



REPUBLIC OF SOUTH AFRICA



# **OPERATION PHAKISA OCEANS ECONOMY**

**- Progress Report -**

**MAY 2016**

# Operation Phakisa was first publicly mentioned in the State of the Nation Address response...

*“The first implementation of Operation Phakisa will be led by the Department of Environmental Affairs. It will focus on unlocking the economic potential of South Africa’s oceans, which are estimated to have the potential to contribute up to one hundred and seventy seven billion rand to GDP by 2033 compared to fifty four billion rand in 2010.”*

H.E. President J.G. Zuma, July 2014



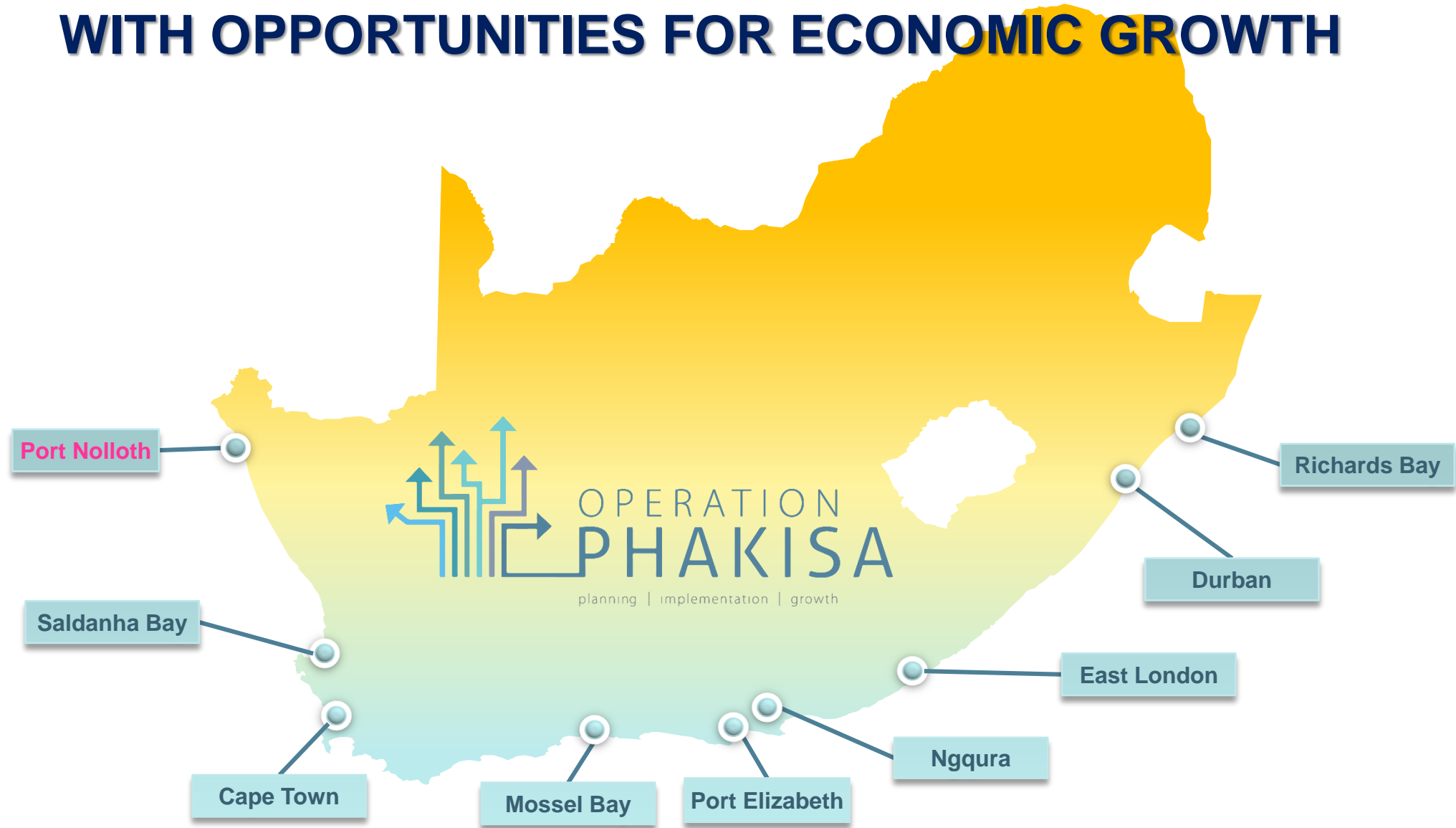
...**BRINGING TOGETHER** Government, State Owned Entities, Industry, Labour, Civil Society and Academia to collaborate in unlocking the economic potential of South Africa's Oceans.



...**UNLOCKING** the economic potential of South Africa's Oceans

...**DELIVERING** on the aspirations of the National Development Plan 2030

# SOUTH AFRICA HAS **EIGHT** MAJOR PORTS WITH OPPORTUNITIES FOR ECONOMIC GROWTH





# FOCUS AREAS & DEPARTMENTS INVOLVED

DEA, DPME, DOT, DPE, DTI, DMR, DOE, DAFF, DST, DHET, DPW, DRDLR, DOL, DHA, NT, DSBD, DOD, EDD, DOW, NDT, DIRCO, DPSA

-  **Marine Transport and Manufacturing**
-  **Offshore Oil and Gas Exploration**
-  **Aquaculture**
-  **Marine Protection Services and Ocean Governance**
-  **Small Harbours Development**
-  **Coastal and Marine Tourism**
-  **Skills Development and Capacity Building**
- Research, Technology and Innovation**





# Marine Transport and Manufacturing



# MTM – INITIATIVES

## A Infrastructure and operations

- 1 Create supportive funding and revenue model
- 2 Establish purpose-built oil and gas port infrastructure by appointing facility operators – Saldanha Bay
- 3 Align on implementation of government policy
- 4 Prioritise Transnet and TNPA funding allocation towards marine manufacturing
- 5 Maintain and refurbish existing facilities
- 6 Unlock investment in new and existing port facilities
- 7 Implement a Strategic Prioritised Project – Richards Bay
- 8 Implement a Strategic Prioritised Project – East London

## B Skills and capacity building

- 9 Train 2,550 TVET College graduates on an 18-month workplace-based experiential learner programme in scarce and critical trades over the next 5 years
- 10 Create dedicated OTs for the MTM sector (professional, trades, operators and seafarers)
- 11 Establish trade RPL, CBMT or centres of specialisation in Saldanha Bay and Richards Bay
- 12 Train 18,172 learners as artisans, semi-skilled workers and professionals over the next 5 years
- 13 Increase usage of ESSA system and targeted career awareness services as a high-value recruitment tool for MTM
- 14 Increase capacity to develop skills for ~1,200 ratings and ~720 officers per year

## C Market growth

- 15 Create and implement a public procurement and localisation programme
- 16 Develop a strategic marketing campaign and value proposition for target markets
- 17 Propose inclusion of a preferential procurement clause in the African Maritime Charter
- 18 Support local registry of vessels through incentives and legislation of using SA-flagged ships for cargo and coastal operations (based on UN Conference on Trade and Development and African Maritime Charter guidelines)

- i. TNPA – Transnet National Ports Authority
- ii. ESSA – Employment Services of South Africa
- iii. TVET – Technical and Vocational Education and Training

- iv. RPL – Recognition of Prior Learning
- v. CBMT – Competency-based Modular Training





# MTM – INITIATIVES: PHASED IMPLEMENTATION

## Phase I: Initial Short-term targets

*First results by Mar 2016*

- 1 Create supporting funding model
- 2 Establish purpose built O&G infrastructure – Saldanha Bay
- 3 Align on implementation of government policy
- 4 Prioritise Transnet and TNPA funding allocation
- 5 Maintain and refurbish existing facilities
- 6 Unlock investment in port facilities
- 7 Implement Strategic Prioritised Projects – Richards Bay
- 10 Create dedicated Occupational Teams
- 12 Train learners as Artisans
- 13 Increase usage of ESSA system
- 14 Capacity for seafarers
- 15 Public procurement and localisation programme
- 16 Strategic marketing campaign
- 17 Preferential procurement in the African Maritime Charter

## Phase II: Medium term

*First results by Mar 2019*

- Implement Prioritised
- 8 Projects – East London
- Train 2550 TVET college graduates
- 9
- Establish Trade RPL/Centres in Saldanha Bay and Richards Bay
- 11
- Support local registry of vessels through incentives of using SA-flagged ships
- 18

## Phase III: Long term

*First results by Mar 2025*

- none







# MTM - INFRASTRUCTURE AND OPERATIONS PROGRESS

## NEW OPERATION PHAKISA PORT INFRASTRUCTURE

- Transnet National Ports Authority (TNPA) and Transnet SOC Limited adopted a **Public- Private -Partnership (PPP) model** to finance new Operation Phakisa infrastructure at the **Ports of Saldanha Bay, Richards Bay and East London:**
  - **R 5 billion Government investment**
  - **PPP opportunity of approximately R7 billion investment** in new facilities;
  - Development of funding model at an advanced stage.
  - A **Section 79 application granted** by the Minister of Transport for a port lease at the Port of Port Elizabeth in support of the **Composites Cluster and boat building**, and the **Manganese terminal at Coega IDZ. Unlock of R 1.25 billion in investment contracts over the next 5 years - building of catamarans, creating approximately 500 jobs.**



# MTM - INFRASTRUCTURE AND OPERATIONS PROGRESS

## NEW OPERATION PHAKISA PORT INFRASTRUCTURE

- Establishment of Saldanha Bay as an oil and gas hub: Total investment (public and private) **estimated at R9.2 billion - 3 projects: Offshore Supply Base (work has commenced, approximately 30 initial jobs currently being created); Berth 205 (construction of new rig repair facility); Mossgas Jetty (extension of existing quay).**

## ALIGNMENT ON IMPLEMENTATION OF GOVERNMENT POLICY

- Draft **Green Paper on Maritime Transport Policy** consolidated with inputs from SAMSA, Ports Regulator, Maritime Branch and other Government Departments.



# MTM - INFRASTRUCTURE AND OPERATIONS PROGRESS

## MAINTENANCE AND REFURBISHMENT OF EXISTING FACILITIES

- Transnet National Ports Authority (TNPA) and Transnet SOC Limited will fund and execute the **refurbishment and upgrade of existing Ship Repair Facilities** at South African commercial ports.
- **Government investment: R 2 billion**
- **Scope of works completed** for all projects;
- Projects at various different stages of planning and execution.
- Highlights include:
  - PORT ELIZABETH:** Refurbishment of lead in jetty, new 90 Ton boat hoist and new boat repair facilities;
  - DURBAN:** Refurbishment of outer dry dock caisson and procurement of equipment;
  - SALDANHA BAY:** Upgrade of Offshore Supply Base in execution phase.
- **A total of 177 construction related jobs have been created within the last 12 months.**





# MTM - SKILLS AND CAPACITY BUILDING PROGRESS

- Department of Labour through the Employment Services of South Africa (ESSA) initiated the **Workplace Based Learning Programme (WBL)**.
- Workplace Based Learning Programme (WBL) policy framework drafted to support the proposed Workplace Based Learning Programme Agreement Regulations for the **placement of 2550 TVET College Graduates**.
- A specific **Marine Transport and Manufacturing (MTM) recruitment project** will be developed using the Employment Services of South Africa (ESSA) system. Skills Working Groups are in the process of finalising the profiling and selection process.
- The **amendment of Seafarers Bill approved by Parliament** to fast track skills development within the marine sector.



# MTM - SKILLS AND CAPACITY BUILDING PROGRESS

- **SAIMI established to coordinate Maritime Education and Training.**
- **Funding secured to run the National Cadet Programme.** Discussions underway on a distributive model for cadet training ( utilisation of a dedicated vessel, governmental fleet and commercial fleet).
- Two colleges identified for a pilot project to produce Ratings from Jan 2017.
- **Two new high schools for maritime studies were launched in 2016 - the schools are Ngwenyathi S.S.S in Nxarhuni near Mdantsane, Eastern Cape and George Randell S.S.S. near East London Airport.** They commenced classes in January 2016 and started with intake of Grade 10 pupils. Teachers have been trained through a refresher course in Belgium and preparation course in Western Cape.



# MTM - MARKET GROWTH PROGRESS



## PUBLIC PROCUREMENT

Achievements since the designation of working vessels for local procurement (60% local content) and issuance of the instruction note by National Treasury:

- **5 Tenders for new builds** and 5 tenders for maintenance work advertised with the 60% local content requirement included in the RFPs by procuring entities;
- **A private company is currently building 7 tugboats** as part of a **R1.4 billion tender** awarded by TNPA in 2014:
  - The contract has to date **created approximately 200 additional jobs. More than 60 apprentice artisans are in training as well as three marine engineers;**
  - **More than R700 million has been earmarked for the Supplier Development Plan** entered into by SAS and Transnet local suppliers, employees and graduates;
  - **The first of 2 new, powerful tugboats bound for the Port of Port Elizabeth port** marked the first milestone in a R1.4-billion nine-tugboat contract to bolster the efficiency of the ports' marine operations countrywide.



# MTM - MARKET GROWTH PROGRESS



## PUBLIC PROCUREMENT

Achievements since the designation of working vessels for local procurement (60% local content) and issuance of the instruction note by National Treasury:

- Private investments of R289.9 million and R63.4 million approved under the **12I tax incentive**. These **investments** are **expected to create 141 and 214 direct jobs respectively**.
- Private company granted a Section 79 to build a facility at Port Elizabeth Harbour with R1,25 bn worth of orders of exports. Expected to create 500 jobs. Lease agreement signed with TNPA in December 2015.
- **Local company awarded a tender worth approximately R23million to build workboat ferries for the Navy.**
- Private partnership to build **two new vessels to carry out supply and support work for offshore diamond mining activities in Port Nolloth**. The private investment is to the value of R150 million, creating 3000 indirect jobs.



# MTM - MARKET GROWTH PROGRESS



## MARKETING CAMPAIGN

- Transnet has developed **strategic marketing campaign and value proposition for target markets.**

## SUPPORT LOCAL REGISTRY OF VESSELS

- **Three ships have now been registered on the South African Ship register:**
  - **Two bulk carriers** will be operating from **Port of Port Elizabeth** where the company will establish offices;
  - A **third vessel**, a 24 500 GT (Gross Tonnage) oil tanker operating from the **Port of Cape Town**







# MTM - MAKING HISTORY (1/2)

The Cape Orchid, a commercial cargo vessel, became **South Africa's first registered vessel under the country's flag in September 2015 – the first such registration in 30 years.**





## MTM - MAKING HISTORY (2/2)



They are **Samkelo Ndongeni (25)** a deck cadet from **Nggushwa** near **King Williams Town, Eastern Cape**; **Gordon Sekatang (26)**, an engine cadet from **Nelspruit** in **Mpumalanga** and **Thembani Mazingi (24)** also an engine cadet from **Cofimvaba, Eastern Cape**. They all are hoping to become marine engineers at some point in the next 10 years.

**Three South African youths**, who recently boarded the ficountry's registered vessel carrying the **SA flag, the Cape Orchid**, with the skipper, Captain **Edgardo De Asis**. The trio will remain with the ship for at least six months.



Source [www.samsa.com](http://www.samsa.com)





# MTM - MARKET GROWTH PROGRESS



## SUPPORT LOCAL REGISTRY OF VESSELS

- Incentives are provided to attract vessels to re-flag as South African vessels:
  - The Ports Regulator of SA has made concessions for Ships registered in terms of Chapter 4, Part 1 of the Ship Registration Act which are: 1) Built for conveyance for compensation of passengers or goods, and 2) Whether they are engaged in international or coastal trade.  
The discount is applicable year on year up to 31 March 2019 as follows:
    - ✓ Vessels registered in 2016/17 will receive a 30%
    - ✓ Vessels registered in 2017/18 will receive a 20% discount, and
    - ✓ Vessels registered in 2018/19 will receive a 10% discount.
  - The amendment to the Income Tax Act, 58 of 1962 which introduced a new section 12Q, providing tax exemptions to qualifying shipping companies.

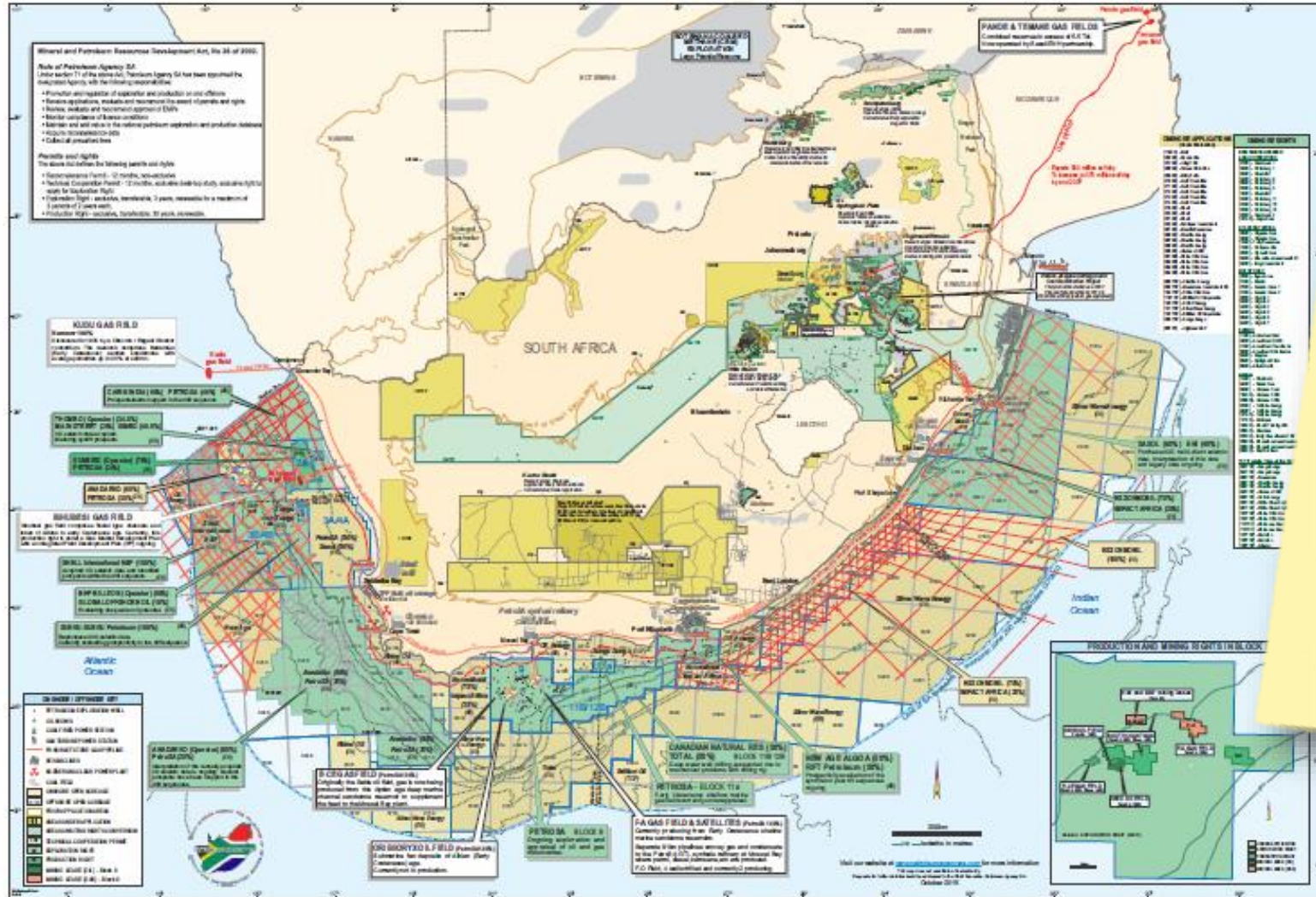


# Offshore Oil and Gas



# OFFSHORE OIL & GAS - POTENTIAL

## PETROLEUM EXPLORATION AND PRODUCTION ACTIVITIES IN SOUTH AFRICA



South Africa has possible resources of ~9 bn barrels of oil and ~60 tcf of gas offshore, but uncertainty is high.

The aspiration is to create an environment that **promotes exploration** while simultaneously **maximising the benefits for South Africa.**



# OFFSHORE OIL & GAS - INITIATIVES

## A Infrastructure

- A1 Develop phased gas pipeline network

## B Environment

- B1 Conduct joint industry/ government emergency response drills
- B2 Operationalise IOPC<sup>1</sup> Funds
- B3 Exploit broader research opportunities presented by offshore oil and gas exploration

## C Localisation of Supply Chain

- C1 Develop/implement local content roadmap

## D Capability Development

- D1 Develop/implement skills strategy roadmap
- D2 Develop capability for sub-surface research and data gathering

## E Institutions

- E1 Build end-to-end institutional structure
- E2 Enhance environmental governance capacity of oil and gas regulator
- E3 Promote awareness of oil and gas industry

## F Legislative

- F1 Provide legislative clarity and stability





# OFFSHORE O&G – INITIATIVES: PHASED IMPLEMENTATION

## Phase I: Initial Short-term targets *First results by Mar 2016*

- B1** Conduct joint industry/ government emergency response drills
- B2** Operationalise IOPC fund
- B3** Exploiting the broader research opportunities presented by offshore oil and gas exploration
- E1** Build end-to-end institutional structure
- F1** Provide legislative clarity and stability

## Phase II: Medium term *First results by Mar 2019*

- C1** Develop/implement local content roadmap (2016)
- D1** Develop/implement skills strategy roadmap (2016)
- D2** Develop capability for sub-surface research and data gathering
- E2** Enhance environmental governance capacity of the Oil and Gas regulator
- E3** Promote awareness of the Oil and Gas industry

## Phase III: Long term *First results by Mar 2025*

- A1** Develop phased gas pipeline network





# O&G - INFRASTRUCTURES & POLICY FRAMEWORK PROGRESS

## DEVELOPMENT OF PHASED GAS PIPELINE NETWORK

- Indicative pipeline costs: **ESTABLISHED**;
- Securing servitudes/reserves for the pipeline: **IN PROGRESS**;
- CSIR appointed as service provider for the Strategic Environmental Assessment

## DEVELOPMENT OF LOCAL CONTENT ROADMAP

Financial Analysis of O&G sector procurement: **COMPLETED**.

