

130423pc Transport

STRATEGIC OBJECTIVE	STRATEGIC PROGRAMME	STRATEGIC INITIATIVE	STRATEGIC PROJECT	DETAILED NARRATIVE OF THE INTERVENTIONS
<p>Background: South Africa's portion of seaborne cargo carried on the international fleet (3.5%) is significant, yet South Africa has not been staking out for even a matching number of jobs related to that cargo (ie 3.5% of the 1.4 million seafarer jobs = 49,000 jobs). There is a reported shortages of seafarers (34, 000 Officers and 224,000 Ratings). The economics of seafarers vs shore based jobs is a multiplier factor of between 1: 8 and 1: 10.</p> <p>Strategic Goal: To capture 3.0 to 3.5% of the global seafarer jobs (ie about 45,000 seafarer jobs = 6,750 Officers and 38,250 Ratings/Artisans which have multiplier effect averaging 1:9 (potentially about 405,000 jobs) within the ten year period 2012 - 2022</p>				
<p>Development of South Africa's Maritime Skills Capacity [aimed at securing 450,000 jobs through out the domestic and global maritime sector]</p>	<p>Development of Maritime Skills Development Facilities/ Infrastructure</p>	<p>Establish a World Class Maritime University/ Institute</p>	<p>Development of a Maritime Institute/University with branches throughout the country (2013 – 2015)</p>	<p>Estimated establishment cost of R500m over 3 years</p>
		<p>Acquisition of a Training Ship</p>	<p>Acquisition and refitting/ refurbishment of the SA Agulhas as a Training Ship (in early 2012)</p>	<p>Estimate of R150m over 3 years (thereafter it will be planned to generate its own revenue largely from government project cargoes)</p>
		<p>Develop and expand a network of specialised Maritime High Schools</p>	<p>Specialised Maritime High Schools (10 new Schools within 5 years 2012 - 2016)</p>	<p>Estimated R200m over 3 years, including facilities upgrades, curriculum and educator development programmes costs</p>
	<p>Improvement in Maritime Skills Development & Maritime Careers Awareness & Creation of decent maritime jobs</p>	<p>Develop a South African Seafarers and Offshore Talent Pool for the domestic and international fleet</p>	<p>Increase the output of quality of seafarers, including conversion of unemployed graduates to maritime professions (45,000 jobs within 8 years)</p>	<p>Estimated R740m over 8 years/R246m over the first 5 years = R49m per annum</p>
		<p>Develop a diverse Shorebased Maritime Commercial and Administration Talent Pool</p>	<p>Increase the output of quality shoreside maritime professionals in all the subsectors of Maritime</p>	<p>Estimated at an average of R25,000 per person, the estimated cost of the programme R7bn over 8</p>

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		<p>and Job opportunities to support all maritime subsectors such as Fishing, Oil & Gas, Ports, Ship building & Repairs, Logistics, Tourism & Leisure, etc</p> <p>Create a Maritime Careers Awareness Campaign, particularly amongst women, rural youth and black people</p> <p>Create Maritime Jobs opportunities</p>	<p>(405,000 in 10 years; about 280,000 within 8 years)</p> <p>Initiate targeted awareness and outreach campaigns aimed at women, rural youth and black people (in all 9 Provinces)</p> <p>Convene a Maritime Jobs Summit to facilitate job creation of about 450,000 (about June 2012)</p>	<p>years = R875m per annum to create 40,000 jobs opportunities annually</p> <p>Estimated R35m per annum</p> <p>Estimated at R45m for the Summit and Action Plan implementation within 2012/2013</p>

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Establishment of South Africa's Maritime Transport Capacity [National Ship Registry]	Establishment Of National Shipping Line	Acquisition of Trading Ships	Financing Ship acquisition and operations	Estimated at R520m per Cape Sizes bulk vessel: 6 ships = R3,120bn 9 ships = R4,680bn 16 ships = R8,32bn 23 ships = R11,96bn
			Ensure compliance with the BEE Maritime Transport Charter and secure volumes for the Shipping South Africa fleet using Agreements with industry, bilaterals and trilaterals like IBSA and BRICS	
		Secure cargo volumes for the shipping line [Departments of Minerals, Transport, Energy and Trade and Industry to enforce 26% trade volumes moving on South African shipping lines]		26% of cargo must move by empowered shipping companies = 52MT (of which bulk is 28MT) [No cost implications]

