

## TOWARDS MARITIME TRANSPORT AGENDA 2010

### HISTORICAL PERSPECTIVE

The White Paper on National Transport Policy explains the vision for the South African transport system as one, which will:

“provide safe, reliable ,effective, efficient and fully integrated transport operations and infrastructure which will best meet the needs of freight and passenger customers at improving levels of service and cost in a fashion which supports government strategies for economic and social development whilst being environmentally and economically sustainable”

#### The goals were identified as follows:

- (1) To support the goals of the Reconstruction and Development Programme for meeting basic needs, growing the economy, developing human resources and democratising decision-making.
- (2) To enable customers requiring transport for people or goods to access the transport system in ways which best satisfy their chosen criteria.
- (3) To improve the safety, security, reliability, quality and speed of transporting goods and people.
- (4) To improve South Africa’s competitiveness and that of its transport infrastructure and operations through greater effectiveness and efficiency to better the needs of different customer groups, both locally and globally.
- (5) To invest in infrastructure or transport systems in ways which satisfy social, economic, or strategic investment criteria.
- (6) To achieve the above objectives in a manner which is economically and environmentally sustainable and minimises negative side effects.

The White Paper on National Transport Policy, Maritime Transport section, further addresses the following:

- (a) Economic principles
- (b) Trade and cargo
- (c) Ship financing and registration
- (d) Ports
- (e) Safety at Sea
- (f) Employment and training
- (g) Administration
- (h) Marine environment protection.
- (i) Security

To address these issues the government made certain policy statement commitments. This paper will dwell much on explaining the way forward from the development of the National Transport policy, achievements and Agenda 2010 as follows:

NUMBER	COMMITMENTS	HOW FAR
1	Government will promote interdepartmental initiative to educate exporters of South African goods on advantages of shipping their cargoes on South African vessels or on CIF terms and importers to buy on FOB	Government is in the process of improving the ship register ( at an initial stage) Investigation on cabotage policies will be initiated. The Department together with other

		affected Departments will also encourage and advise the exporters and importers on the choice of shipping terms (Incoterms)
2	Government will promote interdepartmental and private initiatives to ensure that administrative, fiscal and legal inhibitors to the development of the South African register and its ancillary services are removed	Initial meetings with key stakeholders in Government are already held. A forum to investigate the route to be taken to address ship registration challenges has already been formed.
3	Scope for bilateral shipping agreements which will enable South African shipping interests to access markets which are currently inaccessible will be explored	<p>A couple of agreements are already signed e.g. agreements regarding Merchant Shipping and related maritime matters with; Madagascar, Netherlands, Mozambique, Malaysia, Greece, Germany, Algeria, France, Egypt, Tunisia Iran Peoples Republic of China and Cuba</p> <p>The Department is already engaged in Joint Bilateral Maritime Safety Commission discussions with some of the above-mentioned countries.</p> <p>The challenge is implementation.</p>
5	Bilateral shipping or taxation agreements will be negotiated with countries which levy freight taxes on non-resident ship owners so as to eliminate or reduce foreign taxes	Not yet initiated.
6	Government will improve the performance of Port State Control as an effective means of deterring sub-standard ships and their owners from calling at the South African Ports	The South African maritime Safety Authority was formed in 1998 by the south Maritime act, 19989 Act no. 5 of 1998). It is performing very well except that is it still understaffed
7	Government will consider the creation of a statutory National Navigation authority under the auspices of the department of transport	Not yet created. The Department will initiate a consultation process to look at the feasibility.
8	Government intends to create an	The National Ports Bill is

	Independent port authority that will be regulated by an independent regulator	in Parliament and the process of putting in place a Regulator is about to be finalised
9	The Department of transport will liaise with other departments of governments e.g. Labour to promote amendments of labour legislation to ensure that sea-farers.....are afforded the same rights and protection as other workers.	Still in its initial stages
10	The crisis of skills and basic education in the maritime labour market will be urgently addressed through a concerted programme of education and training to meet the growing demand of sea-farers and to improve the skills base of existing employees in the industry.	<p>TETA is doing very well to address the problem. A maritime chamber is in place and is working hard to address the situation.</p> <p>On the other hand the Department of transport (Capacity Development unit) embarked on road maps targeting all schools in different provinces.</p> <p>This effort is meant to attract students to follow educational programmes in different modes of transport including "maritime"</p>