## PROMOTE AWARENESS OF THE OIL AND GAS INDUSTRY

Outreach component development, establishment and launch: **IN PROGRESS**.

## EXPLORATION

- DMR issued **15 licenses** for exploration to oil and gas industry;
- DOE issued **Ministerial determination** for gas IPP.





# O&G - INFRASTRUCTURES & POLICY FRAMEWORK PROGRESS

## PROVIDE LEGISLATIVE CLARITY AND STABILITY UNLOCKING NEW INVESTMENTS

- Burgan Fuel Storage Facility - Port of Cape Town: authorisations **APPROVED**.
- This entails private sector investment of \*R660 million and creating 150 construction jobs

## OTHER ENVISAGED POTENTIAL INVESTMENTS:

Coega and Saldanha Bay: Refining of used oil / recycling facilities.

- Private sector investment of R650 million creating 100-150 jobs
- Bunker fuel facility: Investment of R455 million.
- Potential Offshore drilling (2<sup>nd</sup> half of 2016): Investment of R2.6 billion.

## REGULATION OF O&G EXPLORATION AND PRODUCTION-STREAMLINED & EFFICIENT E2E INSTITUTIONAL STRUCTURE: Work in progress



# O&G - ENVIRONMENT, RESEARCH & CAPACITY BUILDING PROGRESS

## JOINT INDUSTRY-GOVERNMENT EMERGENCY RESPONSE DRILLS

- Pre-emergency planning and emergency response: **COMPLETED**;
- Setting up oil spill response team purpose & scope: **COMPLETED**;
- Incident Management Organisation (IMO): **ESTABLISHED**;
- Integrating and ensuring compatibility of IMO plans with disaster fire and emergency response plans of the various spheres of government: **IN PROGRESS**.

## INTERNATIONAL OIL POLLUTION COMPENSATION (IOPC) FUND

- Fully operational IOPC Fund is **95% COMPLETE**.



# O&G - ENVIRONMENT, RESEARCH & CAPACITY BUILDING

## PROGRESS

### EXPLOITING THE BROADER RESEARCH OPPORTUNITIES

- Minister of Science and Technology **signed an MOU with the oil and gas industry** on 29 January 2016.
- **Launch of the South African Marine Research and Exploration Forum (SAMREF)** → Successful implementation of Operation Phakisa initiative B3 (Exploiting the broader research opportunities presented by offshore oil and gas exploration):
  - **GOAL:** to grow public sector research on the marine and oceanic environment through the exploitation of new opportunities presented by explorations and cruises undertaken on behalf of private sector extractive industries.
  - **STRATEGY:** establishment of a brokerage service that will see partnerships established to enhance cooperation between the public and private sectors through the exchange of information and data on a voluntary basis.



# O&G - ENVIRONMENT, RESEARCH & CAPACITY BUILDING PROGRESS

## DEVELOPMENT OF A COLLABORATIVE SKILLS STRATEGY ROADMAP

- First Draft: **COMPLETED**

## ENHANCE ENVIRONMENTAL GOVERNANCE CAPACITY OF THE OIL AND GAS REGULATOR

- Status quo report: **COMPLETED**;
- Stakeholder engagement workshop **DONE** and the final scoping report **COMPLETED**;
- Environmental governance performance monitoring and evaluation: **IN PROGRESS**;
- Project design: **IN PROGRESS**



# O&G - ENVIRONMENT, RESEARCH & CAPACITY BUILDING

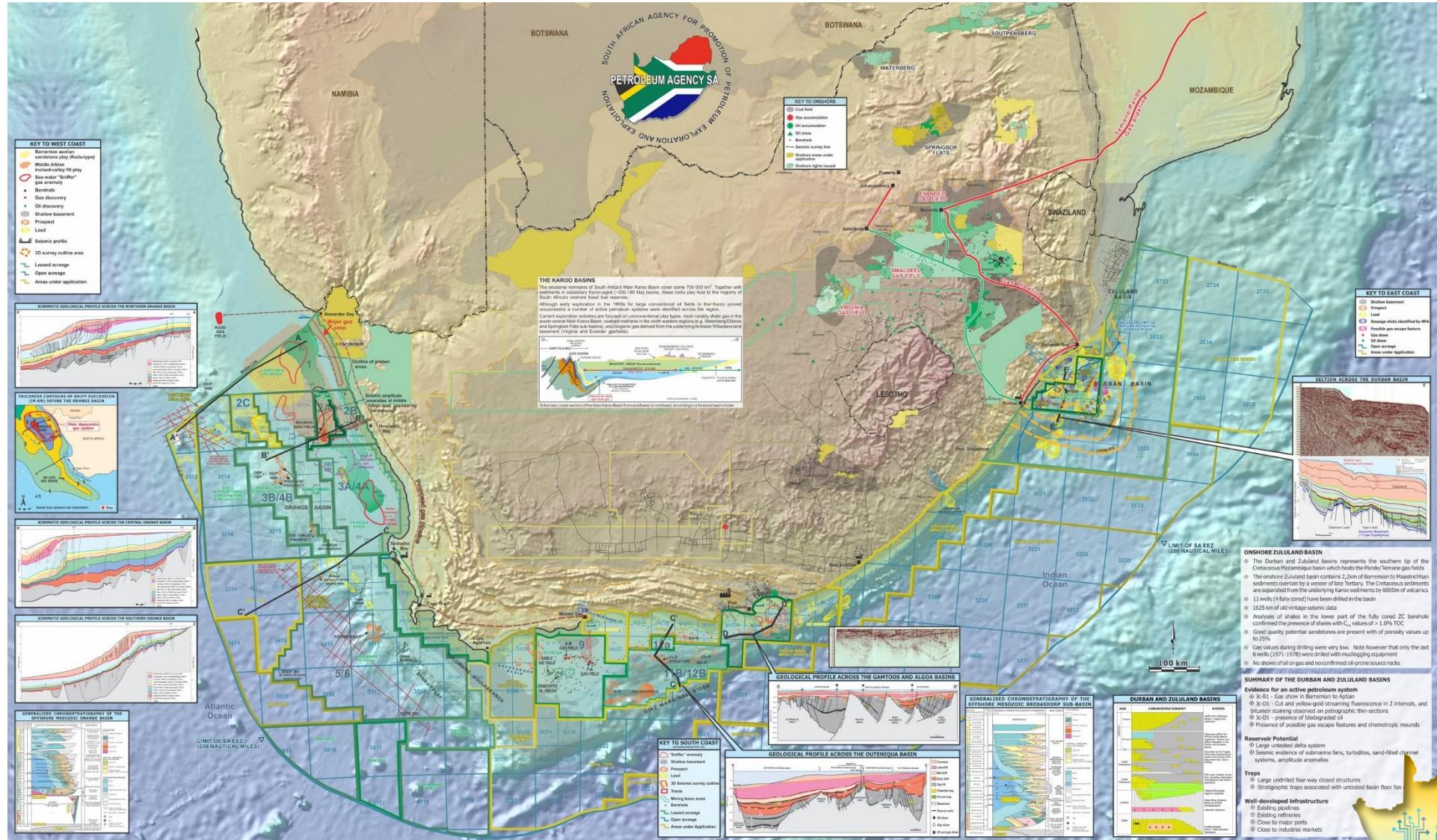
## PROGRESS

### DEVELOPMENT OF CAPABILITY FOR SUB-SURFACE RESEARCH AND DATA GATHERING

- **Technical capability built programmes for sub-surface information identified and reviewed and an assessment is COMPLETE;**
- Necessary approvals have been secured from both Petroleum Agency SA (PASA) and the Department of Mineral Resources (DMR);
- Development of sub surface information acquisition infrastructure: **IN PROGRESS;**
- Establishing a multi-agency ocean R&D Strategy & implementation programme: **IN PROGRESS;**
- Development of sub surface information acquisition infrastructure: **IN PROGRESS;**
- Establishing a multi-agency ocean R&D Strategy & implementation programme: **IN PROGRESS.**

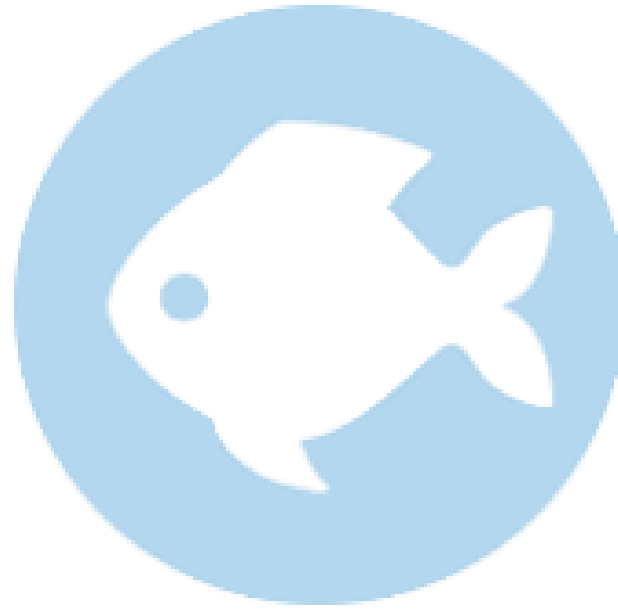


# O&G – EXPLORATION OPPORTUNITIES IN SOUTH AFRICA



Source: <http://www.petroleumagencyssa.com/>





# **Aquaculture**



# Aquaculture - POTENTIAL



Satisfy local demand



Contribute to food and nutritional security



Create sustainable job opportunities



Foster economic development



Capitalise on export opportunities



Stimulate rural development and livelihoods



Attract foreign direct investment



Safeguard sustainable environmental integrity

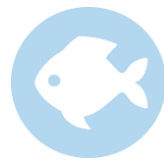


Create SMMEs and wealth generating opportunities through Aquaculture

**Aquaculture sector  
presents a good  
opportunity to  
diversify fish  
production**







# Aquaculture - BACKGROUND

In SA however, aquaculture is a young industry with low scale of production

~5200 tonnes (excluding seaweed) of Aquaculture production in 2014 (35% freshwater, 65% marine)



~50% of Aquaculture farms in SA are located in the Western Cape



Untransformed sector with 10% PDI participation at management level in the sector



In 2012, >600,000 tonnes of fish and fish products came from South Africa; only 0.8% of it was from Aquaculture farms



2,831 jobs in the sector (2013)



Aquaculture contributes ~R 0.7 bn (0.2%) to South Africa's GDP (2013)





# Aquaculture - PHASED IMPLEMENTATION & PROGRESS

## Phase 1: Implementation of initiatives in 6 to 12 months Quick wins

- ✓ 1a ★ Implementation of 9 initial projects
- ✓ 3 ★ Establishment of an Inter-Departmental Authorisations Committee
- 5 ★ Establishment of an Aquaculture Development Fund
- 7 ★ Coordination of industry-wide marketing efforts

★ Initial short-term targets

## Phase 2: Implementation of initiatives in 12 to 24 months

- 1b Implementation of 6 ready-to-operate projects and selection of additional projects
- ✓ 2 Legislative reform to promote Aquaculture development
- 4 Establishment of a globally recognised monitoring and certification system
- 6 Capacity building for support services
- 8 Preferential Procurement of Aquaculture products

## Phase 3: Implementation of initiatives in 2 to 4 years

- ✓ 1 Implementation of 12 ready-to-operate projects and selection of additional projects
- 6 Capacity building for entire sector





# Aquaculture - DELIVERY UNIT AT WORK

Collaboration, information sharing, implementation and plans development

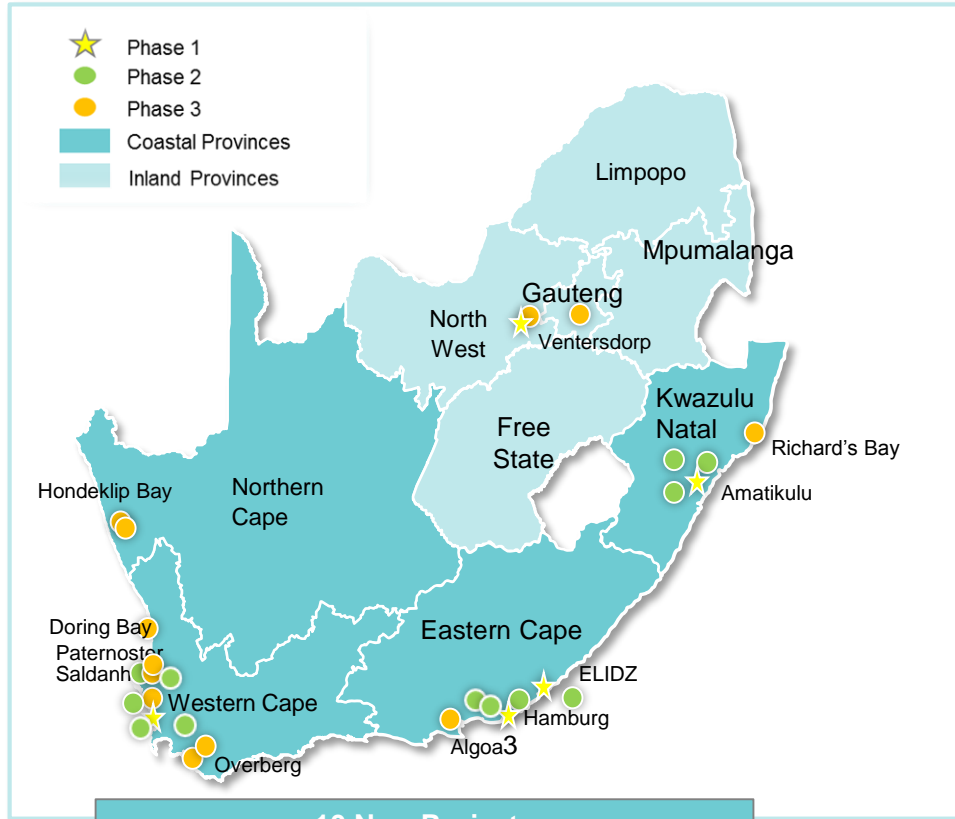


\* Images by Ismail Lagardien





# 24 projects have been selected and sequenced for implementation across 3 phases



### 10 New Projects

● Blue Sapphire Pearls	● Southern Atlantic sea farms
● Imbaza Mussels	● West Coast Oyster Growers
● Hermanus Salmon	● Requa Mussels
● African Olive Trading	● Chapmans Mussels
● Oystercatcher Oysters	● Vaal fisheries Tilapia

### Original 20 Projects

- ★ Hatchery expansion- Paternoster- Oyster
  - ★ Expansion- ELIDZ Oceanwise- Kob
  - ★ Expansion- Hamburg cluster- Oyster
  - ★ Expansion - Roman Bay – Abalone
  - ★ Expansion - Abagold
  - ★ Expansion - HIK Abalone
  - ★ Expansion - Amatikulu - Ornamentals
  - ★ Expansion - Wild Coast Abalone - Abalone
- 
- New- Wild coast abalone ranching cluster - abalone
  - New- Hamburg cluster - Kob
  - New- Saldanha Molapong Cages - Trout and Salmon
  - New - Amatikulu - Kob
  - Expansion - Marine Growers - Abalone
  - Expansion - Doring Bay Abalone - Abalone
- 
- Expansion- Saldanha Blue Ocean Mussels - Mussel
  - Expansion- Saldanha Bay Oyster Company - Oyster
  - New- Richards Bay Sea Cage Farming - Dusky Kob
  - New- Diamond Coast Abalone Ranching - Abalone
  - Expansion - DST Abalone Hatchery
  - Expansion - Jacobsbaai Sea Products - Abalone

### 4 Projects no longer operational

- Vantersdorp catfish
- Adz Vantersdorp
- Algoa Bay Yellowtail
- Southern Atlantic





# AQUACULTURE PROJECTS: PROGRESS

## PROGRESS

Ten (10) projects are on schedule or ahead of schedule (jobs, production, GDP and transformation) Seven (7) expansion projects and three (3) new projects:

- Richard's Bay Dusky Kob or Kabeljou (KZN),
- Hamburg Oyster & Kob (EC);
- PE/Cape Recife Wild Coast Abalone Ranching (EC);
- Hermanus - Abagold Abalone (WC);
- Hermanus - HIK Abalone (WC);
- Doringbaai Abalone (WC);
- Saldanah Bay Oyster (WC);
- Saldanha trout & salmon (WC)
- Molapong trout (WC);
- Hondeklipbaai -Diamond Coast Abalone (NC).





# AQUACULTURE PROJECTS: PROGRESS

## NEW PROJECTS

**Ten (10) projects already accepted**, 4 existing projects put onto business opportunity, additional seventeen (17) new applications in the assessment phase:

- Oystercatcher Aquaculture Saldanha Bivalve Farm **(new)**;
- Hermanus Salmon **(new)**
- Blue Sapphire Pearls **(expansion)**
- Southern Atlantic **(revised-new)**;
- West Coast Oyster Growers **(expansion)**;
- Imbaza Mussels **(expansion)**;
- African Olive **(expansion)**.
- Vaal Fisheries **(new)**
- Requa Mussels **(new)**
- Chapmans Mussels **(new)**





# AQUACULTURE PROJECTS: PROGRESS

## LEASES

- DPW task team – **first six leases signed, eight approved**
- **TRANSNET** published a notice for comment to **approve fifteen (15) year period for 8 leases (additional 85ha) in Saldanha**, a big win for the aquaculture industry and for Operation Phakisa!



## HIGHLIGHTS

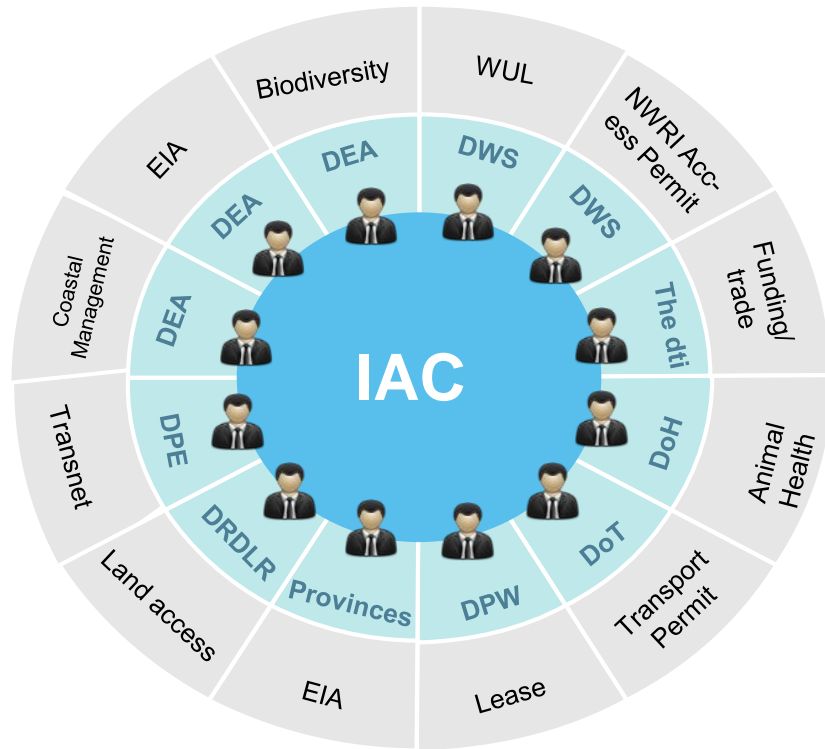
- **Total number of aquaculture Phakisa projects : 30;**
- **Private sector investment: R338 million;**
- **Government investment: R106 million;**
- **Jobs: 521 realised and committed;**
- **Projected increase in production related to investment: 2901 tons;**
- **175 tons increase in first year of Operation Phakisa (94% of target).**





# ESTABLISHMENT OF AN INTER-DEPARTMENTAL AUTHORISATIONS COMMITTEE

Currently, there is an uncoordinated approach to processing of applications for Aquaculture, approvals of which can take up to **830 days**. The establishment of the **Inter-Departmental Authorisations Committee (“IAC”)** aims to co-ordinate applications and approvals, with the expectation of reducing processing time to **240/360 days**.



Representation at the IAC by all relevant departments

From 830 to 150/200 days (7 months)!

During Operation Phakisa Lab, EIA process for aquaculture was reduced from 360 to between 150/200 days!!





## ESTABLISHMENT OF A GLOBALLY RECOGNIZED MONITORING AND CERTIFICATION SYSTEM

- **DAFF and NRCS (National Regulator for Compulsory Specifications) entered into MOU to certify fish and fish products. SANS standards for bivalves have been finalized and gazetted in April 2016, an important step in order export the product;**
- **The first Aquatic Animal Health and Welfare Implementation Plan in South Africa has been approved;**
- **The EU conducted a fact finding mission for cultured abalone in February 2016.**





## ESTABLISHMENT OF AN AQUACULTURE DEVELOPMENT FUND

A Working Group has been established with relevant DFI and Departments in order to co-ordinate funding for aquaculture.