Background: About 95% of South Africa's total imports and exports trade by volume and 80% by value, is carried by ships, yet all 12,000 of those ships handling that trade through the South African ports are foreign and employ about 240,000 foreign seafarers. With the decision to sell the National Fleet taken in 1993 and the outright sale of SAFMARINE in 1999, the offshoring/reflagging of all the Unicorn Lines now Gridrod Shipping fleet, South Africa was left with no ships on its Register and pays over R36bn maritime transport services to foreign owners and operators (creating 100% dependence on foreign maritime transport services to move the Republic's 98% of its total traded goods, affecting the Balance of Payments, losing jobs, opening the country to geo-political risks, reducing the Republic's influence in global Maritime affairs and crippling the maritime and related industry which is dependent on the business brought by such a fleet.

Strategic Goal: To re-establish a South African owned and controlled fleet particularly in the key strategic dry and liquid bulk trades

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<p>Upgrade South Africa's Maritime Transport Support Infrastructure Capacity and Performance</p>	<p>Development of a Hub and Trans-shipment Port System</p>	<p>Trans-shipment Ports and Hubs</p>	<p>Position and market Ngunurha as a South – South route Hub Port</p>	<p>DOT commissioned and funded Feasibility Study on positioning Port of Ngunurha [Estimated cost is R15m]</p>
			<p>Position either Richards Bay or Durban Hub on the Indian Ocean/ Eastern seaboard</p>	<p>DOT commissioned and funded Feasibility study to decide on the 2nd Hub Port [Estimated cost is R15m]</p>
			<p>Develop a Coastal Shipping Transport Network and invest in ships moving freight between SA ports (cabotage) and between SA and African ports</p>	<p>Feasibility study and system design conducted urgently [Estimated cost of R25m]</p>
			<p>Establish an African Regional Coastal Shipping (Short Sea Shipping) system in line with the African Maritime Charter</p>	
	<p>Recapitalise and Expand the Ship Building and Repairs Infrastructure [Dry Docks]</p>	<p>Construction of New Dry Docks</p>	<p>Richards Bay (Multi-purpose industrial facility) – Ship Building and Repairs Dry Dock</p>	<p>Facilitate a decision by Transnet on the award of tender [Private sector investment of the preferred bidder delayed since 2005]</p>
			<p>Saldanha or Ngunurha Dry</p>	<p>Facilitate a Green field</p>

Background: The commercial ports and their industries, particularly infrastructure development (eg Cargo and passenger terminals, Dry Docks) marine and cargo handling operations and equipment maintenance, ship and boat building and repairs, component manufacturing (including the offshore industries, create many jobs ranging from unskilled, through semi-skilled up to complex and sophisticated jobs. Inland ports development and performance, maritime railway corridor linkages/connectivity are critical to the performance of the port system. The Coal Export corridor carries 62 to 68MT instead of 98 to 110MT; the Iron Ore corridor is only doing 33MT instead of 48MT.

Strategic Goal: Develop modern multi-modal freight systems and infrastructure within the main freight corridors aligned to the improvements in port infrastructure and facilities, enhance the performance of the port and coastal system, grow its transport and logistics industries, improve seamless multimodal systems in order to improve service delivery, increase volumes and share of freight transported

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	<p>Establish a Gas Importation Terminal</p> <p>Provide and/or upgrade Marine/Cruise Tourism support systems and facilities</p> <p>Upgrade and Improve Inland Freight Logistics Corridor Infrastructure</p>	<p>Recapitalisation and refurbishment of Existing Dry Docks</p> <p>Build an LNG Terminal</p> <p>Develop the Marine/Cruise Tourism Terminals/Facilities in response to the Cruise Industry Study outcomes of the Department of Tourism</p> <p>Recapitalise and upgrade Freight Rail Infrastructure in the key Maritime Corridors</p> <p>Upgrade existing and establish new Inland Ports and Maritime Logistics Hubs</p>	<p>Dock/Marine Manufacturing and Fabrication complex for the Oil & Gas industry guess-estimated to cost R4bn</p> <p>Upgrade and modernisation of the Docking facilities in Durban, Cape Town, East London</p> <p>Dedicated facilities in potential Cruise Hub ports such as Cape Town, Port Elizabeth/Ngqurha Durban/Richards Bay</p> <p>Priorities are: Durban – Jhb; Ngqurha/PE – Jhb; Coal Link; Ore Corridor</p>	<p>project [Feasibility Study – R10m [Private sector investment]]</p> <p>Priorities are Cape Town and Durban</p> <p>Feasibility study [DOT to commission the study at estimated R25m]</p> <p>Feasibility studies to jointly with NDT, Transnet and DOT</p> <p>The DOT Master Planning to provide figures</p> <p>The DOT Master Planning to provide figures</p>

