# 3. Report OF THE Portfolio Committee on Public Works on an Oversight Visit to Small Harbours In the South-Western Cape, and Cape Town, DATED 5 SEPTEMBER 2017

The Portfolio Committee on Public Works, having undertaken an oversight visit to small harbours that are situated on the Western Cape West Coast and Cape Town from 31 July to 3 August 2017, reports as follows:

**1. Introduction**

**1.1. The Committee’s oversight mandate**

The oversight mandate of the Committee is over the work that the Department of Public Works (DPW) and its entities do to implement the policies made by the Minister of Public Works.

**1.2. The focus of the oversight visit**

The focus of this oversight visit was on the small harbours and State Coastal Property Development Unit of the DPW’s Property Management Trading Entity (PMTE) that, amongst others, has the responsibility to develop, maintain, and manage the leases of government’s immovable properties on small harbours.

In doing its oversight visit, the Committee was aware of the intergovernmental functions of structures such as the Integrated Small Harbour Management Authority (ISHMA), and the Harbour Steering Committee to ensure that the economic potential of small harbours were unlocked. The economic potential of small harbours could form the bedrock of social improvement of communities that live in the surrounding areas where small harbours are situated. The Committee is further aware of the fact that the DPW, the Department of Environmental Affairs (DEA), the Department of Agriculture, Forestry and Fisheries (DAFF), the Western Cape Provincial Government, and the Cape Town Metropolitan Council played equally important leadership and administrative roles to ensure the functioning of these harbours and the unlocking of its socio-economic potential.

**1.2.1. Preparatory work to ensure a focused oversight visit**

The Acting Chairperson refreshed the memories of the Committee, that a meeting held on 13 June 2017, at Parliament, preceded the oversight visit. That meeting covered the following matters related to small harbours:

* The establishment of the Integrated Small Harbour Management Authority (ISHMA);
* The Special Intervention Project: Fixing and Maintenance of 12 proclaimed harbours;
* The Management and maintenance of State Coastal Properties;
* Letting out of State Coastal Properties.

The Committee noted the responses of the DPW’s PMTE Small Harbours and State Coastal Property Development Unit (SH-SCPDU) in the Property Management Trading Entity (PMTE), and the explanation that none of the members of the Unit was part of the DPW, PMTE in 2005 and 2009 when Cabinet decisions were made regarding the establishment of the ISHMA, and the respective implementation tasks of the DPW and the DAFF.

The committee stated that the matter required serious attention as a lack of, or slow implementation of policy decisions could not be tolerated. Ordinary people suffered socially and economically if these responsibilities were not tackled with the necessary policy, and bureaucratic urgency.

The Committee therefore raised the following concerns:

* The Committee was disappointed that it took so long for the ISHMA to become operational.
* The slow pace of policy implementation had to be urgently addressed. It negated the possible socio-economic development of communities in rural areas where people did not have work opportunities.

**1.2.2. The oversight visit to Small Harbours on the West Coast of Cape Town including Hout Bay**

This report deals with the second visit to small harbours. The first visit was to small harbours along the Western Cape West Coast and the Hout Bay harbour in Cape Town. This report deals with the second visit to small harbours along the South-Western Coast line and Kalk Bay in Cape Town.

The content of this report is therefore based on some findings in the first visit and the recommendations contained here must be read with those of the first report.

The visit to small harbours along the Western Cape West Coast and the Hout Bay harbour in Cape Town elicited the following valuable information on challenges:

* The SH-SCPDU in the PMTE reported that it entered into lease agreements that were below market value, in exchange for the lessee maintaining the properties;
* Security concerns at the small harbours (especially at Hout Bay) had worsened due to the lapsing of a safety and security project which employed former Umkhonto we Sizwe operatives under the Expanded Public Works Programme (EPWP) – serious concerns were raised on how such a successful project was allowed to lapse without administrative processes in place to ensure its sustainable continuation.
* The Harbour Masters raised serious concerns as their mandate to manage the harbours in line with the Occupation, Health and Safety Act (2004) was curtailed due to weak or non-maintenance by DPW of equipment and slipways.
* Harbour Masters also raised concern at security and safety matters due to poaching and illegal activities of parties, amongst whom were alleged migrants.
* The COEGA Development Corporation (CDC) was he implementing agent for maintenance, dredging and removal of sunken vessels in the small harbours.
* CDC reported that the budget assigned for the rehabilitation and maintenance of harbours over the medium term would not cover all maintenance concerns of DAFF officials and lease holders at the harbours.