### ADF aims to fast-track growth, while meeting transformation objectives

- Funding pool to assist end-to-end Aquaculture projects
- Coordinates funding from various government departments
- Key focus of ADF to drive transformation / inclusivity by providing new entrants with access to funding in pre-production phase





# COORDINATION OF INDUSTRY-WIDE MARKETING EFFORTS

The players in the Aquaculture sector have limited access and awareness of markets

## (a) Market Intelligence



**Inclusive Market Intelligence Information System**

## (b) Improve domestic markets



Public awareness campaigns



Government awareness campaigns



Cook books/food services campaign



## (c) Value chain ownership and product development



Evaluate a set of standards the retailers suggest as a minimum for their common interests



The availability of good quality value-for-money products increases to consumers



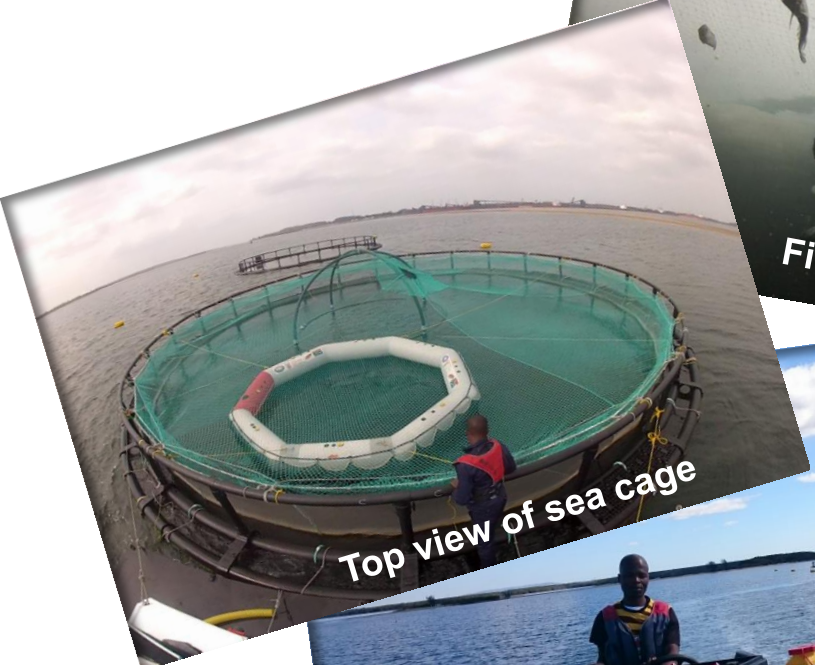
Negotiate with both retailers & producers to adopt the standards

## (d) Promote responsible, fair regulation and environmental certification



# Aquaculture - Highlight : Richard's Bay sea cage kob farming

- PROJECT PROGRESS:**
- Deployment of first cages (four)
  - Funded by DST
  - Transfer of 25 000 fingerlings
  - Daily recording of environmental parameters (temp, oxygen, pH, visibility)
  - Managed by Stellenbosch University





# Aquaculture – Highlight: Hamburg kob farming (EL)



**PROJECT PROGRESS:**  
The second harvesting of the first batch took place on 7 September 2015: **162 fish with an average weight of 1,2 kg** (First batch introduced into the system in February 2015).





# Aquaculture – Highlight: Hamburg kob farming

## PROJECT HIGHLIGHTS:

- 21 people employed from the Hamburg community.
- The farm holds three batches of fish in its system, totalling to 7122 dusky kob fish.
- Capacity to produce 20 tons of dusky kob per annum.





# Aquaculture – Highlight: Saldanha Bay Molapong Trout and Salmon



James with 3kg ocean trout



**PROJECT PROGRESS**

- Transfer of the trout fingerlings to the grow-out cages in Saldanha
- 18,000 fish in the cage which are planned to grow to 2-3 kg each by next year





## Aquaculture – Highlight: Saldanha Bay Oyster Farm



### PROJECT PROGRESS

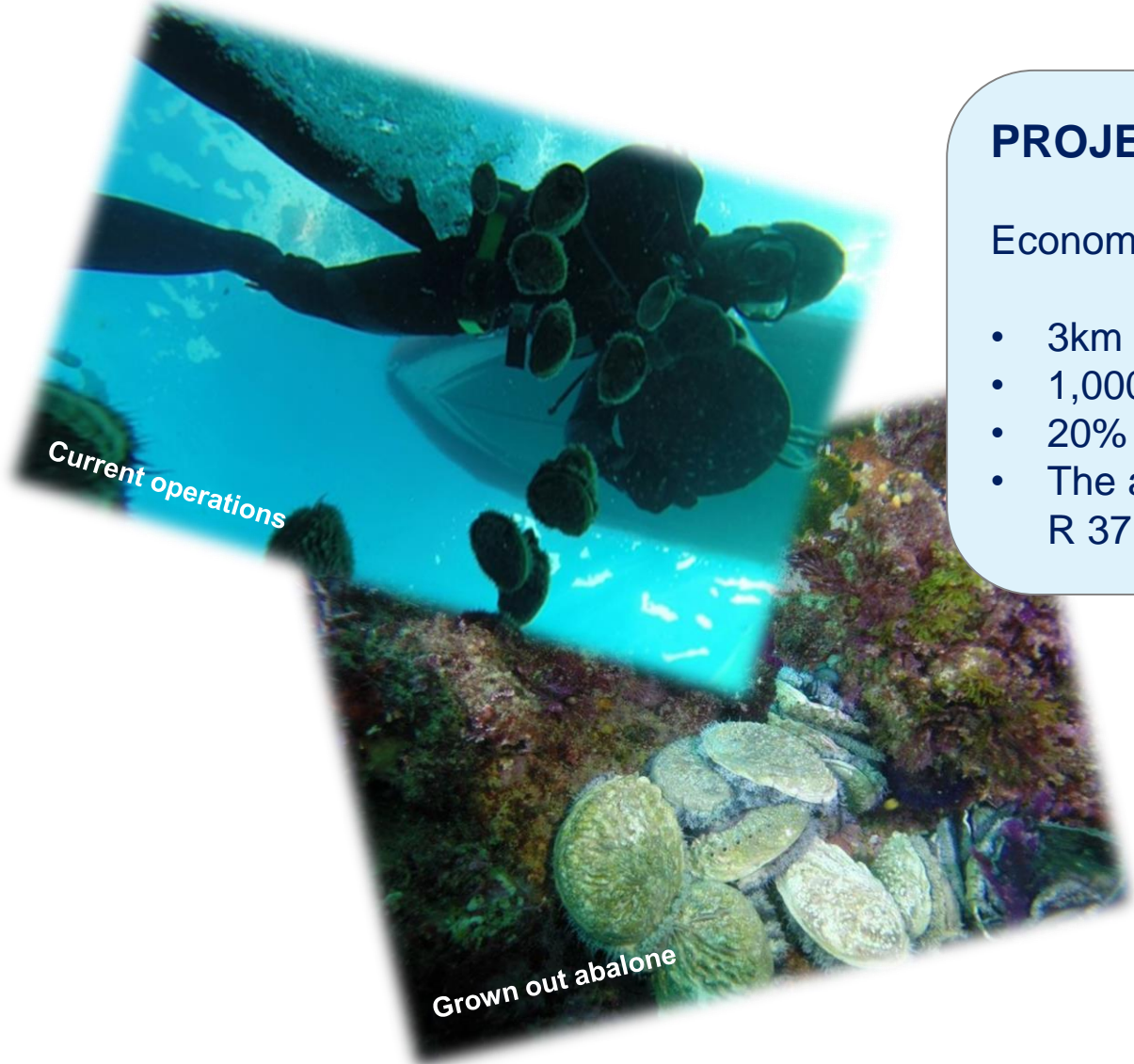
- This farm received a long term lease for the land based facility from DPW. The expansion project aims to increase the annual production to 10 million oysters per year.
- Under the stimulus of Operation Phakisa and facilitation by both DAFF and the NRCS, **the company has recently been approved as an exporter to both Mainland China and Taiwan**, a development which has the potential to greatly increase exports in the near future







# Aquaculture – Highlight: Wild Coast Abalone (EL) Cape Recife: Abalone Ranching (PE)



## PROJECT PROGRESS

Economic weight of abalone seeded so far:

- 3km of 18 km of coastline in EC 1
- 1,000,000 abalone seeded so far
- 20% -30% survive – 15% harvest projection
- The abalone seeded to date represents a vale of R 37.7 million to the South African economy



Abalone seeded	1, 000, 000
Harvest target	15%
Abalone	150 ,000
g/abalone	500
Kg	75, 000
USD/kg	32
ZAR/USD	15.70
Total value	37, 680, 000



# HIGHLIGHT: DRAFT AQUACULTURE BILL GAZETTED

4 No. 39713 GOVERNMENT GAZETTE, 19 FEBRUARY 2016

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GENERAL NOTICES • ALGEMENE KENNISGEWINGS

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DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES  
NOTICE 78 OF 2016

PUBLICATION OF AND INVITATION TO COMMENT ON THE DRAFT AQUACULTURE BILL

I, Senzeni Zokwana, Minister of Agriculture, Forestry and Fisheries, hereby invite interested and affected parties to submit written comments on the Draft Aquaculture Bill by no later than 31 March 2016 by post, by hand, e-mail or telefax. Please note that comments received after the closing date may be disregarded.



## DRAFT AQUACULTURE BILL: PUBLIC CONSULTATIONS

The Department of Agriculture, Forestry and Fisheries (DAFF) hereby invite interested and affected stakeholders to participate in the public consultations on the Draft Aquaculture Bill. The Draft Aquaculture Bill seeks to create an efficient regulatory regime for the aquaculture sector in order to create an enabling environment to promote aquaculture sector growth.

The objectives of the Aquaculture Bill are to promote responsible aquaculture development; promote the development and management of the South African aquaculture sector; promote coordination of aquaculture research and development activities; enable the aquaculture sector to be regulated more effectively, and to promote transformation of the sector.

For more information on the venues for each province, interested parties can refer to the DAFF website: [www.daff.gov.za](http://www.daff.gov.za) or alternately, contact Ms Gwen Bokwe at (021) 402 3346; email: [GwenB@daff.gov.za](mailto:GwenB@daff.gov.za).

The draft Aquaculture Bill can be reviewed and accessed at the following link: [www.daff.gov.za](http://www.daff.gov.za)

PROVINCE	DATES	TOWN/CITY	VENUE	TIME
Limpopo	02 March 2016	Polokwane	Department of Agriculture Hall Zone A (Lebowagomo) Public Works complex	10:00
	03 March 2016	Venda	Old Venda Parliament, Tusk Venda Street	10:00
KwaZulu-Natal	09 March 2016	Pietermaritzburg	KZN Wildlife 1 Peterbrown Drive, Montrofe, Queen Elizabeth Park	10:00
Mpumalanga	10 March 2016	Nelspruit	Mbombela Stadium (Auditorium) 1 Bafana Road, Mataffin, Nelspruit	10:00
Gauteng	03 March 2016	Pretoria	DAFF Offices, Sefala Building, 503 Belvedere Street, Arcadia	10:00
North West	08 March 2016	Ramatlabama	Kgora Farmer Training Institute	10:00
Free State	17 March 2016	Gariiep Dam	China-South Africa Agricultural Technology	13:00
	18 March 2016			
Western Cape	01 March 2016			
	10 March 2016			
Northern Cape	08 March 2016			
Eastern Cape	15 March 2016			
	16 March 2016			
	17 March 2016			



**PROJECT PROGRESS:**

- Gazetted on Friday 19 February 2016
- Public consultations to take place throughout the country during March
- Comments accepted by 31 March 2016
- DAFF website: [Link](#)



# Aquaculture - NEW PROJECTS

## How to Register New and Potential Aquaculture Projects

- The Department of Agriculture, Forestry and Fisheries hereby invite potential and new aquaculture project owners to register their projects to become part of Operation Phakisa: *Unlocking the Economic Potential of South Africa's Oceans*.
- Projects may be submitted any time however evaluations for inclusion will be conducted on a quarterly basis. For evaluation criteria please refer to the Aquaculture Lab report on the link below.
- Interested parties must refer to the New Projects folder available on the Operation Phakisa website: [www.operationphakisa.gov.za/operations/oel/aquaculture/](http://www.operationphakisa.gov.za/operations/oel/aquaculture/)
- All applications and enquiries can be forwarded to: [Aquaculturephakisa@daff.gov.za](mailto:Aquaculturephakisa@daff.gov.za)

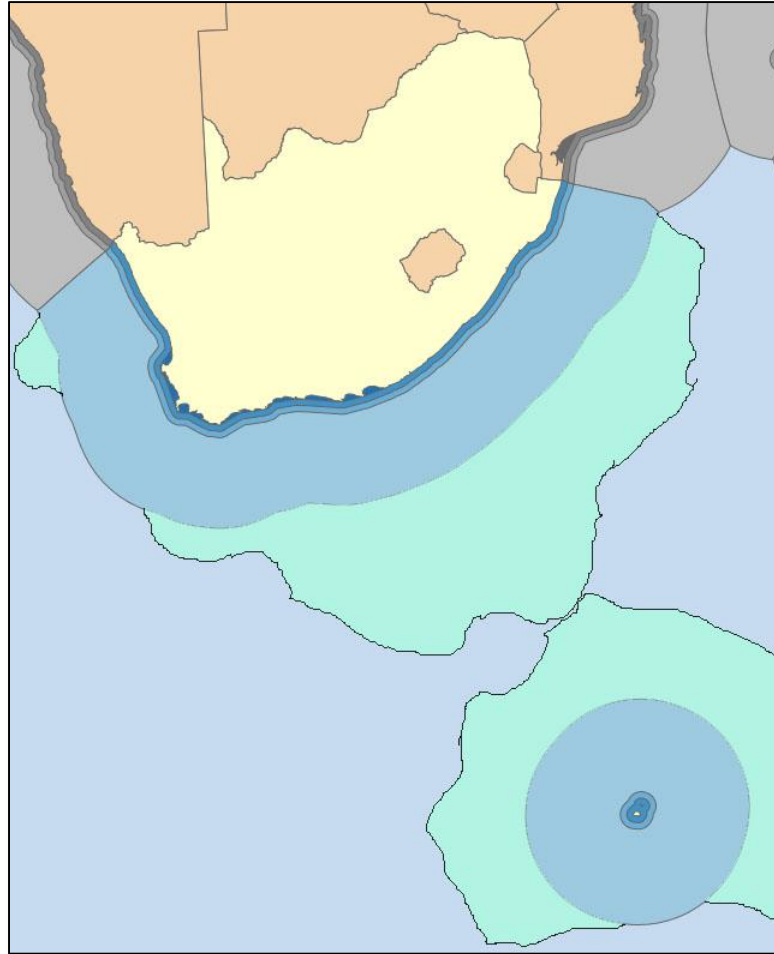




# **Marine Protection Services and Ocean Governance**



# MPSG – BACKGROUND



- Land Mass
- EEZ
- Extended Continental Shelf Claim

South Africa is responsible for managing an oceans space that is greater than the land territory

Extended shelf claim will double the size of the ocean geographic extent

Land Size:  
**1.2 mn km<sup>2</sup>**

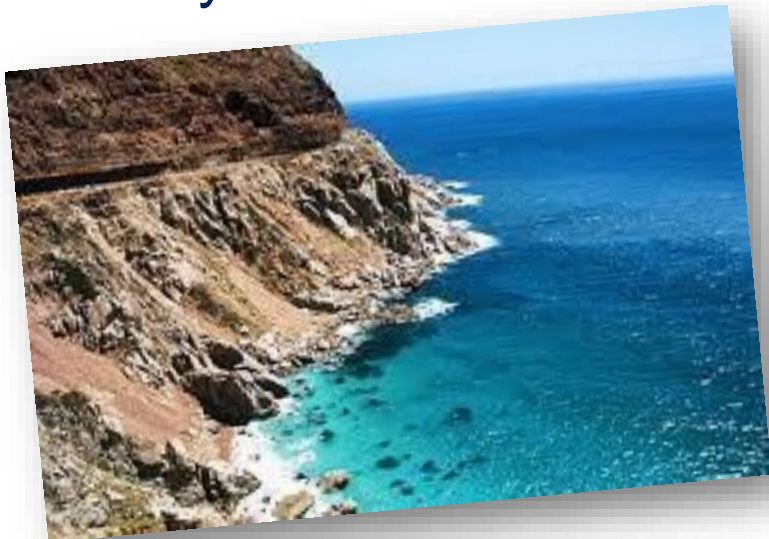
Exclusive Economic Zone (EEZ) Size:  
**1.5 mn km<sup>2</sup>**





## MPSG – INITIATIVES

- MPSG Delivery Unit is implementing an **overarching, integrated ocean governance framework** for **sustainable growth** of the ocean economy that will maximise socio-economic benefits while ensuring **adequate ocean environmental protection** within the next five years.



South Africa will **balance the economic opportunities** which our ocean space affords **while maintaining its environmental integrity**



# MPSG – INITIATIVES

## Integrated framework and governance



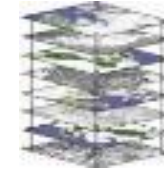
- 1 Ministerial Committee and Secretariat to govern activities
- 2 Enhancement of legislation for the Integrated Coastal and Oceans Management Act or Oceans Act
- 3 Review of ocean-related legislation
- 4 Accelerated capacity-building intervention in ocean governance

## Ocean protection



- 5 Enhanced and coordinated enforcement programme
- 6 National ocean and coastal information system and extending earth observation capacity
- 7 National ocean and coastal water quality monitoring programme
- 8 Creation of a Marine Protected Area (MPA) representative network
- 9 MPA/MSP discovery, research and monitoring programme

## Marine spatial planning (MSP)



- 10 Marine Spatial Planning (MSP) process





# MPSG – INITIATIVES: PHASED IMPLEMENTATION

## Phase I: Initial Short term targets

*First results by March 2016*

- 1 Ministerial Committee and Secretariat to Govern Activities
- 4 Accelerated Capacity Building Intervention in Ocean Governance
- 5 Enhanced and Coordinated Enforcement Programme
- 6 National Ocean and Coastal Information System and Extending Earth Observation Capacity
- 7 National Ocean and Coastal Water Quality Monitoring Programme
- 8 Creation of a Marine Protected Area Representative Network
- 9 Marine Protected Area / Marine Spatial Planning Discovery, Research & Monitoring Programme
- 10 Marine Spatial Planning Process

## Phase II: Medium term

*First results by March 2019*

- 2 Enhancement of Legislation into the Integrated Coastal and Oceans Management Act or Oceans Act
- 3 Review of ocean-related legislation







# MPSG - INTEGRATED FRAMEWORK AND GOVERNANCE PROGRESS

## REVIEW & ENANCHEMENT OF OCEAN-RELATED LEGISLATION

- **A draft National Framework for Marine Spatial Planning has been completed** in order to designate the ocean for specific use and avoid user conflict.
- **The Draft Marine Spatial Planning BILL will give legal effect to the Marine Spatial Planning** process and its implementation. The Draft Marine Spatial Planning Bill has been approved by Cabinet for public comments.
- Notice for gazetting the Draft Marine Spatial Planning Bill for public comments has been signed by the Minister of Environmental Affairs.
- The Proposed stakeholder engagement plan has been developed and consultations will take place in the 2016/17 financial year.
- **Marine Spatial Planning Bill were gazetted on the 24 March 2016 for public participation.** The commenting period is open for 60 days.