## 1. Trends, developments and challenges to maritime transport industry

The global nature of maritime transport renders it vulnerable to the ever-changing world scene and this is a major challenge to government and industry. Our strategic directions have been developed in the context of the trends and developments in today's shipping industry as provided below:

### 1.1 Globalisation

The freer movement of people, goods and information characterizes today's globalisation. It is a more interrelated world, whereby the actions in one part of the world have implications elsewhere. In tandem with the expansion of trade, is the elevation of the importance of shipping as a major catalyst of global trade. The reality is that mega shipping conglomerates and alliances as well as global terminal operators exercise increasing power on global trade, the maritime transport sector and shipping matters at large. At the same time, there is concern that the forces of liberalization and competition sweeping through the maritime sector might compromise shipping standards.

### 1.2 Key Challenges

- (a) identifying trends and developments affecting maritime transport
- (b) comprehensive, efficient , inclusive and sustainable approach to maritime matters

- (c) effective and efficient response to maritime trends, developments and incidents within the IMO framework.
- (d) Involvement of relevant government departments and stakeholders in the formulation and adoption of policy.

## **2 Heightened maritime safety concerns**

Enhancing maritime safety through ensuring that each link in the chain of responsibility fully meets its obligations is a priority for the maritime community as a whole. An effective maritime administration is critical in ensuring an effective and efficient maintenance of maritime safety standards through proper co-ordination.

### **Key challenges**

- (a) enhancing technical, operational and safety management standards
- (b) identifying and evaluating factors influencing a safety culture and to turn them into practical and effective mechanisms or further development of a quality and safety culture throughout the maritime community.
- (c) Existence of effective, efficient and sustainable South African Maritime Authority is critical in the implementation and enforcement of international maritime standards.

## **3 Heightened environmental consciousness**

There is growing public intolerance to environmental pollution from shipping incidents as experienced from several accidents. Further there is also heightened concern over the impact of global shipping activities on the marine biodiversity, giving impetus to efforts such as preservation of aquatic systems and prevention of the introduction of harmful substances from ships into the marine environment

### **Key Challenges**

- (a) encouraging sustainable development by being proactive in identifying and addressing maritime activities that could have adverse impact on the environment; and
- (b) development of effective responses to maritime incidents to mitigate the impact on the marine environment.

## **4 Safety of life at sea**

The advent of large passenger ships with capacities of several thousands of persons increased the loss of seafarers thereby causing concerns over safety of life at sea. IMO have done a lot of work to counter such disasters including development of international instruments like SOLAS and relevant regulations. On the other hand, there are concerns about adequacy of the current response capabilities particularly in the Search and Rescue area. Human element has become one of the major concerns of the international communities.

### **Key Challenges**

- (a) ensuring that all systems and infrastructure related to safety are adequate.
- (b) ensuring a consolidated, efficient, effective and sustainable Maritime Rescue coordinating Centre (MRCC)

## **Key Challenge**

Development of strong national regulatory framework that would encourage both the shipping industry and SAMSA to consider human element as one of the priorities to observe.

## **5 Technology as one of the major driving forces for change in the maritime transport sector**

Technological developments, particularly in communications and information provide better opportunities for knowledge management, transparency and accessibility. Care should however be taken regarding possible negative consequences that technology could bring.

### **Key Challenges**

- (a) Identifying suitable technology that could enhance, inter alia, safety, security and protection of the environment in an adequate manner.
- (b) Ensuring proper application of such technology or the purposes of information management and facilitation of proper access to such information.