**1.2.3. Focus areas**

The Committee used the previously collected information from the pre-visit meeting on 13 June, and the initial visit to the small harbours on the West Coast, to list the following as its focus areas for the visit of 1 – 3 August 2017:

1. The management and maintenance of state coastal property on small harbours;
2. The need for security at the small harbours;
3. The management of leasing out properties that are situated on small harbours;
4. The maintenance of equipment to ensure that DAFF staff are able to safely move vessels in and out of the water and that slipways are operational; and
5. The need for intergovernmental cooperation between DAFF, the SH-SCPDU of the PMTE, and the CDC to make the development and management of small harbours a sustainable success.

The rest of the report covers how the above matters were interrogated at each of the sites that were visited.

Matters that emerged from the deliberations with key role-players, matters noted and recommendations for further action to move towards resolving matters are listed in the conclusion of the report.

**Day 1, 1 August 2017**

**2. Stilbaai**

**2.1. Presentation by the Municipal Manager and Technical Manager**

a) The Municipal Manager sketched the basic outlay of the Hessequa Municipality, with a coastline of 120 km that included small coastal towns including the harbour town of Stilbaai. This coastline had a number of slipways that were privately owned and operated.

b) The road to Stilbaai was being broadened to improve access to the town. Discussions were underway between the Department of Public Works (DPW) and the municipality to access government property and buildings to develop economic possibilities and create jobs.

c) The presentation included a proposal developed by the architect Hendrick Visser. The DPW Small Harbours and Coastal Development Unit (SH-SCPDU) and the municipality interacted on possibilities for the Integrated Development Plan (IDP) that would include economic opportunities and job creation in fishing related industries. The plan was to keep Stilbaai as a working fishing harbour. Economic growth was slow, but as it is next to the N2, and has railway access the potential is there.

d) The Technical Manager used the architectural presentation developed by Hendrick Visser Architects to point out the outline of the municipal and the DPW owned land and properties. This included the building of the National Sea Rescue Institute (NSRI) that occupies a building and uses the slipway to launch into the ocean.

e) The registered slipway in the river within the Stilbaai area was meant for the exclusive use of river vessels. The river mouth was not allowed as entry point into the ocean as the estuary is a declared marine protected area and the river mouth is too shallow for entry into the ocean. Fishing and jet skis is not allowed in the estuary.

All land from the road south is municipal land, and includes a whale lookout point, shell middens, and is an environmentally protected area (nature reserve).

f) The Technical Manager referred to three sections along which Stilbaai and the surrounding areas would be developed. Stilbaai is the fastest developing town in the Hessequa Municipality, and recently had the most plans approved of all the towns in the municipality. The sections that were earmarked for future development included:

i) The harbour property that was historically owned by the DPW. This would remain an operating fishing harbour and the historical fishing village character would be maintained;

ii) Land that historically belonged to the municipality was popular with locals during weekends and holiday periods. New buildings, a parking space, and ablution facilities would be constructed. The harbour wall would be extended and more mooring bays would be constructed for yachts; and

iii) Land at the high water mark was government property and its use for the development were being discussed with the SH-SCPDU.

**Matters that emerged from discussions:**

a) Members enquired whether there were enough tourists visiting the area, and whether the archaeological and historical characteristics were earmarked for anchoring the area as a tourist development hub.

The response was that the Blombos Cave at Stilbaai and Witsand were archeologically rich. The sites were declared a provincial heritage site by Heritage Western Cape on the 29 May 2015 in terms of section 27 of the National Heritage Resources Act.[[1]](#footnote-1) The site was still being investigated and contained evidence of an ochre tool workshop and other artefacts that proved that the first South Africans were much more sophisticated than what historians originally thought. There was engagement with the provincial government to set up a paleo-ontological route that would stretch from the southwest coast to Knysna and Plettenberg Bay. The Hessequa Archaeological Society was in the process of setting up an interpretation centre using findings of the area to bring a deeper understanding of the original early people of Stilbaai and South Africa to the rest of the world.