# MPSG - INTEGRATED FRAMEWORK AND GOVERNANCE PROGRESS

## ACCELERATED CAPACITY-BUILDING INTERVENTION IN OCEAN GOVERNANCE

- **The Draft Organization Framework of Occupation (OFO)** for MPG Lab on the Accelerated Capacity Building Intervention on the Ocean Governance initiative gap has been developed and **240 occupations identified.**
- **NMMU offering of the Master in Spatial Planning, the MPhil in Maritime Studies and the LLM in Ocean Governance: IN PROGRESS.**



## **MPSG - OCEAN PROTECTION: PROGRESS**

### **ENHANCED AND COORDINATED ENFORCEMENT PROGRAMME**

- **Prioritised pilot project: COMPLETED**
  - Project duration: April 2015 - March 2016;
  - Enforcement operations divided into three Provinces (WC, NC, EC);
  - Final close out report: in progress
- **Future operations – introduction of Phakisa:**
  - KwaZulu-Natal
  - North Eastern Cape (Kei River to Mzamba)
- **2015/16 Government investment: R 4 million**

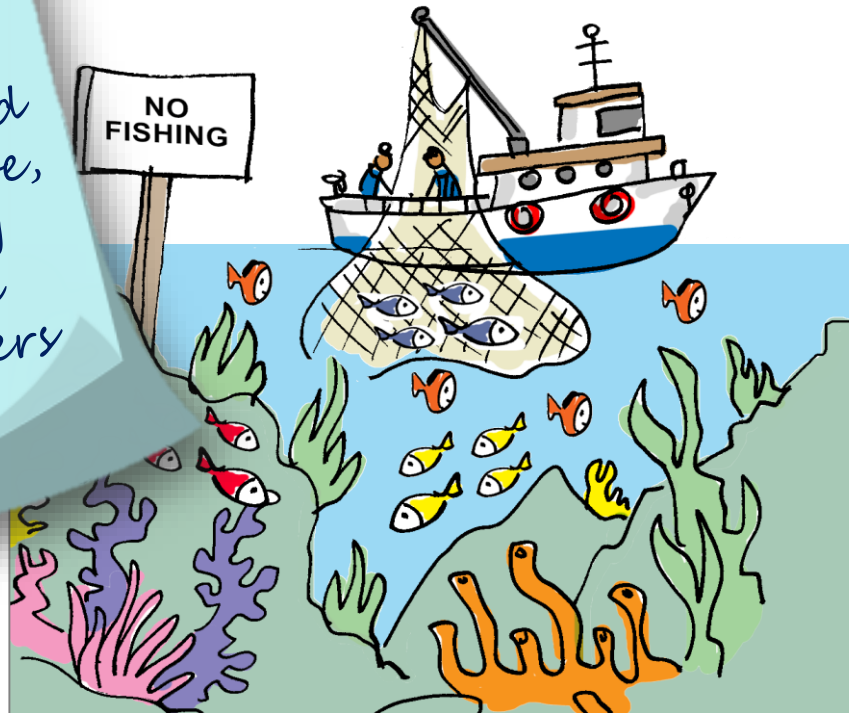


# MPSG - OCEAN PROTECTION

Illegal activities at sea may be reduced through a coordinated enforcement initiative, optimising existing resources from all relevant stakeholders

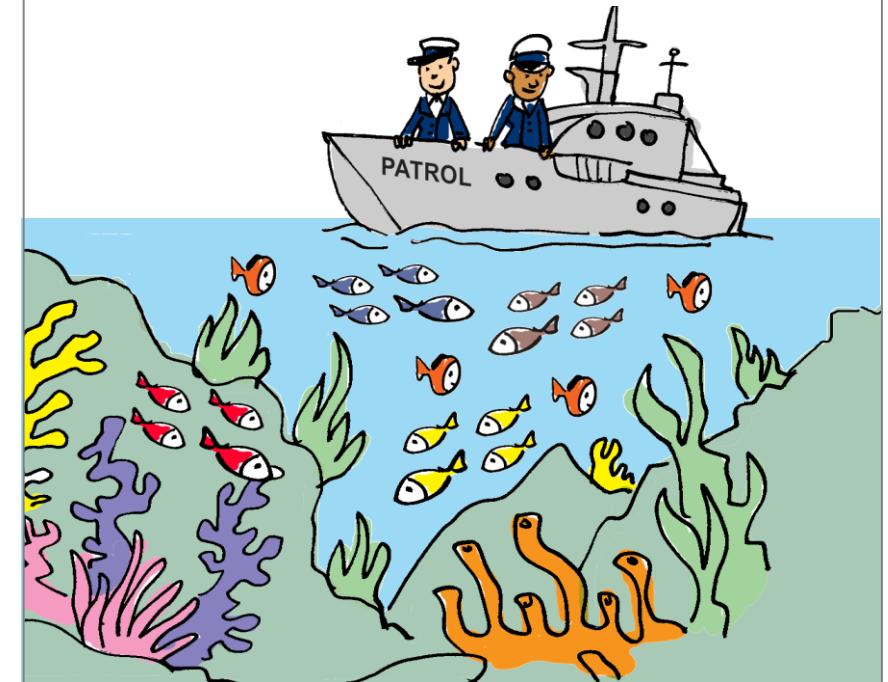
## Before

Limited coverage by enforcement agencies due to uncoordinated schedules and functions



## After

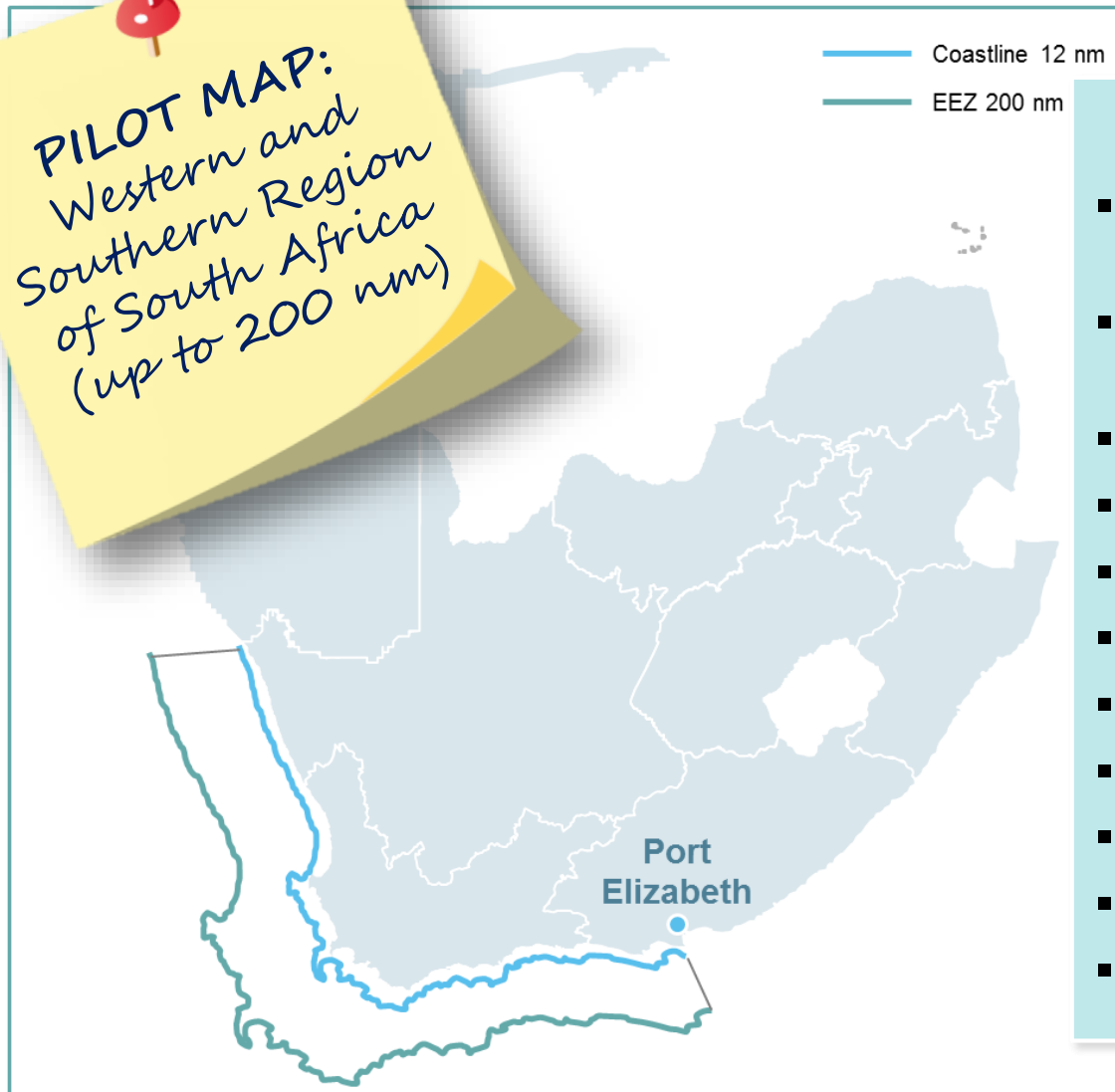
A Coordinated Enforcement Programme will reduce illegal ocean activities by optimising existing resources when monitoring ocean activities





# MPSG - OCEAN PROTECTION

**PILOT MAP:**  
Western and  
Southern Region  
of South Africa  
(up to 200 nm)



## Enforcement functions

- Non-consumptive activity, e.g. whale watching and white shark cage diving
- Marine protected species (seals, seabirds, turtles, penguins etc.)
- MPAs
- Illegal fishing
- Pollution prevention and combatting
- Piracy
- Human trafficking
- Effluence discharge (contaminated water)
- Dumping at sea (waste)
- Customs/excise/sanitary rules
- Ballast water invasive species





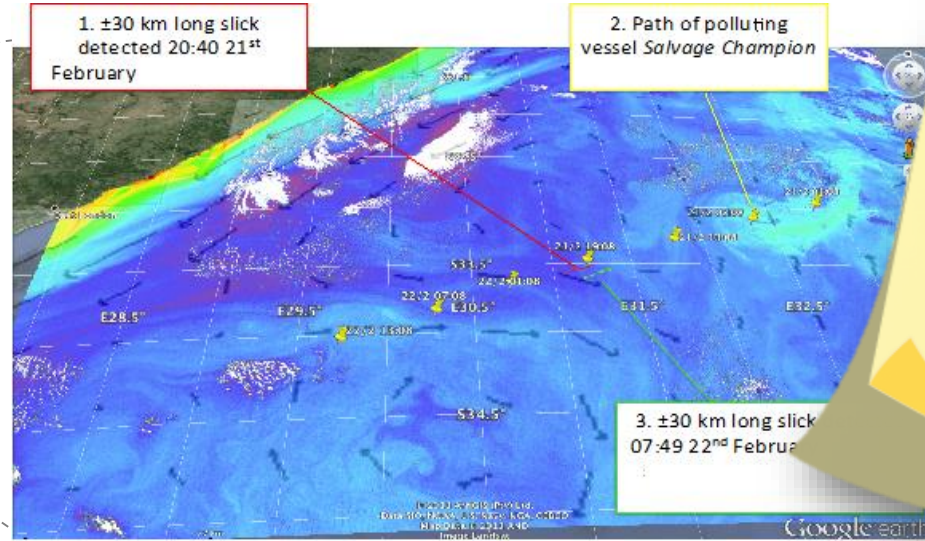
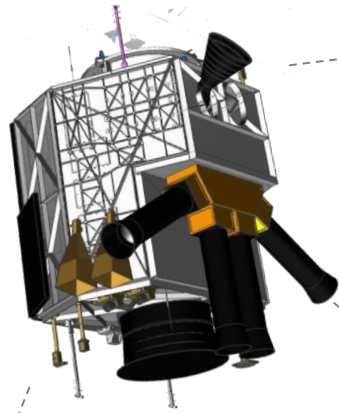
## **MPSG - OCEAN PROTECTION: PROGRESS**

### **OCEANS AND COASTAL INFORMATION MANAGEMENT SYSTEM**

- **National Oceans and Coastal Information System: ON TRACK**  
Work commenced through the Council for Scientific and Industrial Research;
- **Development of Roadmap** for required capabilities and decision support tools: **COMPLETED**;
- **Define Satellite Sensor Portfolio:**
  - Development of NanoSat constellation experimental based applications;
  - Development for communications payload for marine domain awareness and AIS: **COMMENCED**;
  - Mission concept and design: **COMPLETED**.
- **2015/16 Government investment: R 8 million**

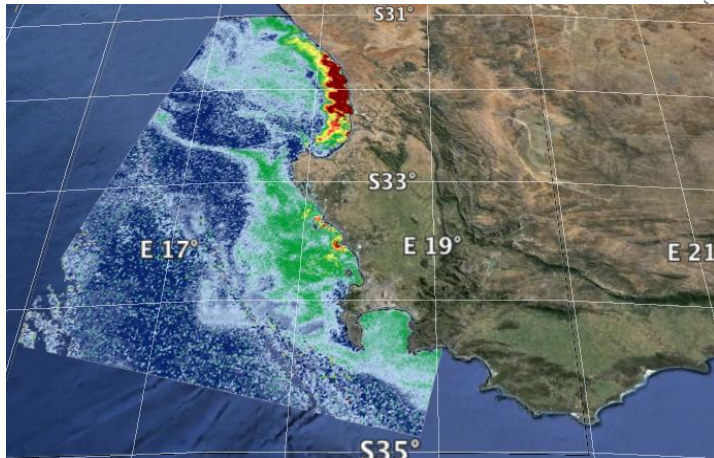


# MPSG - OCEAN PROTECTION



*As part of the Coastal Surveillance initiatives, one of the quick wins will leverage on existing technologies owned by CSIR, SANSA and SAMSA*

## Oil Slick Detection and Monitoring



Harmful algae bloom detection which may affect human health

- Current SA technologies can potentially determine source of pollution by combining SAMSA's ship tracking technologies and also determine if necessary interventions will be required, based on ocean current monitoring via CSIR and SANSA technologies.
- Effective monitoring may potentially save on expensive deployments if the situation does not require them.



## MPSG - OCEAN PROTECTION: PROGRESS

### NATIONAL OCEAN AND COASTAL WATER QUALITY MONITORING PROGRAMME

- The Oceans and Coastal Pollution Monitoring Laboratories will be hosted by the Eastern Cape Province. **Memorandum of Understanding's completed and signed by Department of Environmental Affairs and the Institutions** (Nelson Mandela Metropolitan University and Walter Sisulu University). Funds transferred to the Institutions for the purchase of equipment;
- Water quality monitoring pilot project in Port St Johns (EC) at the Second Beach, Bulolo and Umzimvubu estuaries for a period of 6 months: **COMPLETED**;
- **DRAFT Project Proposal: Working for the Coast Job Creation Project for Integrated Ocean and Coastal Management Implementation.** Joint initiative between the Environmental Programmes and Oceans and Coasts Branches (Department of Environmental Affairs).





# **MPSG INITIATIVE - Working for the Coast Job Creation Project for Integrated Ocean and Coastal Management Implementation**

## **OBJECTIVES**

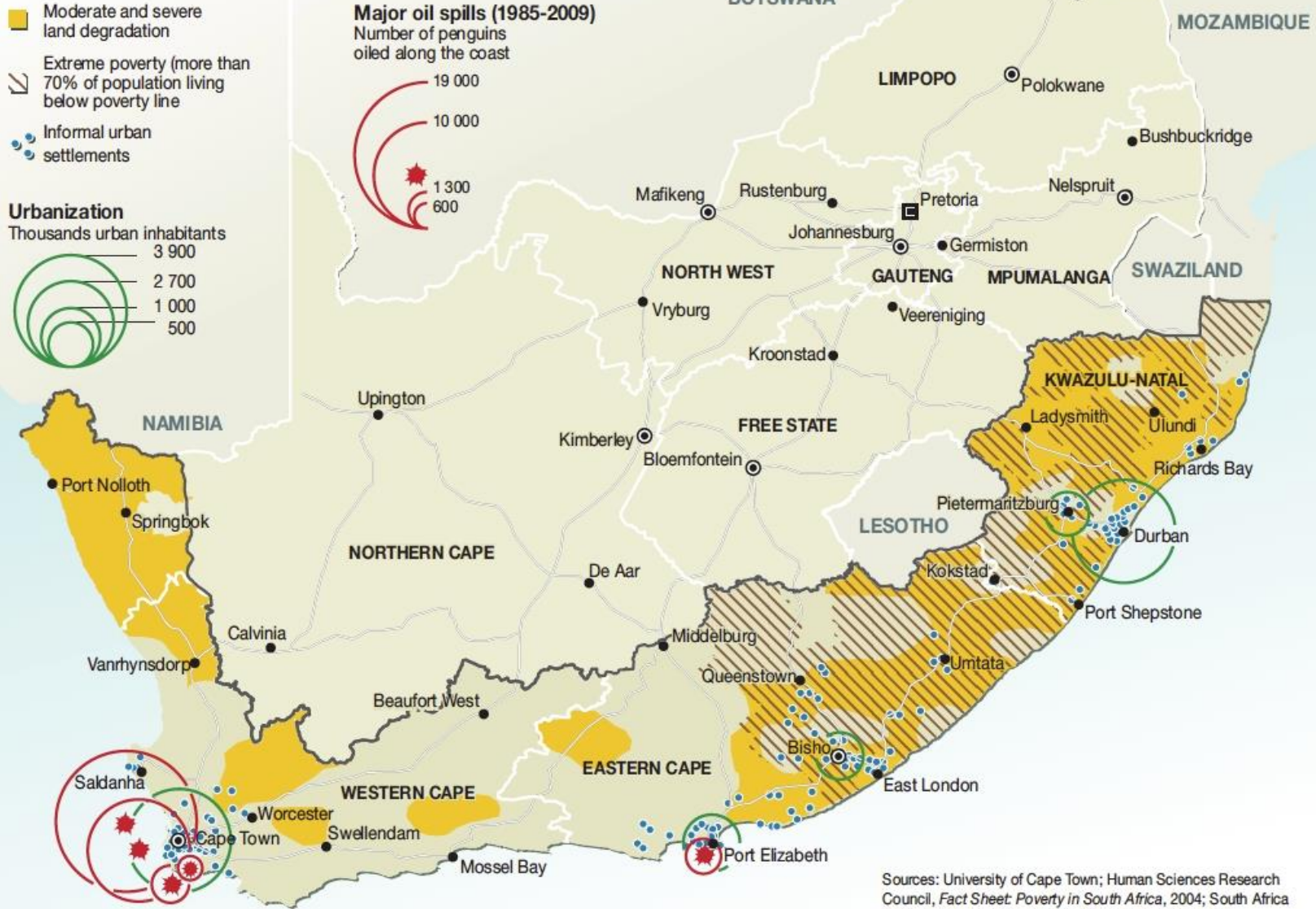
- **Facilitate the creation of 3000 jobs under the existing WftC framework under the following categories:**
  - **Water Quality Monitoring;**
  - **Awareness and Education;**
  - **Coastal Litter Recycling;** and
  - **Diversified Coastal Monitoring.**
- **Provide adequate training** to the appointed candidates to effectively carry out their appointed functions;
- **Provide an effective supervisory and oversight framework**

## **TARGETED CANDIDATES**

- **Unemployed matriculants between the ages of 18-25, with preference given to female candidates and those with physical disabilities;**
- **Unemployed graduates** with an undergraduate degree or equivalent in Natural Sciences, Environmental Management, Town and Regional Planning or Chemistry;
- **Candidates with a passion for the ocean and coastal environment.**



# Pressures on the South African coast



Sources: University of Cape Town; Human Sciences Research Council, *Fact Sheet: Poverty in South Africa*, 2004; South Africa Human Settlements Department; South Africa Risk and Vulnerability Atlas, Department of Science and Technology, 2010.





# MPSG - OCEAN PROTECTION: PROGRESS

## MARINE PROTECTED AREAS (MPA)

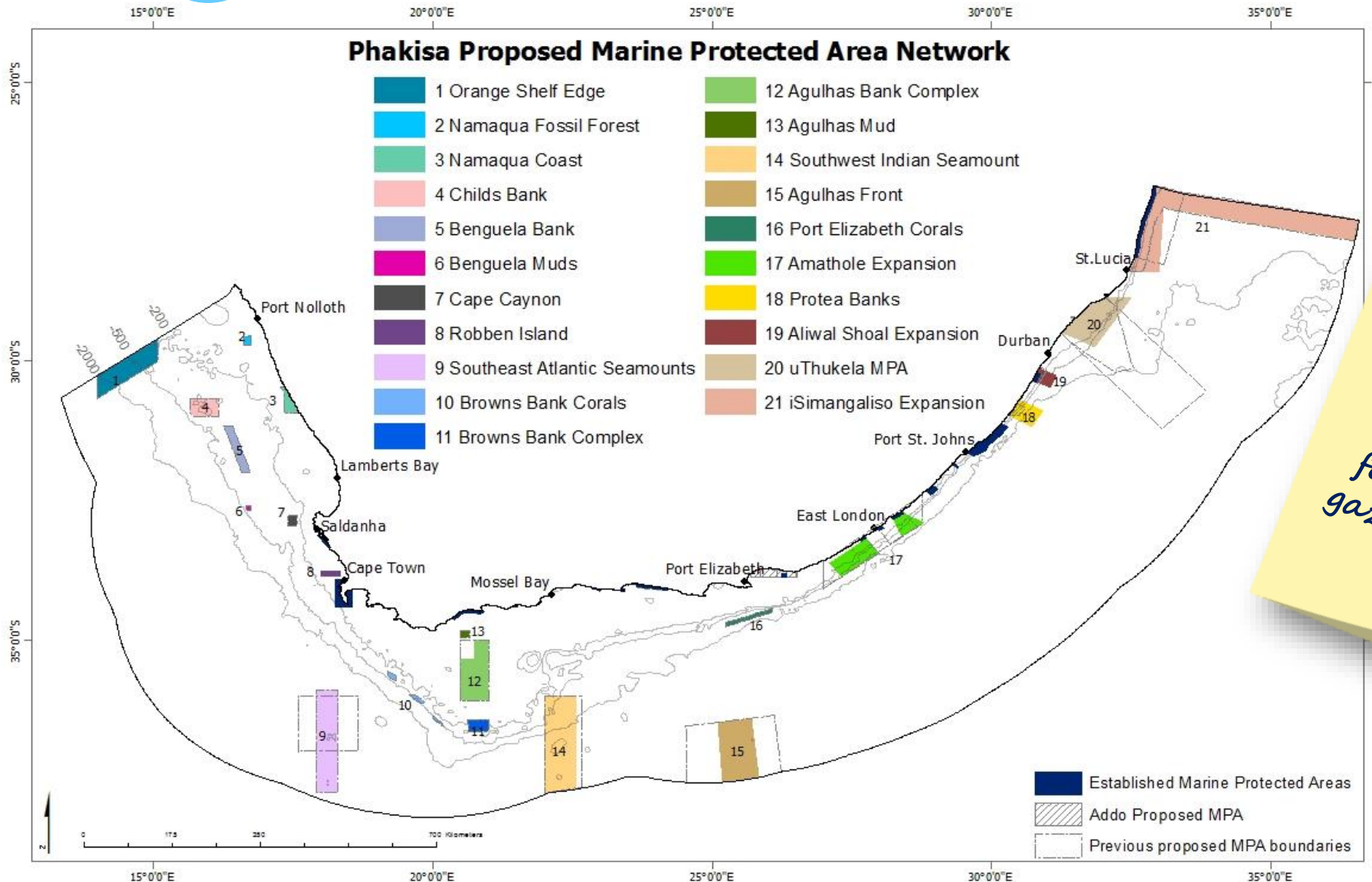
- **Marine Protected Areas Network of Representative Regulations and Notices:** approved for **21 MPAs** and gazetted for **public comments** for a period of 60 days;
- **Departmental consultation plan has started** in Isimangaliso and other MPAs in Eastern Cape, Western Cape and Northern Cape;

## MSP/MPA DISCOVERY RESEARCH AND MONITORING PROGRAMME

- **Phakisa cruises planned and funded for the next 2 years** (2016 & 2017) with research proposals evaluated and awarded for these two cruises;
- DEA worked with the GIZ funded BCC programme to **secure funding** for the review of Ecologically, Biologically Significant Areas and current state of biodiversity knowledge and identify knowledge gaps, these TORs were advertised.
- **Phulisa programme up and running as planned** (students selected for 2015/16) and is implemented through South African Institute of Aquatic Biodiversity; 2015 report compiled.