## **AGENDA 2010: KEY ACTIVITIES**

### **6. MARINE ENVIRONMENT PROTECTION**

#### **6.1 Objective**

To develop and maintain a strategy and a regulatory framework that encourages industry to protect marine environment.

#### **6.2 Specific subjects**

- 6.2.1 Development of the National Contingency Plan for prevention and combating of marine pollution by oil, chemical and other noxious and hazardous substance;
- 6.2.2 Framework for coordinating roles of various entities
- 6.2.3 Adoption and implementation of the new International Convention for the Control and Management of Ships' Ballast Water and Sediments;
- 6.2.4 Ratification of Annex 6 of the MARPOL Convention, which dictates measures, to be taken to reduce "greenhouse" gas emissions from ships;
- 6.2.5 Maintain a stand-by Tug on the South African coast for pollution prevention purposes

### **7 Legislative activity**

- 7.1 Ratification of the OPRC and the HNS Protocol;
- 7.2 Ratification of Ships' Ballast Water Convention;
- 7.3 Ratification of Annex 6 of MARPOL Convention;
- 7.4 Amendment of the SAMSA Act and other marine environment legislation.

### **8 Co-operation with other departments and agencies**

DOT to set up a co-operative structure to be known as the Marine Environment Advisory Committee (MEAC) consisting of DEAT; SAMSA; NPA; DOD; private terminal operators; relevant provincial departments and directly-interested stakeholders such as the oil and chemical industry associations.

## **9 Stakeholder participation**

Other industry stakeholders to participate at the MEAC through invitation, especially when preparing for Marine Environment meetings of SADC and the IMO. No permanent formal structure will be established to enable stakeholder participation.

## **10 ENHANCEMENT AND FACILITATION OF MARITIME TRAFFIC AND PORTS PERFORMANCE**

### **10.1 Objective**

To promote and facilitate maritime traffic through co-operation with other maritime countries.

### **10.2 Specific Subjects**

- 10.2.1 Implementation of the National Ports Authority Bill once enacted into law
- 10.2.2 Promotion and facilitation of maritime bilateral relations.
- 10.2.3 Development of a new framework that will ensure simplification, minimization and harmonization of documentary requirements at our ports;
- 10.2.4 Promotion of S.A. participation at the Facilitation Committee of the IMO
- 10.2.5 Promotion of coastal or short sea shipping

### **10.3 Legislative activities**

- 10.3.1 Enactment of the National Ports Authority Bill
- 10.3.2 Conclusion of bilateral Agreements with maritime countries
- 10.3.3 Ratification of the Convention on Facilitation of International Maritime Traffic, 1965

### **10.4 Co-operation with other departments and agencies**

Participate and or create relevant structures of engagement with other government departments to achieve our objectives.

### **10.5 Stakeholder participation**

Convening of strategic planning sessions with stakeholders to identify trends in the industry that could impact on facilitation of maritime traffic.

## **11 GROWING THE SOUTH AFRICAN SHIP REGISTER**

### **11.1 Objective:**

To attract and increase registration of SOLAS vessels on the South African Ships Register

### **11.2 Specific subjects**

To reform the SA ship registration framework in order to gain competitive Advantage

### **11.3 Legal activity**

- 11.3.1 Review of SA ship registration and related legislation to accommodate among others, incentives, subsidies and ship financing schemes
- 11.3.1 Investigate the legal implications for the introduction of cabotage policy

#### **11.4 Co-operation with other government departments**

Establish the SA Ship Register Advisory Group (SASRAG)

#### **11.5 Stakeholder participation**

DOT; DTI; DOD; DPE; TREASURY; SARS; SAMSA and Industry

### **12 INCULCATING SAFETY CULTURE ON INLAND WATERWAYS**

#### **12.1 Objective**

To create a culture of safety on South African inland waterways through regulation, enforcement and awareness.