The Municipality had six blue-flag beaches that are very popular during the December holiday and the Easter long weekends. These beaches have lifesavers and other facilities that are needed to ensure that tourists are safe and well looked after.

b) Regarding whether the needs of subsistence fishers, were being catered for, The Municipality stated that when poor people struggled to get permits, the municipality paid for them. Fish cleaning facilities were budgeted for at the time of the visit as part of the economic development plan.

c) Regarding the Preekstoel area, the Technical Manager stated that the area needed an injection and that the Municipal Manager would provide more detail.

d) Regarding the working relationship with NSRI in case of a disaster at sea, the Committee learnt that the NSRI station at Stilbaai was in fact the first one in the country. The NSRI Station did more work inland than at sea, because Stilbaai does not have a medical facility. Resident had to go to Riversdale for treatment. The NSRI officials therefore played the essential role of paramedics. The NSRI did such duties in return for rental as they provided essential services to the community.

It was important to note that during the last fire disaster in the Hessequa and southern cape Region, there was no access for the Oryx helicopter to land as steep steps made it difficult to get to patients in case of emergencies. A helipad was needed. The Municipality realised that if there had to be a shark attack due to the lack of a helipad they would have to stop cars to use the road as a landing space. This was untenable and future development had to make space for a helipad.

f) The Hessequa Municipality made an effort to ensure that it was well maintained and prides itself at being declared the greenest municipality for three consecutive years. It also won the award as the best tourist town in country.

g) Joint work would take place with other departments as well as the private sector. The upcoming Small Harbours Investment Conference, with Wesgro[[2]](#footnote-2), DPW SH-SCPDU, and municipalities to develop harbours as economic hubs of rural coastal towns.

h) Members wanted to know how integrated the development efforts would be to include low as well as higher socio-economic status communities. The Municipality stated that it thought of the future development as a strategic project that would include all communities no matter of their socio-economic status. Part of the development was the airstrip in Stilbaai. At the time of the visit, it was a dirt airstrip with hangars. It was viewed as a strategic point in the economic vision to open access to the town for people with aeroplanes. One was in Riversdale and the other in Stilbaai. Three years prior to the visit, the feasibility study on the two airstrips showed that the Stilbaai airstrip was viable for further development. This would assist to bring the two communities of Melkhoutfontein and Stilbaai together in terms of growth. Subsistence fisher people in the low SES communities of Melkhoutfontein used the traditional fishing harbour.

i) In terms of tourist numbers, the Committee heard that permanent residents numbered between 500 to 600 people, but during the December holidays and Easter long weekend, more than 50 000 people would use the town.

**2.2. The Harbour Master**

The Harbour Master was an official of the Department of Agriculture Fisheries and Forestry (DAFF). Her responsibilities included:

* The daily operations of the harbour;
* The allocation of marine fishing facilities related to the accommodation of boats within the harbour;
* The physical inspection of the civil infrastructure such as buildings and roads;
* The implementation of measures so that the Occupation Health and Safety Act (2004) is complied with within the harbour precinct;
* The implementation of measures and regulation related to the South African Marine Safety Authority Act (SAMSA, 1998) so that vessels in the harbour precinct complies with the law;
* The implementation of measures and regulation related to the South African Marine Safety Authority Levies Act (SAMSAL, 1998) so that clubs, their members, and vessels using the harbour facilities comply with the law;
* The implementation of measures to ensure that all harbour users pay for services rendered;
* The access control to the harbour precinct;
* The effective management of financial administration and the capacity development of staff.

DPW Responsibilities:

* The DAFF reported maintenance issues and safety and security concerns to its management. This is reported at that level to the DPW for action.
* The DPW then sends staff to do the maintenance and repairs of the infrastructures within the harbor. It has to also ensure the safety and security of the harbour as it is government owned land and property;
* Leasing of sites and buildings is the responsibility of the DPW. Where leasing anomalies such as sub-letting and the neglecting of buildings and property occurred, DPW had to take action.

Challenges that Members noted on the physical inspection of the Harbour Masters office:

* There was a lack of a proper storeroom for the staff of DAFF;
* The guard house was insufficient and required attention;
* The office did not have access for physically challenged staff or visitors (no ramp nor handling bars);
* Parking space within the harbour was limited;
* Fish cleaning facilities did not provide protection to users from the sun, rain or wind;
* There was a cold storage container but it had no meter reader so the Harbour Master and Dockers could not monitor usage and charges related thereto; the container was disused and rusted;
* Water and electricity for cold storage are not paid for;
* An electrical box was required for hawkers in the Stilbaai Harbour;
* The slipway was in need of renovation – large cracks in the concrete caused sand to be washed onto the slipway that made operation and daily usage dangerous.