# MPSG - OCEAN PROTECTION: PROGRESS



*MPA Network of Representative Regulations & Notices: approved & gazetted for 21 MPAs and comments.*



\*\* Boundaries adjusted in lab as a result of consultations



## **MPSG - MARINE SPATIAL PLANNING PROGRESS**

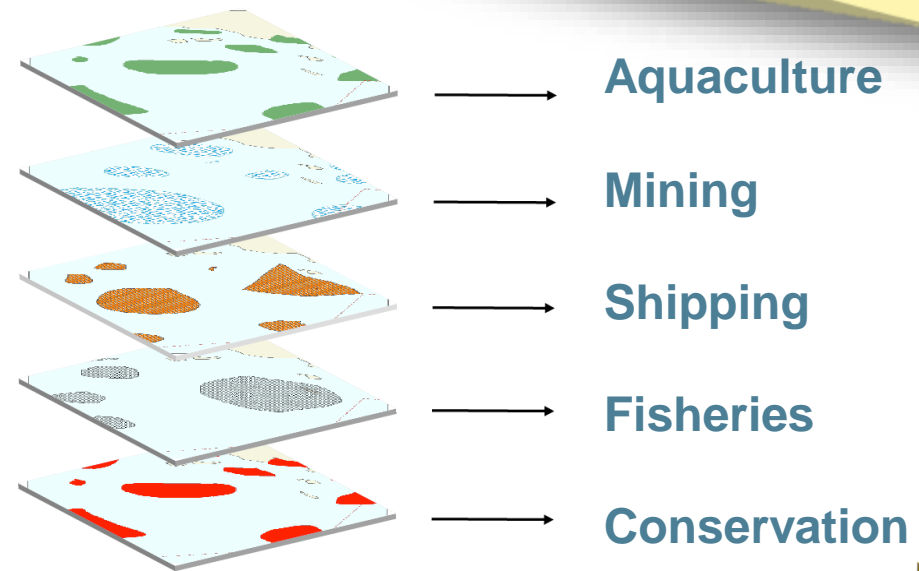
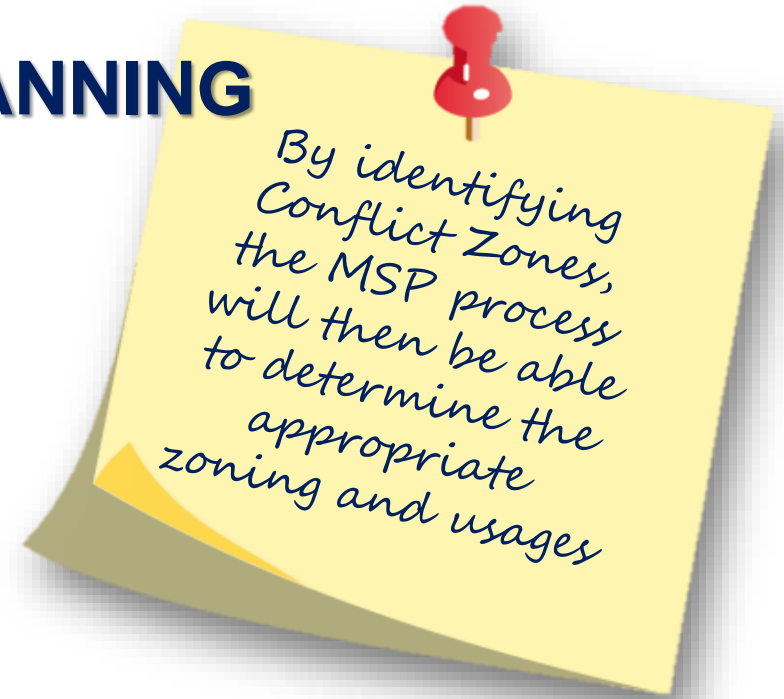
- **Daft National Framework on Marine Spatial Planning (MSP)** was presented to the working groups for comments and inputs, and has been submitted to DG for further processing;
- A **national stakeholder workshop** that will include Non-Governmental Organizations, Government Departments, and Industries for their inputs **will take place in Cape Town on the 28 June 2016**;
- **2015/16 Government investment: R 1.2 million.**



# MPSG - MARINE SPATIAL PLANNING PROGRESS

## Why is this initiative important?

So far there was no overall system to guide the development, implementation, monitoring and refinement of National & Regional (Sub-National) Marine Spatial Planning Framework's and Sub Regional Marine Spatial Management Plan's in South Africa, potentially leading to conflict, unsustainable use of ocean resources and failing to capitalise on development opportunities





# Small Harbours Development



## Small Harbours Development - INTENTION



**Energising  
the growth of Small Harbours  
towards  
an Inclusive Small Harbours-focused  
Ocean Economy**





# Small Harbours Development - **ASPIRATIONS**

**Ensure territorial integrity** through the revitalisation of the Small Harbours





# Small Harbours Development - **ASPIRATIONS**

**Access** to government maritime infrastructure





# Small Harbours Development - **ASPIRATIONS**

Ensure inclusive economic growth through the empowerment of **emerging fishing communities**





# Small Harbours Development - **ASPIRATIONS**

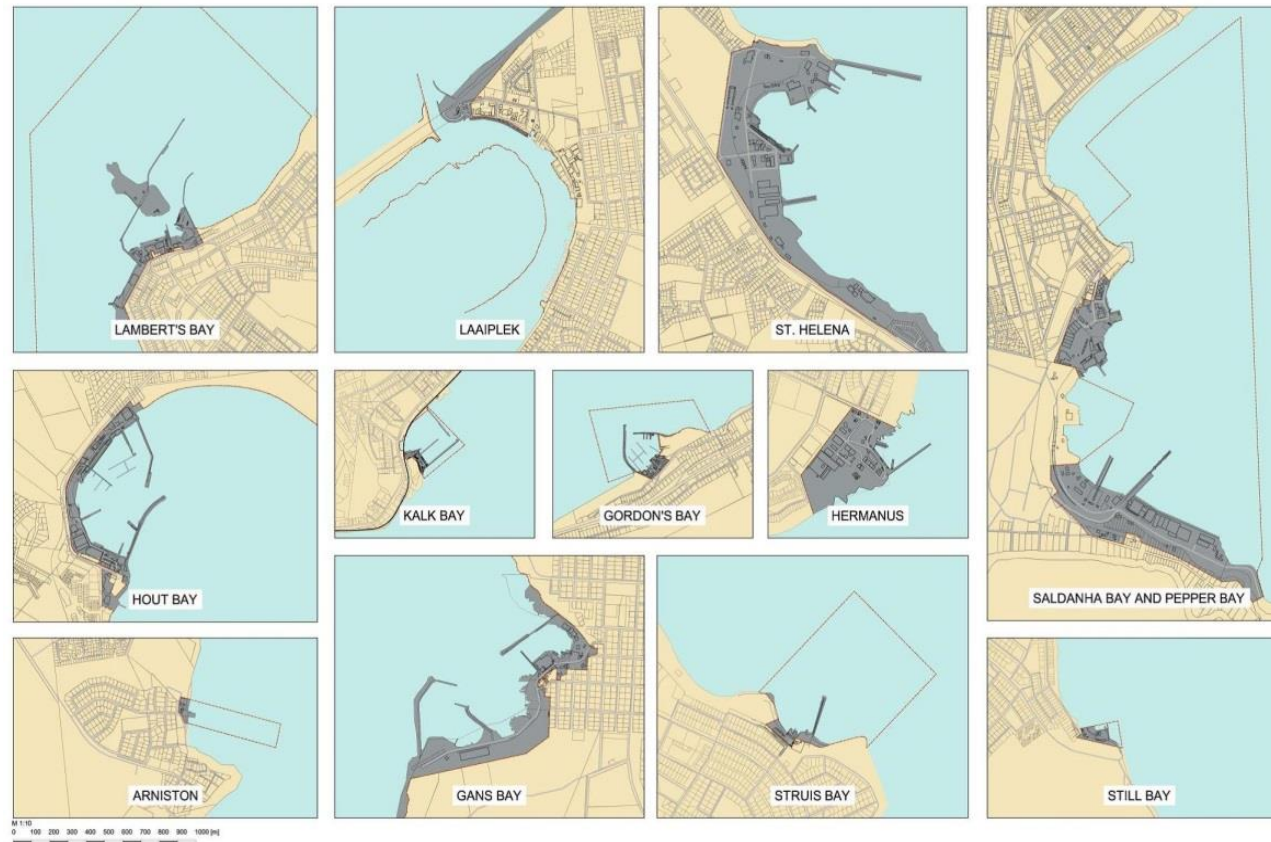
Empower coastal communities in skill development,  
**education and enterprise development**





# Small Harbours Development - **ASPIRATIONS**

Energise the growth of coastal infrastructure





## Small Harbours Development - PREPARATION

**Critical infrastructure projects identified by DPW and DAFF to be undertaken within the 12 Proclaimed Fishing Harbours during 2015/16, followed up by preventative maintenance for the same over the next three (3) years:**

- Repairs and upgrade of slipways;
- Shore crane replacements;
- Dredging of harbour basins;
- Repairs to wooden jetty's;
- Removal of sunken vessels;
- Security installation and operations; and
- Infrastructure repairs.





# Small Harbours Development - PROGRESS

## SMALL HARBOURS TUNE-UP LAB TO DEVELOP 3-FEET DETAIL IMPLEMENTATION PLANS FOR SMALL HARBOURS-FOCUSED OCEAN ECONOMY - ENVISAGED FOR 2016

The preparation for Small Harbours Tune-up Lab process has commenced.

### TUNE-UP LAB ENVISAGED SCOPE:

#### #1: Developing 3-foot detail implementation plans for Small Harbours infrastructure redevelopment/development:

- **Redevelopment of existing 12 Proclaimed Fishing Harbours** namely Lamberts Bay, Laaiplek, St Helena Bay, Saldanha Bay (including Pepper Bay), Hout Bay, Kaik Bay, Gordons Bay, Arniston, Hermanus, Gansbaai, Struibaai and Stilbaai, as well as
- **Development of three (3) Non-proclaimed Priority Harbours** namely Boegoebaai (in Northern Cape), Port St Johns (Eastern Cape) and Hibberdene (in KwaZulu-Natal).



# Small Harbours Development - PROGRESS

## TUNE-UP LAB ENVISAGED SCOPE: (CONTINUED)

- #2: Developing 3-foot detail implementation plans for Accountability of Small Harbours Development;**
- #3: Developing 3-foot detail implementation plans for Policy and Legislation Alignment on Small Harbours Development;**
- #4: Developing 3-foot detail implementation plans for Socio-Economic Impact in terms of Job Creation, Skill Development, Enterprise Development as well as Maritime Intellectual Property for Small Harbours-based Ocean Economy at selected Small Harbours.**





# Small Harbours Development - PROGRESS

## PROCLAMATION OF NEW PRIORITY HARBOURS

- Roadmaps have been developed for the proclamation of new Priority Harbours:
  - Northern Cape (Boegoebaai),
  - Eastern Cape (Port St Johns), and
  - KwaZulu-Natal (Hibberdene)
- The detail 3-year implementation plan for Proclamation process to be completed at Small Harbours Tune-up Lab Process in 2015/16.





# Coastal and Marine Tourism



# Coastal and Marine Tourism has a great potential in contributing to the Oceans Economy

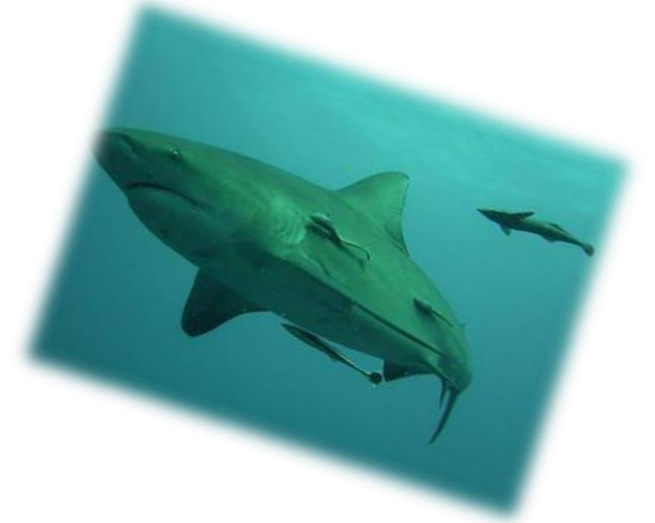




# C&M TOURISM - BACKGROUND

## BOAT BASED WHALE WATCHING

- **Currently 23 Permit Holders (2015/16)**
- **Income from Permits: R393 856**
- New areas are being explored
- Estimated contribution to Tourism expenditure: R45 million (2005)
- GDP contribution: R37 million (2005)
- Average of 145 individuals have been employed in the BBWW and WSCD sectors



## SHARK CAGE DIVING

- **Currently 13 Operators (2015/16)**, mostly in Gansbaai, Quoin Point and Mossel Bay
- **Income from fees: R573 392**

## RECREATIONAL FISHING

- Current recreational permits sold: 241 823
- Income from recreational permits: R27.1 million





# C&M TOURISM - BACKGROUND and POTENTIAL

- ✓ Marine and coastal tourism has tended to benefit areas with well developed infrastructure e.g. Durban and Cape Town.
- ✓ Some areas that have potential tourism value have not benefited due to lack of basic and tourism infrastructure. Consequently, such areas are not able to attract tourists and necessary investment.
- ✓ South Africa's long coast and pristine coastal environment presents opportunities for further marine and coastal tourism development with a view to boost local economic development to those areas.
- ✓ It also presents an opportunity to grow the tourism base.
- ✓ It promotes access to leisure and economic opportunities for local communities
- ✓ Presents a platform for private sector tourism investment.
- ✓ It is also a catalyst for infrastructure development.

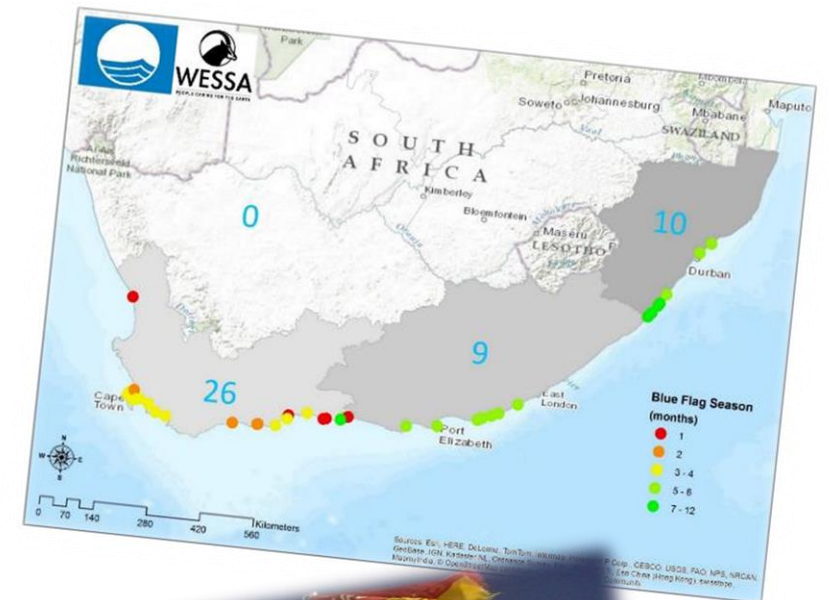




# C&M TOURISM - PROGRESS

## BLUE FLAG PROGRAMME

- This programme leverages the world renowned Blue Flag Beach programme which is designed to ensure sound management practices for beach precincts. It is aimed at providing quality and enhanced experience for visitors.
- This initiative is currently being implemented and expanded.



## REVITALISATION OF BEACH FRONT PRECINCTS

- This initiative will be part of the engagement with the other spheres of Government (More details will be included in the 3 feet plan)





# C&M TOURISM - PROGRESS

- Promotion of blue flags as a tourist attraction (marketing).
- Boat launching facilities and recreational fishing (licenced).
- Mini retail facilities (food, beverage, curio etc.) within the beach precinct.
- Provision of coastal tourism infrastructure i.e. ablutions facilities, parking, recreational facilities (braai areas, pools etc.) – operated in partnership with the private sector.
- Provision of visitor information services.





# C&M TOURISM - PROGRESS

## LAB TO DEVELOP 3 FEET PLAN TO OPTIMISE, DEVELOP AND PROMOTE COASTAL AND MARINE TOURISM

- Consultations commenced with provincial departments, coastal municipalities and coastal tourism stakeholders to assess current and planned coastal and marine tourism initiatives, project and programmes - to complete process by February 2016.
- **Lab started on the 11<sup>th</sup> of April 2016: first results presented to key Ministers**







# **Skills Development and Capacity Building**



# SKILLS AND CAPACITY BUILDING PROGRESS HIGHLIGHTS



- **Establishment of the South African International Maritime Institute to drive skills development –** skills needs identified for all sectors;
- **521 Seafarers trained** through the National Cadet Programme;
- **532 Registered Cadets and Seniors in training** at CPUT and DUT;
- **Parliament approved amendments of the Seafarers Bill** to fast-track skills development within the maritime sector;
- **1 300 Marine Manufacturing semi-skilled** being trained in Saldanha Bay; **403 apprenticeships in EC**;
- **165 pursuing training in aquaculture**;
- **Offshore Oil and Gas Skills Roadmap finalised**; Research Chair in process of being established;
- **19 new occupations in Marine Protection and Governance identified for publication in OFO\***.

\* Organising Framework for Occupations (OFO)

# OCEANS ECONOMY GROWTH

-  Marine Transport and Manufacturing
-  Offshore Oil and Gas Exploration
-  Aquaculture
-  Marine Protection Services and Ocean Governance
-  Small Harbours Development
-  Coastal and Marine Tourism



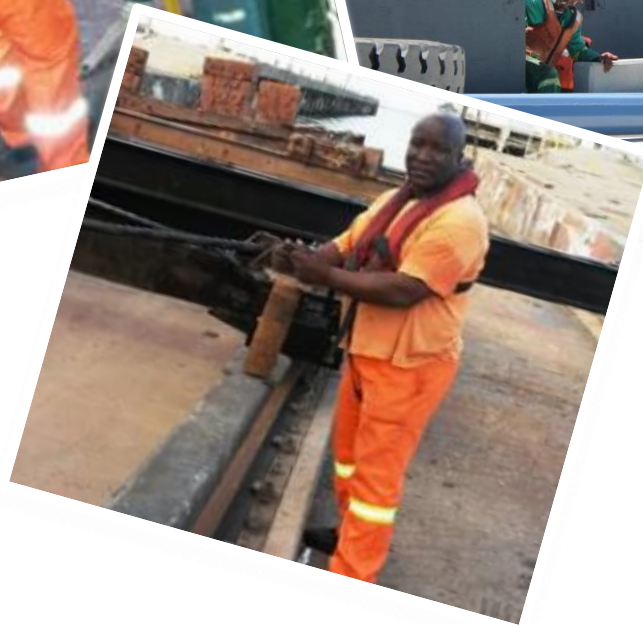
# ENABLING POLICY AND LEGISLATION - PROGRESS

- Mineral Petroleum and Resources Development Amendment Bill to be resolved in the first semester of parliament;
- Draft Aquaculture Bill has been finalised.
- Aquaculture authorisations have been streamlined to shorten the timeframes for approvals.
- Draft Marine Spatial Planning Bill was approved by Cabinet for public comment.
- National Oceans and Coastal Information System – work has commenced through the Council for Scientific and Industrial Research.
- A draft National Framework for Marine Spatial Planning has been completed in order to designate the ocean for specific use and avoid user conflict.
- Regulations and declaration notices had been completed for the 21 offshore Marine Protected Areas.
- Pre-emergency planning and response in respect of oil spill emergency completed.