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<p>Background: South Africa has pockets of excellence in providing world class maritime services such as consulting, legal services, surveys and bunkering; the plan however, is to leverage this history to position South Africa as the International Maritime and Shipping Services wherein others from around the globe can procure such services. This segment of the business can create many jobs, attract enterprise development opportunities and attract foreign direct investment</p>				
<p>Strategic Goal: To develop and grow the maritime commercial services into one of the world's leading International Maritime and Shipping Services Center</p>				
<p>Improve South Africa's Commercial Shipping Services</p>	<p>Establish Regional International Maritime Services Centers</p>	<p>Develop globally competitive Maritime Transport Commercial Services packages within defined precincts/centers</p>	<p>Establish Cape Town; Durban; PE and Jhb as competitive Blue/Q-type commercial services precincts</p>	<p>Feasibility study on the estimated to cost about R15m</p>
		<p>Integrate Maritime Services within the Spatial (Industrial) Development Zones</p>	<p>Richards Bay; East London; Saldanha; Ngqurha;</p>	<p>No cost implications</p>

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<p>Background: South African has a long coastline of about 3,000km, an extensive Economic Exclusive Zones, most commercial ports and harbours, and is the only capacitated Maritime Administration (a Regional Maritime power) with many international obligation towards marine environmental, shipping safety and security. Yet the country has limited response capabilities and facilities.</p>				

Strategic Goals: To upgrade and enhance the capacity and capabilities of the country to respond effectively to a variety of maritime risk incidents and protect the Republic's maritime interests

<p>Improve South Africa's Maritime Governance and Enforcement Capacity</p>	<p>Enhance mechanisms on maritime safety, security, environmental/climate change in cooperation and partnership with others</p>	<p>Emergency Safety Response and Interventions ie Search & Rescue; Pollution Combating; Salvage; Early Warning Systems</p>	<p>SAMSA requires platforms to conduct offshore inspections of ships, offshore oil and gas facilities and marine environmental incidents</p>	<p>Acquisition of 6 multi-purpose boats, of which 2 are Salvage at (R600m each) and 4 are patrol at about R100m each; Acquisition of Airborne surveillance capability at about R R300m</p>
		<p>Maritime Security</p>	<p>Anti-Piracy;</p>	<p>Resources coupled with safety [No additional costs]</p>
		<p>Environmental Protection & Climate Change</p>	<p>Climate Change and Emission Control</p>	<p>Resources coupled with safety [No additional costs]</p>
			<p>Maritime Traffic Monitoring & Surveillance Technologies, incl early warning systems Port and Coastal State inspections</p>	<p>Research and Development and acquisition costs estimated at R60m</p> <p>No additional costs</p>

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<p>Background: The maritime sector is a high technology sector which is changing rapidly. It requires investment in research and development, as well as continuous process and technology innovation</p> <p>Strategic Goal: To establish a coherent research and development, and innovation capacity and programmes for South Africa in order to enhance the effectiveness of the maritime solutions and create a competitive industry</p>				
Improve Maritime Research, Innovation and Technologies [MARITIME KNOWLEDGE]	Establish Maritime Research programme	Establish Maritime Research, Innovation and Technology Centers	Joint Maritime Research Programme and Centers	Comprehensive Programme estimated at about R20m Feasibility study estimated at R5m in order to establish a Maritime Innovation Hub Project estimated to cost R30m per annum
	Establish Maritime Innovation Programme		Build a National Maritime Innovation and Technology Hub/Center	
	Establish Maritime Technologies Programme			

10 YEAR MARITIME INVESTMENT PRIORITY PROGRAMMES – 2013 - 2020

1. Shipping Line Programme = +/- R20bn
2. Dry Docks and Port Terminals/Facilities = +/- R18bn (Transnet)
3. Maritime Institute/University = +/- R650m
4. Maritime Skills and Jobs = +/- R7.74bn
5. Maritime Safety and Security = +/- R1.9bn
6. Research, Development and Innovation = +/- R110m
7. Maritime Corridors Logistics (Rail Expansion) = No estimates (Transnet Freight Rail and Port Terminals)