**Matters that emerged from discussions:**

a) Matters that the Harbour Master reported to the DAFF was not properly communicated to the DPW. There was a blockage in communication between the DAFF senior management and the DPW.

b) The small harbours had few experienced dockers[[3]](#footnote-3). The Harbour Master referred to it as a limited human resource. At large ports, dockers load and unload ships and do a number of tasks incidental to the loading and unloading processes of ships. They use a variety of machines and sometimes sophisticated machinery to administer their daily work in large ports. At small harbours fishing, slipway management, the movement, maintenance, and cleaning of boats, and movement of visitors to harbours are main activities. At the small harbours, dockers control access to the harbours, and collect monies for access.

c) The Harbour Master explained that the issues raised related to dockers at the harbour dated back 17 years. Historically, there were two dockers. Half of the staff was lost in the 2009/10 financial year. On-going engagements with senior management took place. A decision was taken at national level that due to budgetary constraints imposed by National Treasury, the DAFF could no longer merely employ dockers. Therefore, when staff retired, resigned or died posts were not filled. This caused the critical situation at small harbours that meant that dockers and harbour masters had to struggle to get all tasks on their harbours done.

d) Stilbaai was originally inhabited by low socio-economic status (SES) subsistence fisher communities. This situation is changing. Due to low employment possibilities, many of the youth leave and do not return. Fishing as an activity of subsistence is under threat due to both economic development and climate change that causes quota and fishing right limitations. Yet, there are possibilities for the tourist industry to bring young people back to their original communities. Once they return, the original fishing activities could possibly be reactivated.

e) The harbour was rapidly transforming into a tourist rather than a traditional fishing harbour. This may be good for economic development, but this threatened the future of the low SES population of Stilbaai and the surrounding area. The economic development that may come about due to tourism was placing the needs of the poorer households in jeopardy. The tourism business model that is evident in the Stilbaai municipality IDP and that is propagated by the SH-SCPDU, needs to be enhanced with a detailed plan of precisely how low SES households that are situated further away from the harbour, is properly included in terms of lease management, business opportunities, with both business and community needs being satisfied.

f) Due to such silences in the discussed tourism-development model, Members of the Committee continued to inquire about whether there was a quota that would ensure that previously disadvantaged people could also start leasing property. In this way they could also start benefitting from the tourism-development model that was being proposed by the SH-SCPDU and the municipalities as the best way forward. The Committee was increasingly concerned about the possibility that small fishing villages that were separated distances away from the towns where the harbours were situated. This separation remains in place. When any possible economic opportunity is not equally offered to them, this separate type of development would continue their historical marginalisation. The historical geographical separation from the physical site of harbours in relation to the low SES households of the greater region had to be viewed as a characteristic that caused tension. It was a fact that high SES households were situated closer to the harbours. Such households, including business people whose capital enabled leverage to access business licences and leases, were preventing the original fisher-households from accessing businesses and leases. This aspect was not sufficiently dealt with in the tourism-development model. This could lead the low SES households to remain excluded from leasing government-owned properties that the DPW SH-SCPDU manages.

g) An interesting tension existed between the propagated tourism model and the silent needs of the original subsistence fishers of the southern Cape. The municipalities expressed the need in their Integrated Development Plans (IDPs) to maintain the small fishing village characteristics of these harbours while maintaining the money-generating relationships that was the status quo as in the past. The Committee remained concerned that this meant that the needs of the low SES households that carried the small fishing village characteristics were not being considered and catered for sufficiently enough.

h) The matter of the DAFF Harbour Masters to ensure that there was safety and security at the harbours remained a challenge. It was evident that while the DAFF and DPW at local and regional spheres were reporting challenges, leadership at the national spheres were not acting on them. Since the original safety and security project was stopped in 2010, in spite of all administration processes was properly reported and completed by several Harbour Masters and their managers at regional levels, the national offices never acted. The model of appointing former Umkhonto we Sizwe operatives to maintain safety and security through the Expanded Public Works Programme (EPWP) and the Community Works Programme (CWP) used to work well and created jobs for households in the rural areas. This required the urgent attention of the national leadership of both departments.

i) This was the case with matters related to ensuring occupational safety in terms of the OSHE Act (2004) as well. Existing items related to the operation of slipway surfaces, cranes and winches were reported for budgeting processes but there were no results. The Harbour Masters and dockers therefore had to innovate which could have further consequences in terms of safety. The DAFF workshop at Paarden Island would send out technicians to assist but this was not sufficient and could merely worsen the safety situation.