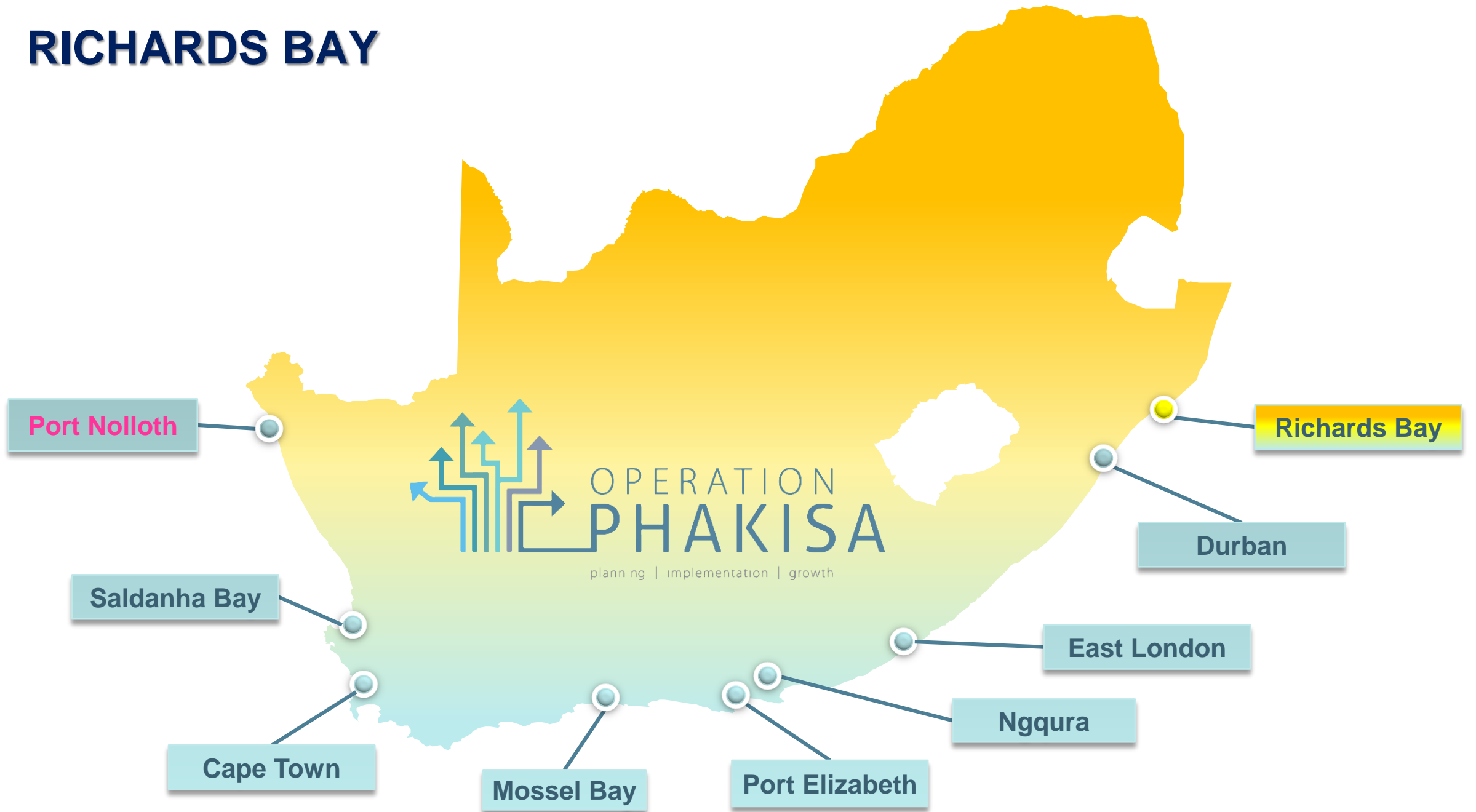
# ENABLING POLICY AND LEGISLATION - PROGRESS

- International Oil Pollution Compensation Fund negotiations had been concluded – processing outstanding payments and preparing submission reports.
- Security Cluster established an Inter-departmental Technical Working Group in order to align all security operations in the maritime environment.
- Operation Fiela was conducted in the coastal areas of Northern Cape and Eastern Cape in November 2015 and resulted in:
  - 21 fines issued for illegal fishing;
  - 1519 units of abalone confiscated;
  - 1 container with counterfeit timber products worth R12 million confiscated;
  - 1 container tobacco products worth R3 million confiscated;
  - 20 bags of teak confiscated;
  - Number of arrests of illegal immigrants and suspected smugglers.
- From lessons learnt, an Exclusive Economic Zone Maritime Security Plan is being developed.

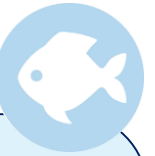
# Work in progress...



# RICHARDS BAY



# RICHARDS BAY - PROGRESS



## AQUACULTURE

- Pilot project commenced with kob farming – to complement an existing fish processing facility (tuna, swordfish and line fish).
- Deployment of first cages (four)
- Transfer of 25 000 fingerlings



## MARINE TRANSPORT & MANUFACTURING

### STRATEGIC PRIORITISED PROJECT

Richards Bay will be established to service the oil and gas industry, ship repair and boatbuilding and create secondary industries for manufacturing – procurement strategy has commenced and expression of interest is going to market by 30 April 2016 and identified by December 2016.





# DURBAN



# PORT OF DURBAN – PROGRESS (1/2)



## MARINE TRANSPORT & MANUFACTURING

- **Procurement of equipment** (heavy duty forklift and welding set for the Durban Dry Dock - Shop 24) at approximately R4m : **COMPLETED**
- **Contract works on the Durban Dry Dock Caisson** at approximately R43m: **COMPLETED.**
- Caisson installed or floated on 29 January, dry dock **OPEN FOR BUSINESS.**
- **The procurement of new dock cranes** for as a new TNPA Floating Dock is on track for 2016.
- Private Company operating from Durban **committed investment of R289.9 million for boatbuilding infrastructure and approved under the 12i Tax Incentive, creating 141 direct jobs.**





# PORT OF DURBAN: DRY DOCK CAISSON

## PHASE THREE – CONTRACTOR WORK



## PORT OF DURBAN – PROGRESS (2/2)



- **Minister of Defence attended the sod-turning ceremony in Durban on behalf of the President (December 2015) to upgrade the naval station into a fully-fledged Naval Base.**
- **Private Company currently in the process of building 9 tugboats as part of the tender of R1.4 billion awarded by TNPA in 2014. Contract to date has created approximately 200 additional jobs.**
- **More than sixty (60) apprentice artisans in training as well as three (3) marine engineers.**
- **More than R700-million earmarked for the Supplier Development Plan entered into between Southern African Shipyards and Transnet's local suppliers, employees and graduates.**
- **Local company awarded a tender worth approximately R23million to build workboat ferries for the Navy.**

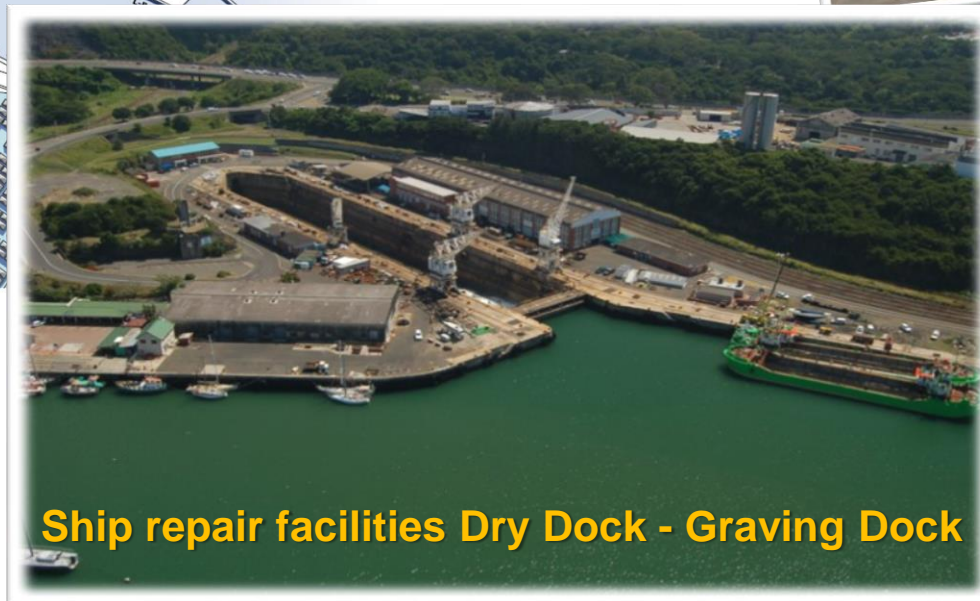
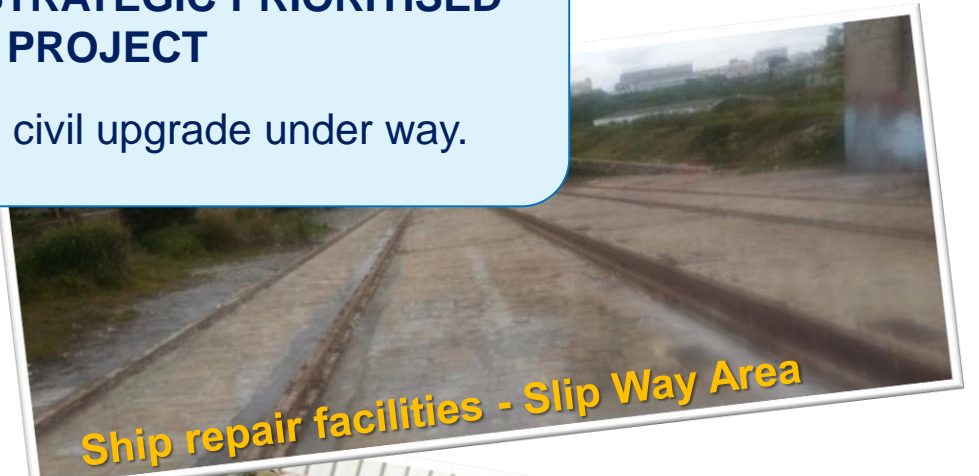
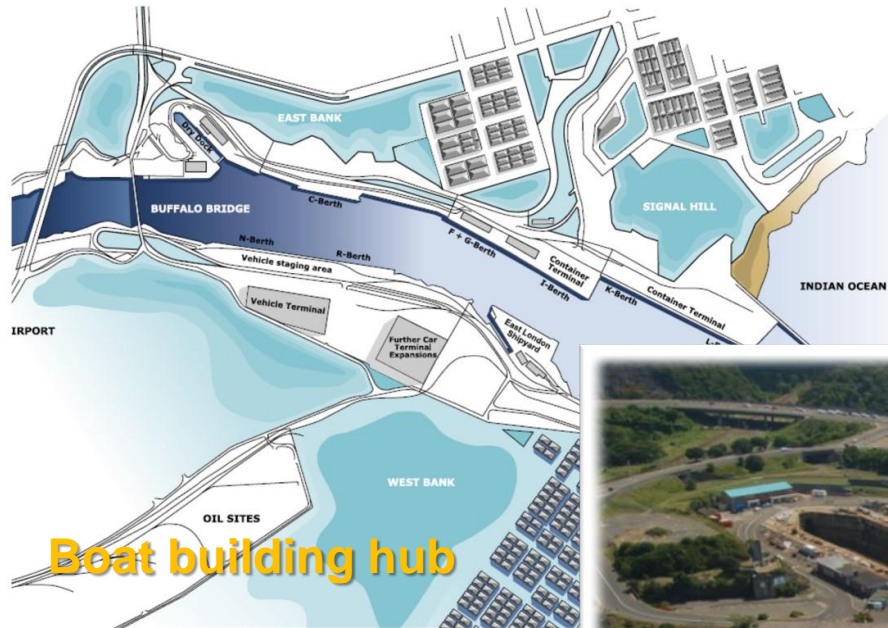
# EAST LONDON



# PORT OF EAST LONDON

## IMPLEMENT STRATEGIC PRIORITISED PROJECT

Electrical and civil upgrade under way.



# HAMBURG (EL): kob farming



- The **second harvesting** of the first batch took place on 7 September 2015: **162 fish with an average weight of 1,2 kg**
- **21 people employed from the Hamburg community.**
- **Capacity to produce 20 tons of dusky kob per annum.**



# NGQURA



## AQUACULTURE

Oyster aquaculture facility in production phase.

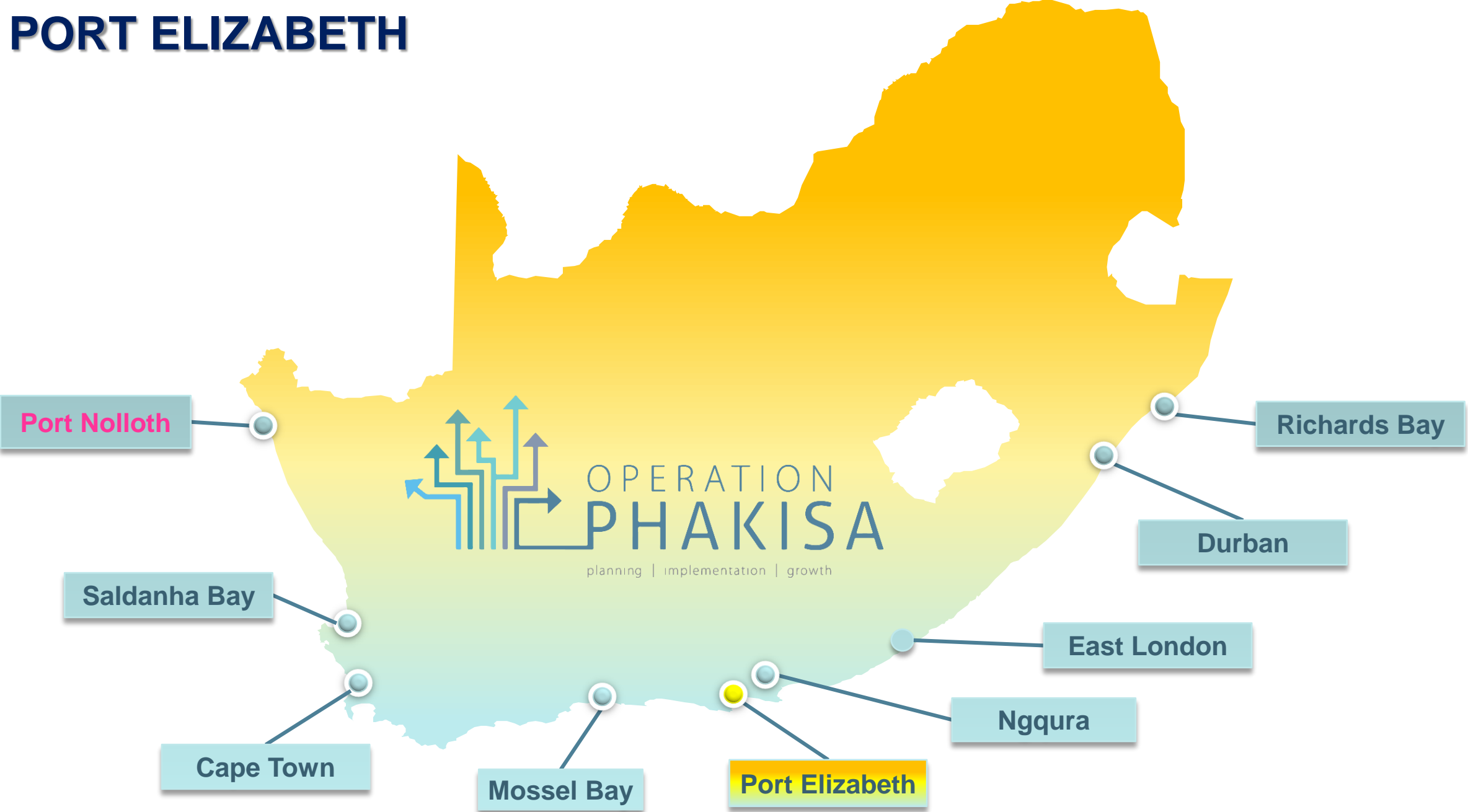


## MARINE TRANSPORT & MANUFACTURING PORT - STRATEGIC PRIORITISED PROJECT

Manganese terminal will be established at Port of Ngqura and Section 79 approval has been granted.



# PORT ELIZABETH



# PORT ELIZABETH

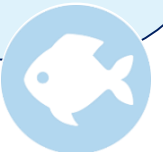


## PORT - MARINE TRANSPORT & MANUFACTURING

- Refurbishment of 1200 ton lead-in jetties
- Construction of a new slipway –associated with the upgrade of the boat hoist facility to a 90 ton facility. The new facility will provide for the repair and maintenance of 12 (twelve) vessels as compared to the current 2 (two) vessels.
- Private Company is currently **in the process of building nine (9) tugboats as part of the tender of R1.4 billion** awarded by Transnet National Ports Authority (TNPA) in 2014. **The contract to date has created approximately 200 additional jobs. Two tugs will be based at the Port of Port Elizabeth.**
- **Private company granted a Section 79 to build a facility at Port Elizabeth Harbour with R1,25 bn worth of orders of exports. Expected to create 500 jobs.** Lease agreement signed with TNPA in December 2015.
- **Two bulk carriers**, now registered on the South African Ships register and flying the SA flag, will be operating **from Port of Port Elizabeth** where the company will establish offices.

## AQUACULTURE

- **The Port of Port Elizabeth received bids for the construction of a commercial marine finfish hatchery** for the grow out production of marine finfish such as kabeljou, yellowtail and Cape salmon as well as a factory for oyster processing.
- One million small abalone (spat) have been seeded in a 3 km stretch of coast in Port Elizabeth/Cape Recife (18 km had been allocated for this purpose). **The community has a 35% share and the BEE security company has a 10% share – thus a 45% BEE share in this initiative.**
- **Aquaculture project in Port Elizabeth/Cape Recife on abalone are in production phase.**

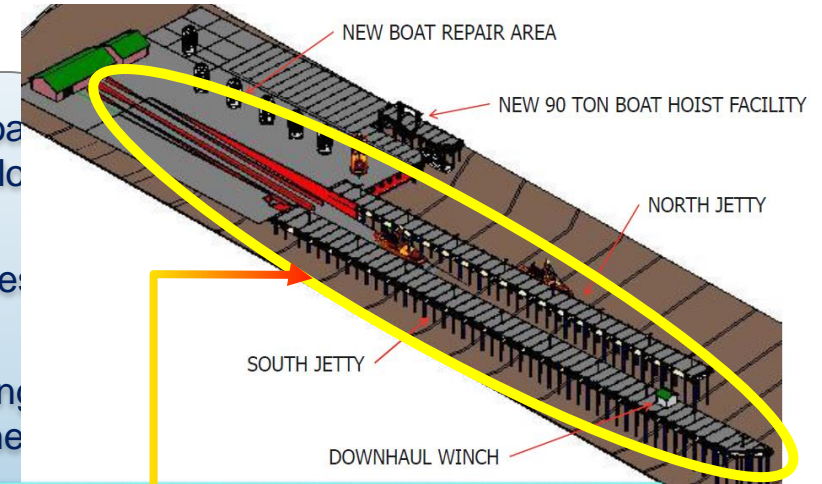




## PORT of PE: REFURBISHMENT of 1200 Ton LEAD-IN JETTIES



- The existing repair facility at the 1200 Lead-in jetties catered for boat repairs mainly supporting the fishing industry, as well as tug and pilot boats.
- The re-built facility re-established the structural integrity of the jetties and allows for an extended life to the 1200 Ton slipway.
- The new jetties has also been constructed at a lower level, creating much needed additional berthing space and creating further opportunities to perform wet repairs.



### Work executed to refurbish this facility:

1. Demolishment of existing south and north Lead-in jetty structure;
2. Installation of new piles, concrete deck and down haul winch house building;
3. Installation of bollards and fenders on the mooring side of the Slipway;
4. Installation of high mast lights and electrical reticulation;
5. Installation of new Fire water piping.



# NORTH LEAD-IN JETTY ~ PRE-REFURBISHMENT STATUS



STRUCTURE CONDEMNED  
DUE TO EXCESSIVE CORROSION

PROJECT: REFURBISHMENT of 1200 Ton LEAD-IN JETTIES



# NORTH LEAD-IN JETTY - DEMOLITION

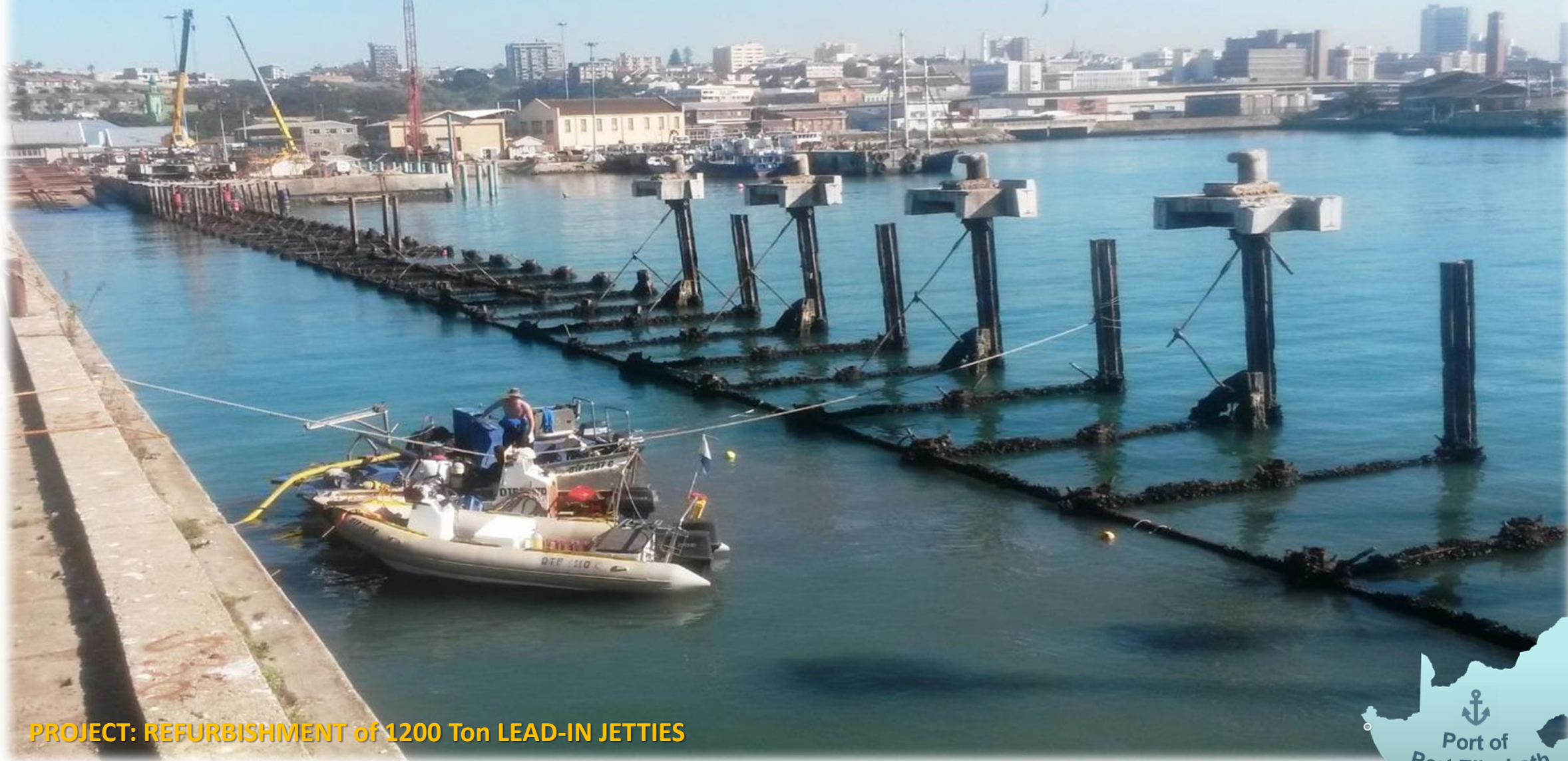


**PROJECT: REFURBISHMENT of 1200 Ton LEAD-IN JETTIES**



**25 March 2015**

# LEAD-IN JETTIES - DIVERS EXPOSING THE DOWN HAUL WINCH PULLEY



**PROJECT: REFURBISHMENT of 1200 Ton LEAD-IN JETTIES**

**8 June 2015**



# NORTH LEAD-IN JETTY - PILING IN PROGRESS



PROJECT: REFURBISHMENT of 1200 Ton LEAD-IN JETTIES

21 September 2015



# 1200 TON SLIPWAY: SLIPPING VESSELS WITH THE NEW CRADLE SUPPORT ARMS



28 September 2015



# NORTH LEAD-IN JETTY - PILING IN PROGRESS



**PROJECT: REFURBISHMENT of 1200 Ton LEAD-IN JETTIES**

**12 October 2015**



# NORTH LEAD-IN JETTY - PILING COMPLETED

DEMOLITION & PILING WORK COMPLETED  
IN 8 MONTHS!