#### **12.2 Specific Subjects:**

- 12.2.1 Inland waterways regulation reform to deal with amongst other issues, safety, accident investigation and possible creation of a navigation control offices at local level.
- 12.2.2 Conclude co-operation agreements with neighbouring countries bordering on South Africa's inland waterways

#### **12.3 Legal activity**

Develop new legislation dealing with inland waterways safety and navigation control.

#### **12.4 Co-operation with other departments and agencies**

Establish an inter-departmental/ sphere consultative forum to harmonize different approaches to policy development and implementation.

#### **12.5 Stakeholder participation**

Encourage civil society participation in the promotion of safety on inland Waterways

### **13 MARITIME SAFETY PROMOTION**

#### **13.1 Objectives**

To promote a culture of safety in the maritime industry by developing adequate regulatory framework, contributing towards the renewal and strengthening of SAMSA, and assisting SAMSA to pursue excellence in performing its mandate as per the SAMSA Act;

#### **13.2 Specific subjects**

- 13.2.1 Development of regulatory framework especially for the fishing industry;
- 13.2.2 Ensure compliance by SAMSA with the South African Maritime Safety Authority Act;
- 13.2.3 Raising public awareness on maritime safety;
- 13.2.4 Ensure effectiveness of SAMSA

#### **13.3 Legal activity**

- 13.3.1 Amend SAMSA Act in order to clarify powers, roles and responsibilities of SAMSA vis-à-vis that of the Minister and the Director-General on safety regulation;
- 13.3.2 Adopt treaties or standards developed by IMO (STCW -F) and ILO for the fishing industry

#### **13.4 Co-operation with other government departments and agencies**

The Maritime Safety Promotion Task Team will be created in terms of the MOU between NDOT and SAMSA. Departments that include, DEAT, DOT, and SAPS will be approached to participate in the work of the team. The Working Group on Fishing Vessel Safety will also deal with other aspects of this project.

#### **13.5 Stakeholder participation**

Industry stakeholders will be involved through consultative meetings and workshops.

### **14 MARITIME INDUSTRY PROMOTION**

#### **14.1 Objective:**

To enhance the profile of the South African maritime industry

#### **14.2 Co-operation with and stakeholder participation:**

Establishment and maintenance of Maritime Industry Promotion Committee (MIPC) made up of industry representatives and relevant government departments is critical for ensuring success of this initiative.

### **15 MONITORING OF TRENDS AFFECTING THE MARITIME INDUSTRY**

#### **15.1 Objectives:**

- 15.1.1 to keep South Africa abreast of world trends and developments affecting shipping in striving for excellence in the maritime industry.
- 15.1.2 to research and forecast shipping trends & cycles and their impact on the South African economy

#### **15.2 Specific subjects:**

Develop on a quarterly basis a report on emerging trends in maritime transport industry and its implications for policy and decision-making.

#### **15.3 Legal Activities**

Develop appropriate legal response to emerging maritime trends

#### **15.4 Co-operation with other departments and agencies**

Formation of a Committee with relevant research institutions and agencies to consider the trends and developments affecting shipping.

#### **15.5 Stakeholder Participation**

Consultation with relevant government departments and industry structures.

## **16. MARITIME INDUSTRY CAPACITY BUILDING**

### **16.1 Objectives:**

- 16.1.1 to increase the number of historically disadvantaged professionals within the industry.
- 16.1.2 to facilitate the building of a stronger efficient and internationally. competitive workforce within the industry

### **16.2 Specific subjects**

- 16.2.1 Career pathing of suitably qualified HDI5s within the industry
- 16.2.2 Co-operation with various institutions (academic and others) to ensure capacity building within the industry
- 16.2.3 Investigate the feasibility of introducing a cadet payback scheme
- 16.2.4 Facilitate negotiations aimed at securing training berth for cadets
- 16.2.5 Promotion of learnerships in the maritime transport industry
- 16.2.6 To enhance the effectiveness of the Maritime Chamber of TETA
- 16.2.7 Promote implementation and development of MOUs with various academic and vocational guidance institutions.

