trade.&lt;br&gt;• A South African Shipowners Association should be considered.</td>
<td>DoT, SAMSA, DTI, DIRCO, industry</td>
</tr>
<tr>
<td>8 Financial issues</td>
<td>Help drive the African Maritime Development Agenda. Also need to establish sectoral bodies where they do not already exist e.g. Chamber of Shipping. Investigate the possibility of using the SA Agulhas I to provide a cadet training service to the whole of Africa. Expand cooperation with other BRICS countries.</td>
<td>DOT, SAMSA, SAIMI, DIRCO</td>
</tr>
<tr>
<td>9 Skills development</td>
<td>Maritime awareness programmes to be enhanced.</td>
<td>SAIMI</td>
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CREDITS

The conference report was compiled by a team from the International Ocean Institute (IOI-SA). The document was developed primarily by Sue Matthews and Lynn Jackson, with assistance from Adnan Awad and Shannon Hampton. Further assistance was provided by the Nelson Mandela University postgraduate students Nathi Dwayi, Neo Ramabulana and Zilondiwe Goge, as well as Tebogo Mojafi of SAMSA, acting as conference rapporteurs, capturing points of discussion during the plenaries and breakaway sessions. Conference organiser, Tanaka Mugabe, assisted by facilitating the rapporteurs’ input and providing additional information.

Ed Richardson of Siyathetha Communications edited the report and compiled the Executive Summary.