PROJECT: REFURBISHMENT of 1200 Ton LEAD-IN JETTIES

3 November 2015



# NORTH LEAD-IN JETTY - CRANE WALK OUT STRUCTURE REMOVED



**PROJECT: REFURBISHMENT of 1200 Ton LEAD-IN JETTIES**

**18 November 2015**



# NORTH LEAD-IN JETTY - CONSTRUCTING JETTY NEW DECK SOUTH LEAD-IN JETTY - INSTALLING PILES



SOUTH LEAD-IN JETTY

NORTH LEAD-IN JETTY

PROJECT: REFURBISHMENT of 1200 Ton LEAD-IN JETTIES

16 February 2016



# NORTH LEAD-IN JETTY - CASTING JETTY DECK



**PROJECT: REFURBISHMENT of 1200 Ton LEAD-IN JETTIES**

**16 February 2016**



# SOUTH LEAD-IN JETTY DISMANTLING OF CRANE WALKOUT STRUCTURE



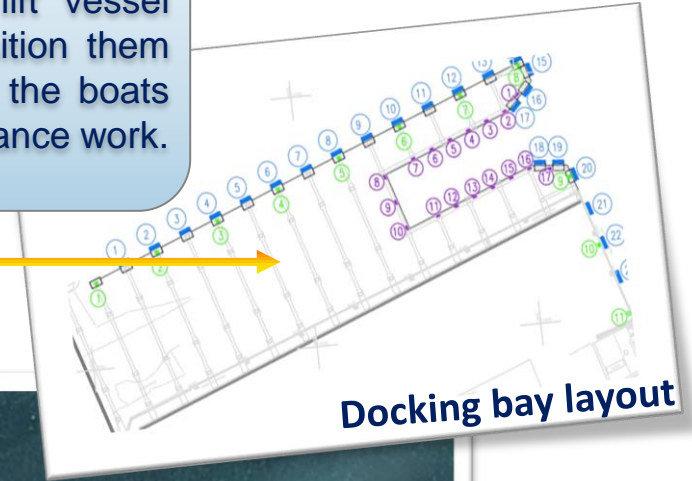


## PORT of PE: BOAT MAINTENANCE AREA and DOCKING BAY for THE NEW 90 TON BOAT HOIST (Upgrade of the old 40 ton slipway)

### Work executed to create this facility:

1. **Excavation and installation of new piles** to support the platform deck and docking bay;
2. **Construction of a new retaining wall and backfilling** behind the retaining wall to reclaim the old 40 ton slipway;
3. **Constructing of a new concrete slab** where at least 10 vessels can be placed for maintenance purposes;
4. **Installation of bollards and fenders** on the mooring side of the Slipway;
5. **Installation of high mast lights and electrical reticulation;**
6. **Installation of new Fire water piping;**
7. **Commissioning of a new 90 Ton boat hoist.**

Boat docking bay from where the new 90 ton boat hoist will lift vessel out of the water and position them on a dry platform, where the boats can be placed for maintenance work.



# DECOMMISSIONED 40 TON SLIPWAY- PRE-REFURBISHMENT STATUS



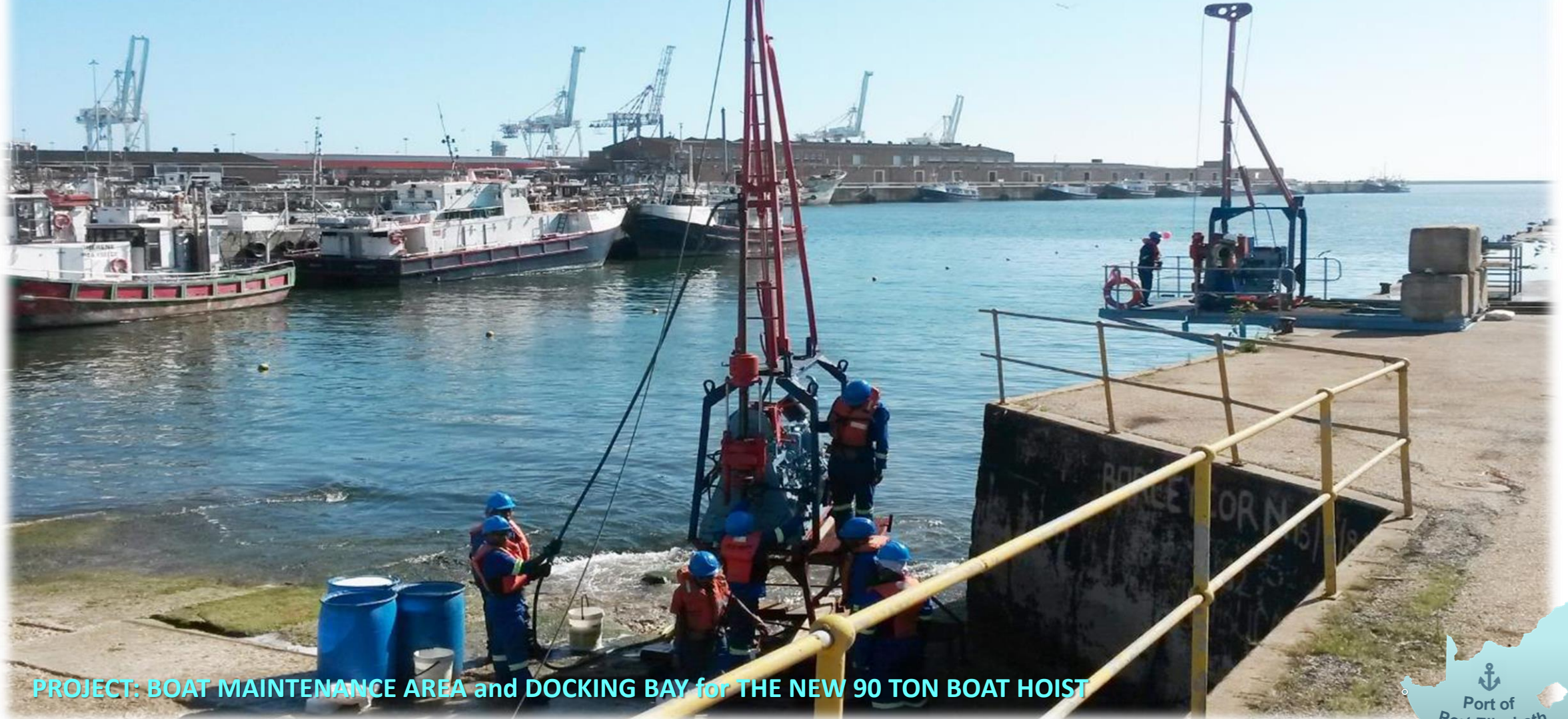
DECOMMISSIONED 40 TON SLIPWAY



PROJECT: BOAT MAINTENANCE AREA and DOCKING BAY for THE NEW 90 TON BOAT HOIST



# 40 TON SLIPWAY GEOTECHNICAL DRILLING TO DETERMINE FOUNDING CONDITIONS



PROJECT: BOAT MAINTENANCE AREA and DOCKING BAY for THE NEW 90 TON BOAT HOIST

29 January 2015



# OLD 40 TON SLIPWAY: EXCAVATION FOR RETAINING WALL - INSTALLING FIRST PILES



PROJECT: BOAT MAINTENANCE AREA and DOCKING BAY for THE NEW 90 TON BOAT HOIST

15 April 2015

# NEW BOAT HOIST FACILITY: DRILLING PILES ON COLUMN ROW C&D, RETAINING WALL COMPLETED



PROJECT: BOAT MAINTENANCE AREA and DOCKING BAY for THE NEW 90 TON BOAT HOIST

13 May 2015

# NEW BOAT HOIST FACILITY: BACKFILLING BEHIND RETAINING WALL & CASTING PILES



PROJECT: BOAT MAINTENANCE AREA and DOCKING BAY for THE NEW 90 TON BOAT HOIST

20 May 2015



# NEW BOAT HOIST FACILITY: BACKFILLING BEHIND RETAINING WALL



PROJECT: BOAT MAINTENANCE AREA and DOCKING BAY for THE NEW 90 TON BOAT HOIST

23 May 2015

# NEW BOAT HOIST FACILITY: CASTING BEAMS TO SUPPORT THE NEW DECK



PROJECT: BOAT MAINTENANCE AREA and DOCKING BAY for THE NEW 90 TON BOAT HOIST

23 May 2015

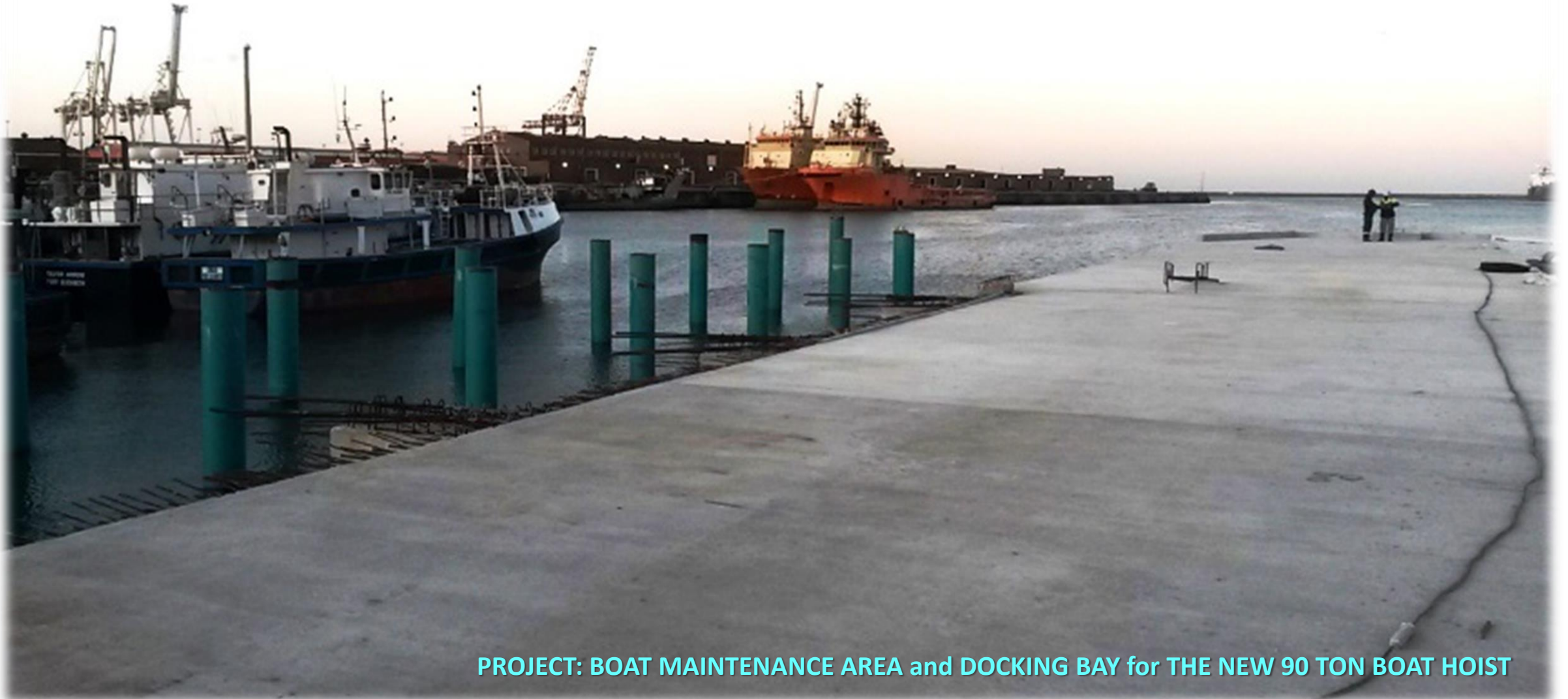
# NEW BOAT HOIST FACILITY: PILING COMPLETED



PROJECT: BOAT MAINTENANCE AREA and DOCKING BAY for THE NEW 90 TON BOAT HOIST

20 July 2015

# **NEW BOAT HOIST FACILITY: CONSTRUCTION OF NEW 90 TON BOAT HOIST DOCKING BAY**



**PROJECT: BOAT MAINTENANCE AREA and DOCKING BAY for THE NEW 90 TON BOAT HOIST**

**9 September 2015**



# NEW BOAT HOIST FACILITY: CONSTRUCTION OF BOAT MAINTENANCE AREA & DOCKING BAY



PROJECT: BOAT MAINTENANCE AREA and DOCKING BAY for THE NEW 90 TON BOAT HOIST

**01 October 2015**

**NEW 90 TON BOAT HOIST:  
CASTING THE LAST CONCRETE PANEL AT THE DOCKING BAY**



**PROJECT: BOAT MAINTENANCE AREA and DOCKING BAY for THE NEW 90 TON BOAT HOIST**

**18 December 2015**

## **NEW 90 TON BOAT HOIST: FENDERS AT THE NEW 90 TON BOAT HOIST**



**PROJECT: BOAT MAINTENANCE AREA and DOCKING BAY for THE NEW 90 TON BOAT HOIST**

**16 February 2016**

# BOAT MAINTENANCE AREA AND DOCKING BAY FOR NEW 90 TON BOAT HOIST: COMPLETED



26 February 2016



# PORT of PORT ELIZABETH - HIGHLIGHTS

NEW 90 TON BOAT HOIST



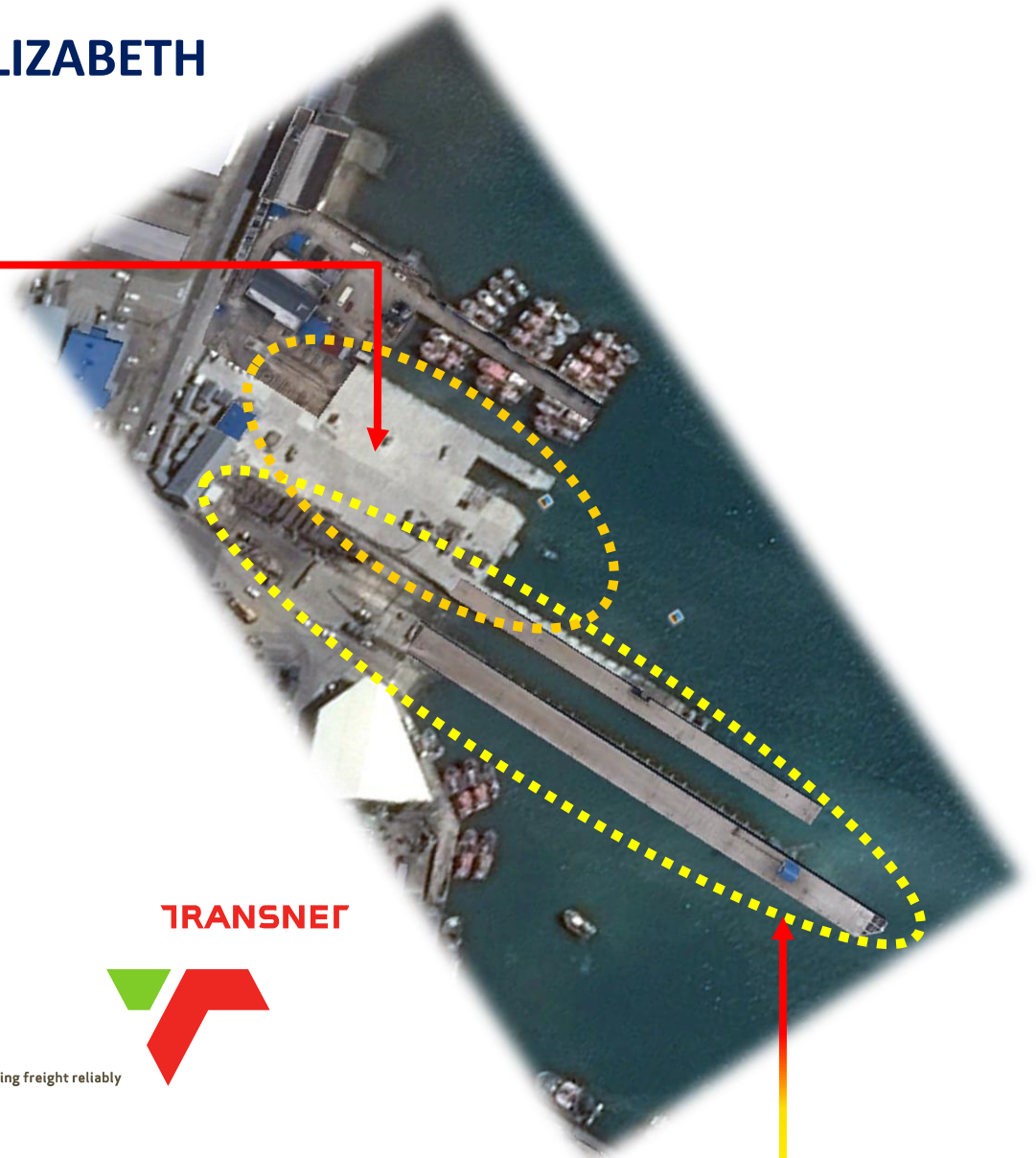
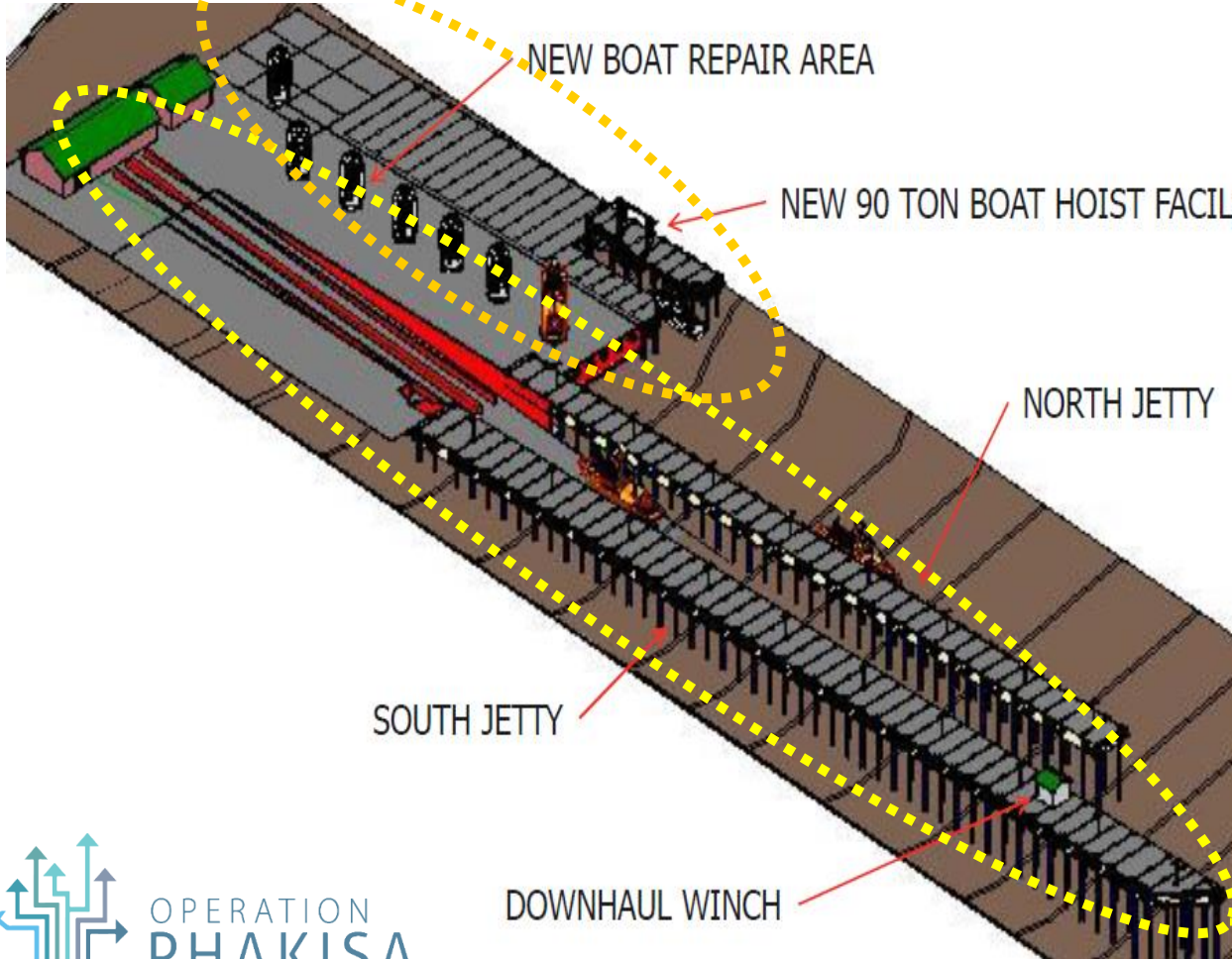
MVEZO: NEW TUG BOAT