## **17 ENHANCING THE PROFILE OF SHIPPING**

### **17.1 Objectives**

- 17.1.1 To increase the profile of shipping in South Africa
- 17.1.2 To recognise the economic benefits in terms of cost savings to traders

### **17.2 Specific subjects**

- 17.2.1 Highlight the comparative cost advantage to other modes
- 17.2.2 Investigate the feasibility for introducing cabotage policy

### **17.3 Legal activity**

Legislate regulations that control tariff setting for coastal shipping

### **17.4 Co-operation with other government departments and agencies:**

National treasury; DFA; DTI; DOD; NPA; SAPO and SAMSA

### **17.5 Stakeholder participation:**

Shipping industry and traders

## **18 ADVANCING BLACK ECONOMIC EMPOWERMENT IN THE MARITIME TRANSPORT INDUSTRY**

### **18.1 Objective**

To ensure the industry properly reflects the demographics of SA, in terms of share holding equity and employment

### **18.2 Specific subject**

Monitoring and implementation of the BEE8 Maritime Charter

### **18.3 Legal activity**

Develop appropriate legislation to promote BEE in the Maritime industry

### **18.4 Co-operation with other government departments and agencies:**

SAMSA; NPA, DOL; DOD; DTI; SAPO; Transnet

**18.5 Stakeholder participation:** all members of the maritime industry.

## **19. PROMOTING INTERMODAL INTEGRATION**

### **19.1 Objective**

To promote a smooth, efficient, seamless, inter-modal system of transport that facilitates door-to-door service delivery

### **19.2 Specific subject**

Establish working relationships with hinterland modes of transport

### **19.3 Co-operation with other government departments and agencies**

Other divisions within NDOT; Provincial governments; local authorities and SADC member countries

### **19.4 Stakeholder participation**

All members within the industry involved in the transport of goods across the various modes of transport.

## **20. ADVANCING NEPAD OBJECTIVES**

### **20.1 Objective**

Facilitate the role of the South African maritime industry in NEPAD

### **20.2 Specific subject**

- 20.2.1 Facilitation of the implementation of the African Maritime Transport Charter
- 20.2.2 Ensure meaningful participation at MARSCOM and PMEASA
- 20.2.3 Promotion of partnerships between South African corporate entities and those of other African states

### **20.3 Legal activity**

Adoption of the African Maritime Charter

### **20.4 Co-operation with other government departments and agencies**

Foreign affairs; DOD; SAMSA; NPA; Transnet and DTI

## **20.5 Stakeholder participation**

Ensure meaningful input of industry stakeholders

## **21. DEVELOPMENT OF A COMPREHENSIVE MARITIME TRANSPORT POLICY**

### **21.1 Objective**

To develop a comprehensive and consolidated maritime transport policy for SA

### **21.2 Specific subject**

- 21.2.1 Development of a maritime transport policy green paper
- 21.2.2 Development of a maritime transport policy white paper
- 21.2.3 Legal activity

### **21.2.4 Co-operation with other government departments and agencies:**

SAMSA; NPA; DPE; DOD; DTI; SAPO; Transnet; National Treasury; Dept of Home Affairs; DEAT; and DFA

### **21.2.5 Stakeholder participation:**

All key role players within the maritime industry.

## **22. ENSURING OF SOUTH AFRICA AS AN INTERNATIONAL MARITIME CENTRE (IMC)**

### **22.1 Objectives**

Develop and position South Africa to be an International Maritime Centre

### **22.2 Specific subject**

- 22.2.1 Develop a maritime industry strategy that promotes South Africa as a favourable destination for international ship owners and operators.
- 22.2.2 Investigation into the feasibility of a maritime industry cluster fund for maritime training, research and development
- 22.2.3 Increase, retain and enhance maritime knowledge base to support a cluster of high value add maritime activities
- 22.2.4 Encourage and provide incentive for major shipping companies supported by an array of services including brokers, surveyors, classification societies and other companies involved in maritime arbitration, finance, and insurance to establish presence in South Africa
- 22.2.5 Investigate the positioning demarcation and establishment of a hub service for international shipping in South Africa

### **22.3 Legal Activities**

- 22.3.1 Fiscal Legislation to keep in line with international practice.
- 22.3.2 Amendment of the current Mortgage Ranking System to encourage ship registration.
- 22.3.3 Comprehensive Maritime Policy for South Africa.