# PORT of PORT ELIZABETH

## BOAT MAINTENANCE AREA and DOCKING BAY for THE NEW 90 TON BOAT HOIST



## REFURBISHMENT of 1200 Ton LEAD-IN JETTIES



## PORT of PORT ELIZABETH: **PROJECTS STATUS**

### 1. BOAT MAINTENANCE AREA and DOCKING BAY for THE NEW 90 TON BOAT HOIST

- ✓ **New Boat maintenance facility: **COMPLETED****
  - Excavation and installation of new piles to support the platform deck and docking bay;
  - Construction of a new retaining wall and backfilling behind the retaining wall to reclaim the old 40 ton slipway;
  - Constructing of a new concrete slab where at least 10 vessels can be placed for maintenance purposes;
  - Installation of bollards and fenders on the mooring side of the Slipway;
  - Installation of high mast lights and electrical reticulation;
  - Installation of new Fire water piping;
  - Commissioning of a new 90 Ton boat hoist.
- ✓ **Boat hoist arrival and assembling: **COMPLETED****
- ✓ **Start Operating new Boat Maintenance facility: **3 May 2016****



### 2. REFURBISHMENT of 1200 Ton LEAD-IN JETTIES

- ✓ **51% complete: **AHEAD OF SCHEDULE BY 67 DAYS**** (Expected completion date is March 2017 where it originally was scheduled for completion in May 2017)

### 3. TNPA personnel Training: **IN PROGRESS** (01 to 29 April 2016)



## PORT of PORT ELIZABETH - HIGHLIGHTS

- **SAFETY ACHIEVEMENTS:**  
**186 852 hours worked with no Lost Time Injures.**
- **JOB CREATION:**
  - **DIRECT > 82 direct job opportunities created as a result of this project;**
  - **INDIRECT > 10 690 Total man days so far.**
- **PROJECT VALUE:**
  - **ESTIMATED VALUE AT COMPLETION > R 186 000 000**
  - **VALUE SPEND TO DATE > R 110 632 000**
  - **LOCAL SPEND > will be in excess of R 80 000 000,  
currently already at R 77 693 000.00**

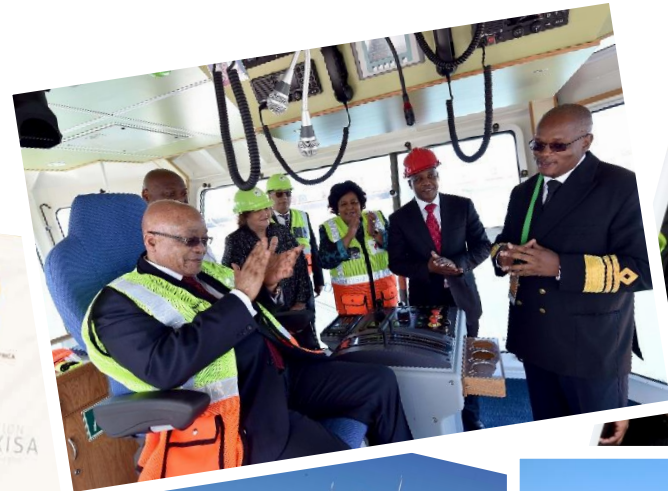




# Port of Port Elizabeth, 8 April 2016

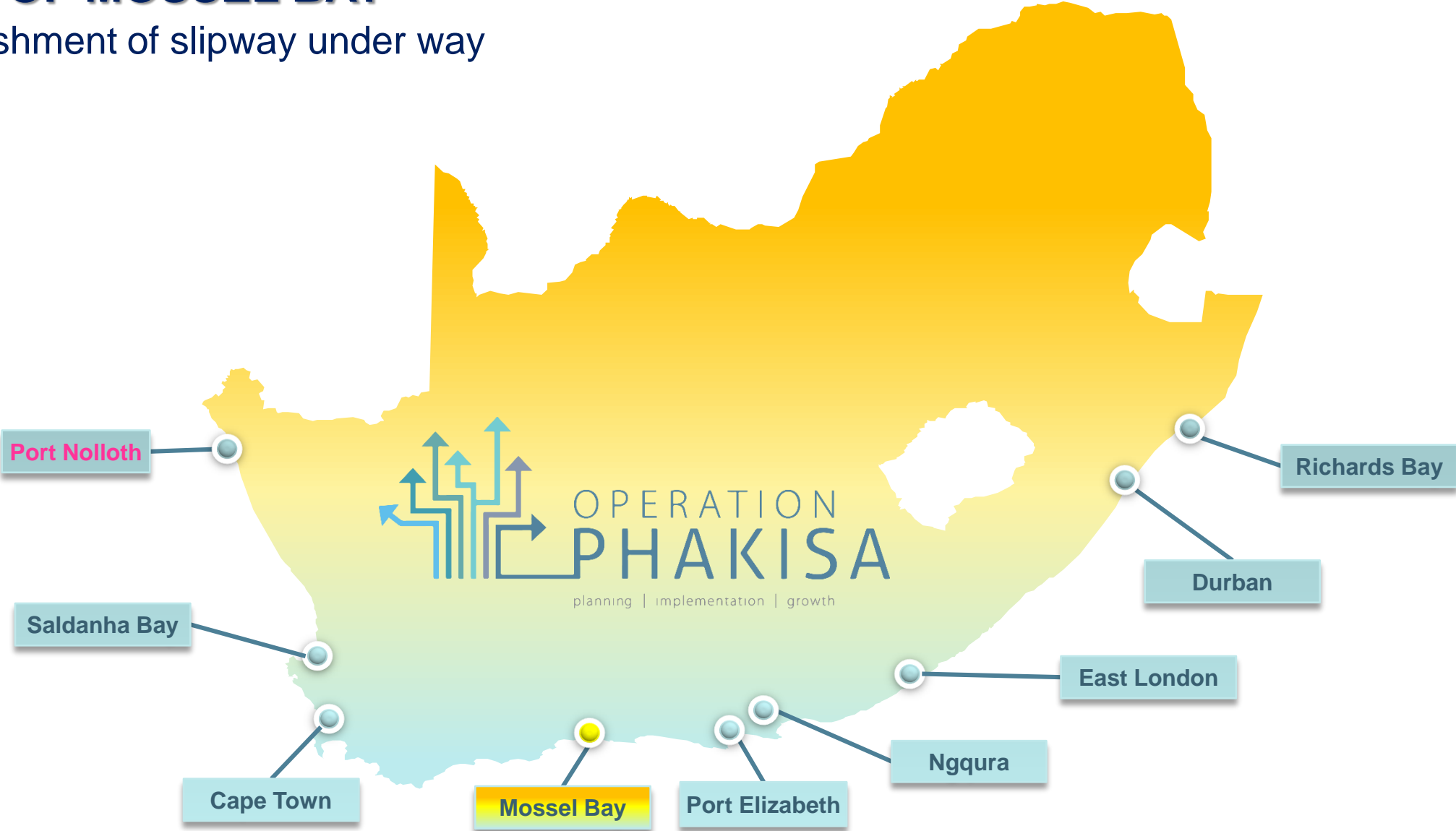
## PROGRESS VISIT

### His Excellency, President JG Zuma

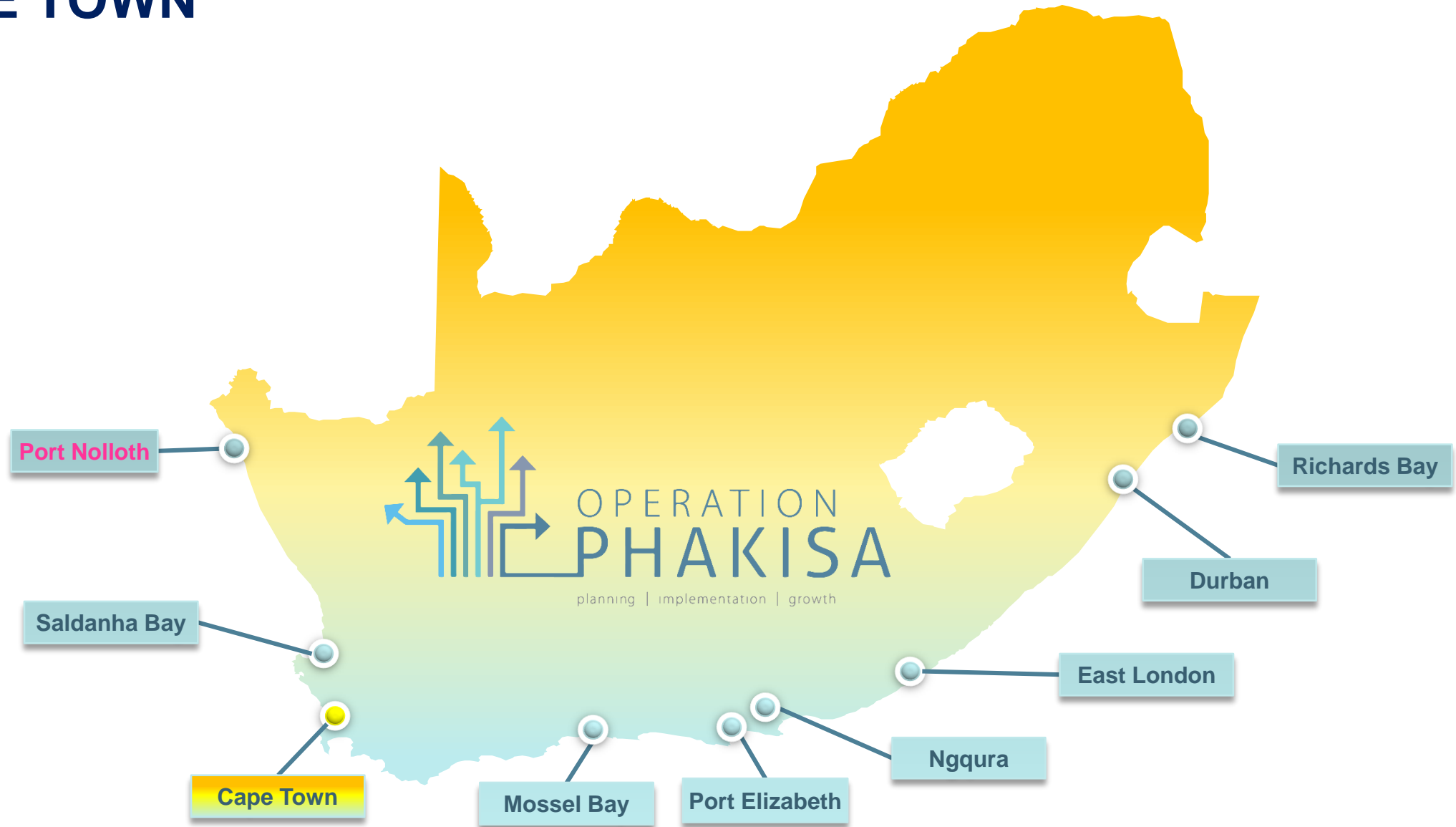


# PORT OF MOSSEL BAY

Refurbishment of slipway under way



# CAPE TOWN



# PORT OF CAPE TOWN

## REMOVAL OF WOODEN DECKING & DISCONNECTING STRUCTURE

## REMOVAL OF RAILS



# PORT OF CAPE TOWN



# PORT OF CAPE TOWN

## Structural steelwork

- Replacement of damaged steel sections
- Strengthening of steel structure by additional structural steel



# PORT OF CAPE TOWN

## Corrosion protection painting

Reinstallation and leveling of rails



# SALDANHA BAY



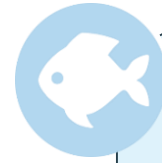


# SALDANHA BAY



## PORT - OIL AND GAS HUB

- Total scope - R9.2 billion investment (public and private) over 5 years.
- Work has commenced on the Offshore Supply Base (30 initial jobs): Upgrade to the General maintenance Quay



## AQUACULTURE

- Brown mussels in production.
- Oysters in production.
- Abalone in production.
- Experimental facilities for salmon, trout and scallops.



# Saldanha Bay as an Oil and Gas Hub

Total scope - R9.2 billion investment  
(public and private)

IDZ  
BACK OF PORT

OSSB

BERTH  
205

JETTY AT MOSSGAS

1. Offshore Supply Base: work commenced;
2. Berth 205 (rig repairs);
3. Mossgas Jetty (extension)





# PORT OF SALDANHA BAY

Before....



After...

- Artist Impression -



Rig Repair Berth 205

Mossgas Jetty  
- Artist Impression -

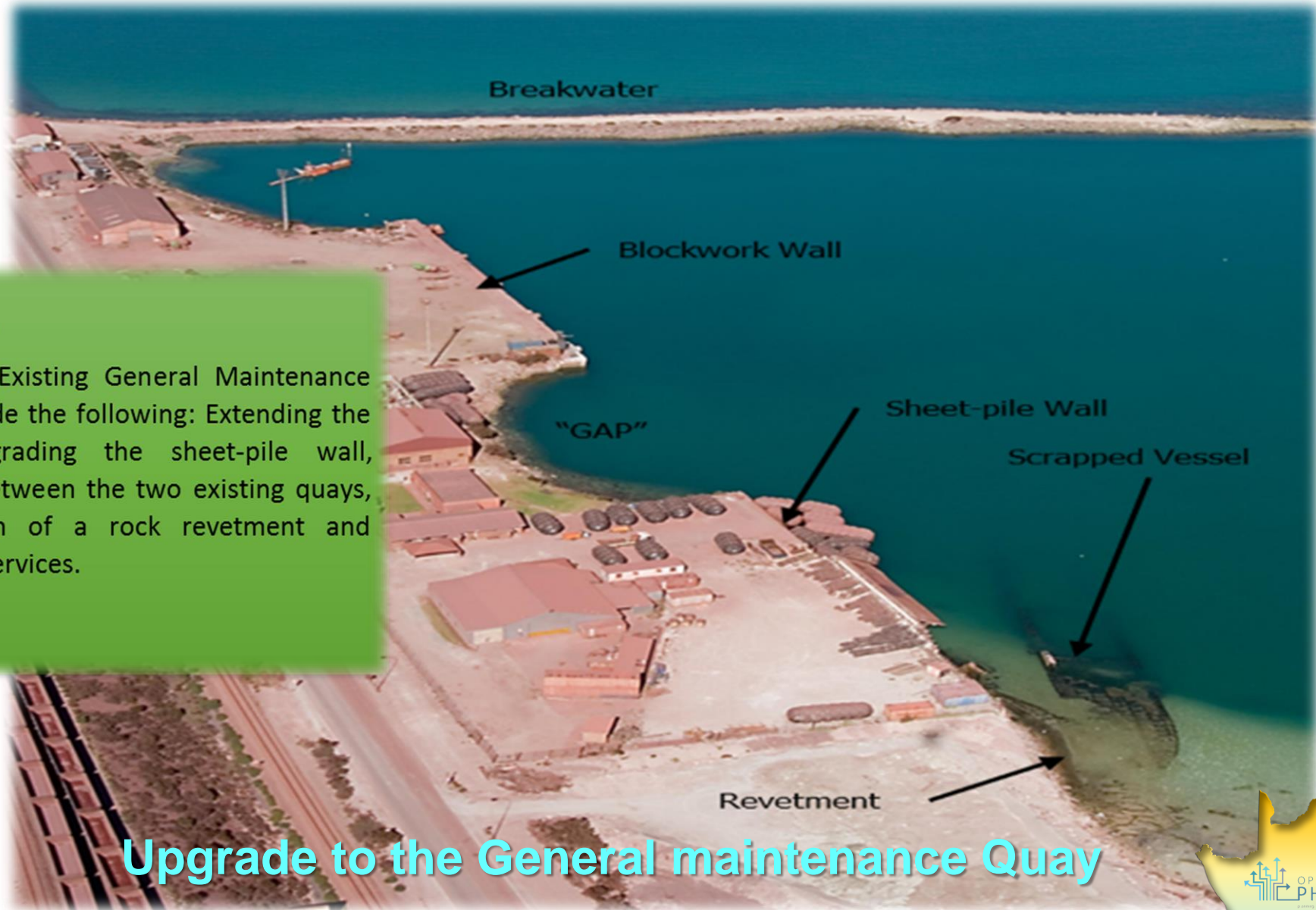




# PORT OF SALDANHA BAY



# PORT OF SALDANHA BAY



## PROJECT DESCRIPTION

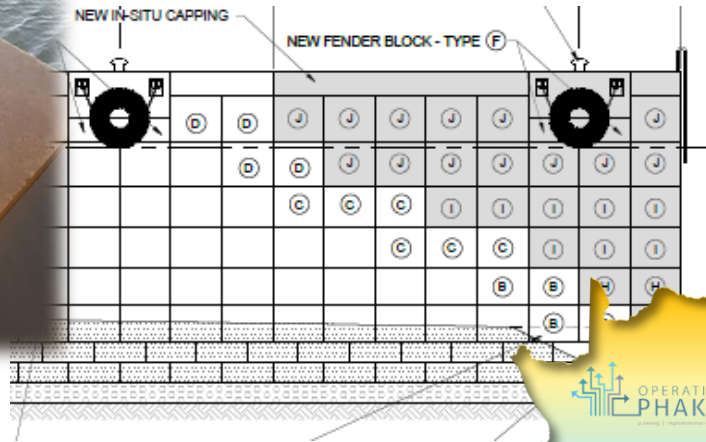
The upgrades to the Existing General Maintenance Quay (GMQ) will include the following: Extending the blockwork wall, Upgrading the sheet-pile wall, Reclaiming the area between the two existing quays, Dredging, Construction of a rock revetment and Provision of quayside services.

**Upgrade to the General maintenance Quay**





# PORT OF SALDANHA BAY - Upgrade to the General maintenance Quay



## BLOCK WALL

- Total 50 x blocks manufactured to date.
- Total blocks installed at southern extension to date : 1 G block, 3 x H blocks, 9 x J blocks and 8 x I blocks.
- Dredging at Northern blockwall extension.

## ANCHOR WALLS

Total anchor walls cast to date 24  
Total anchor base cast to date 33



## SALDANHA BAY - IDZ

### INTERNAL ENGINEERING SERVICES COMPLETE

Internal Engineering Services such as bulk utilities, servitudes and an upgrade to the local waste-water treatment works in preparation for IDZ investors on the back-of-port land – local contractors from the community were involved in the project, as well 100% local community procurement on the IDZ site office.



### PRIMARY ROAD INFRASTRUCTURE

The IDZ has also started laying the primary road infrastructure in support of the first tranche of investors expected in the zone.



# SALDANHA BAY - Supporting Infrastructure Designs for Transnet RFP Projects Completed

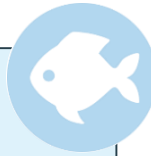
In support of the Transnet-led Operation Phakisa initiatives, the IDZ team has completed the designs for the civil engineering works for the successfully appointed terminal operators in the back-of-port area.



*Work Gets Underway on South Africa's First Dedicated Offshore Supply Base*



## AQUACULTURE



- Abalone ranching – 500 000 juveniles seeded in the ocean;
- Abalone hatchery in operation;
- Aquaculture facilities (abalone) in the vicinity near Hondeklipbaai (ranching, hatchery and production);
- Oyster growing facility in Kleinzee.

## SMALL HARBOURS DEVELOPMENT

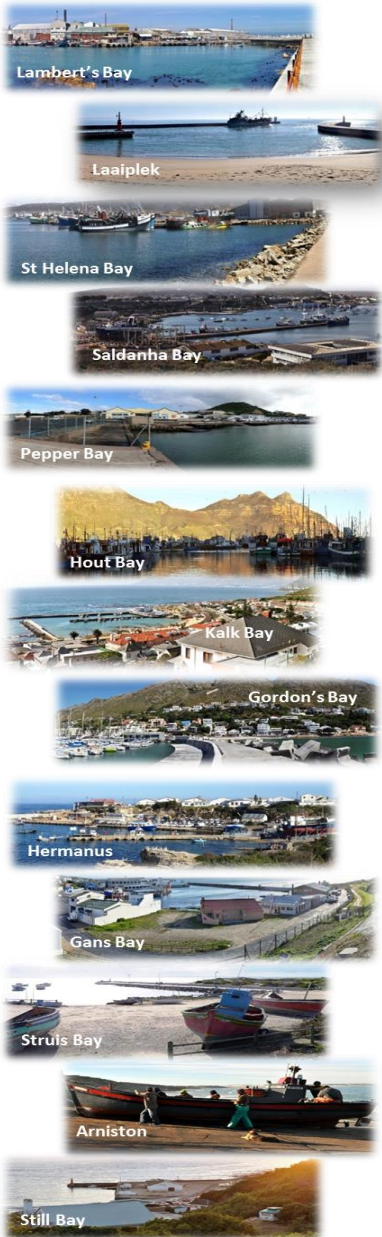


- A new harbour is planned at Boegoebaai, near Port Nolloth;
- Prefeasibility study under way.



# OCEANS ECONOMY GROWTH

-  Marine Transport and Manufacturing
-  Offshore Oil and Gas Exploration
-  Aquaculture
-  Marine Protection Services and Ocean Governance
-  Small Harbours Development
-  Coastal and Marine Tourism



An aerial photograph of a large, powerful ocean wave. The water is a deep, vibrant blue, and the crest of the wave is breaking into white foam. The sun is visible in the upper right corner, creating a bright, shimmering effect on the water's surface. The overall scene conveys a sense of natural power and movement.

# OPERATION PHAKISA

*Moving the Oceans Economy  
Forward...*