#### **22.3.4 Co-operation with government departments and agencies**

Department of Trade and Industry; Department of Foreign Affairs; Department of Defence; Department of Environmental Affairs and Tourism, Department of Public Enterprises, Transnet, SAMSA, Coastal Management and provinces.

#### **22.3.5 Stakeholder Participation**

Consultation with relevant industry representatives, including cargo owners and organized labour will be ensured throughout the process.

### **23. MANAGEMENT OF MARITIME MULTILATERAL STRATEGY**

#### **23.1 Objectives**

- 23.1.2 To create consistency and certainty when engaging at the IMO and other maritime multilateral bodies.
- 23.1.3 To enhance South Africa's presence at IMO and other maritime multilateral bodies.
- 23.1.4 To ensure the day-to-day activities of Department and relevant agencies on maritime matters dovetail with standards and practices set by maritime multilateral bodies.

#### **23.2 Specific subjects**

- 23.2.1 Consultation and continuous maintenance of the draft Maritime Multilateral Strategy.
- 23.2.2 Establishment of an office in London for a permanent representative of the Government of the Republic of South Africa to the IMO.
- 23.2.3 Utilisation of the Maritime Industry Liaison and Promotion Committee (as set up in terms of par. 4.6.3. above) to continuously review the Maritime Multilateral Strategy.
- 23.2.4 Ensuring representation and participation of SAMSA and other relevant agencies at the technical committees of the IMO and other maritime multilateral bodies.

#### **23.3 Legal activity**

Ratification of pertinent international treaties

#### **23.4 Co-operation with other departments and agencies**

Convening of preparatory meetings with relevant departments and agencies ahead of any meeting of the IMO and other maritime multilateral bodies.

#### **23.4 Stakeholder participation**

Consultation and participation of the industry through the maritime industry liaison and promotion committee will be ensured.

## **24. IMPLEMENTATION OF A BILATERAL STRATEGY**

### **24.1 Objectives**

- 24.1.1 to develop a maritime bilateral strategy to enhance South Africa's presence and recognition in the maritime arena.
- 24.1.2 To create and promote a maritime bilateral strategy that would enable South Africa to derive maximum benefit in terms of trade, maritime information, technical assistance and training.
- 24.1.3 To facilitate a maritime bilateral strategy that would promote South Africa's competitiveness and efficiency in the maritime field.
- 24.1.4 To negotiate bilateral maritime agreements in accordance with the formulated blueprint strategy.

### **24.2 Specific subjects**

24.2.1 Facilitation and enhancement of the following strategies:

- (a) South-South Strategy (India, Brazil, South Africa)
- (b) USA Strategy
- (c) Africa and NEPAD Strategy
- (d) SADC Strategy
- (e) European Union Strategy
- (f) Eastern Europe Strategy
- (g) East Asia and Gulf States Strategy
- (h) Consultation and maintenance of the draft bilateral strategy
- (i) Finalization and implementation of the maritime bilateral strategy
- (j) Ensuring representation and active participation at bilateral forums and committees.

### **24.3 Co-operation with other Departments and agencies**

Consultation with the Department of Foreign Affairs and Department of Trade and Industry and the South African Maritime Authority on strategies to be formulated through existing committees.

### **24.4 Stakeholder Participation**

The Maritime Industry and Government Departments will be involved through out the process.

### **24.5 Co-operation with other departments and agencies**

Convening of preparatory meetings with relevant departments and agencies ahead of any meeting of the IMO and other maritime multilateral bodies.

### **24.6 Stakeholder participation**

Consultation and participation of the industry through the maritime industry liaison and promotion committee will be ensured.