j) The matter of assisting fishing right holders to negotiate on equal footing with buyers was an important aspect that emerged from the visit. At all harbours, cold storage containers were found. These were in varying stages of rust and were largely disused. They were purchased in 2011 through an initiative of the former Minister of Agriculture, Forestry and Fisheries who wanted to assist low SES fishers who were rights holders but could not freeze their catch of the day. These fishers did not have cold storage facilities that meant that they had no bargaining power with which to engage buyers for wealthier businesses. An age-old trend developed that poor fishers who were rights holders, would sell their catch at low prices to avoid the fish from rotting. This meant that non-right holders were taking advantage of poor fishing right holders. This happened simply because the latter did not have the necessary equipment which would enable them to exercise what came with the fishing right: the right to negotiate the best price that elevated the fishing right to its correct status of assisting poor people to further develop their own businesses. To deal with this age-old exploitation of the wealthy over the poor, the Minister, as policy leader embarked on a campaign to assist fisher communities to access cold storage and gain stronger negotiating power. This would equalise the business relationship between poorer fisher communities and wealthier buyers and their clients. Given the low SES of the poorer fishing rights holders, the DAFF would subsidise water and electricity and provide the containers to the rights holders. Each container cost R120 000 each. Since the Minister’s removal from Office, and four years later, the DAFF struggles to get the rights holders to manage the containers. These have now become largely disused, are rusting, either have no water and electricity access, or where it had such, had no meters to ensure the monitoring of water and electricity usage. There was also no certainty of who paid for such usage, as there is no leadership at national level, over this well-meant but neglected policy initiative. It is a matter that required urgent national leadership from the DAFF that the DPW SH-SCPDU and municipalities have to play crucial coordinating and negotiating roles.

**Day 2, 2 August 2017**

**3. Gansbaai**

**3.1. Overstrand Local Municipality**

**3.1.1. Matters that emerged from the presentation by and discussion with the Overstrand Municipality**

a) While unreported in presentations, there was a need to find a delicate balance between a focus on commercial industry investment on the one hand, and tourism on the other. Even less reported by the municipality’s presentation, but evident in the discussions, was the need to provide further detail of how the municipality’s IDP and Spatial Development Framework give effect to the interests and needs of the historically marginalised fisher communities living in the areas surrounding Gansbaai and the harbour.

The bigger portion of the municipality’s gross domestic income was derived from tourism. Within the municipality, Gansbaai is a commercial harbour, while Hermanus earns more money from tourism.

b) With regards to intergovernmental relations (IGR), the municipality organised cooperatives within the communities to explore the fishing industry business opportunities. The municipality reported that Department of Rural Development and Land Reform (DRDLR) was not cooperating sufficiently to make such ventures successful.

c) Regarding safety and security, various activities related to abalone poaching remains rife. It impacted negatively on the local economy and drug trafficking, addiction, prostitution, violence against women, youth, and children, and all vulnerable people in the greater southern Cape region along both the coastal and inland area continue to suffer the most.

d) Tension existed between wealthier households living closer to the harbours, industries, and well developed areas, and historically under-developed low SES communities. Municipalities and clubs that were visited spoke of neighbouring towns not being close enough to the ocean and therefore not being qualified enough to gain access to economic spaces at the harbours. This tendency to protect historically gained economic space and keep historically marginalised communities away from newly planned economic development is a feature of South African society that requires proper policy and programme management by political and bureaucratic leadership. This was identical to what the Committee found in the Arniston, Stilbaai and Struis Baai areas. Due to the more developed economy in this municipality, the problems are more acute and showed signs of a complexity similar to what was found in the previous visits to harbours situated in more developed economies and social arrangements in Cape Town.

e) Different from what was found in small harbours in Cape Town, Arniston, and Stilbaai, the EPWP projects worked well as there was an implementing agency that manages it. The Community Works Programme did not have an implementing agency, and this was a concern. The municipality reported that the process of the appointment of implementing agencies should involve the municipalities so that they may also give input on the terms of reference. It also referred to the need for national and provincial departments to reduce bureaucratic “red tape” that hampered the implementation of programmes that would deliver services to communities and businesses.

**3.2. Presentation by the Harbour Master in charge of Gansbaai and Hermanus.**

**3.2.1. The following challenges were reported:**

* A breakwater wall was urgently needed.
* Cranes were needed and where they existed needed to be renewed as it caused safety hazards which hampered the Harbour Master’s implementation of OSH Act.
* The hydraulic arms needed to support the maintenance of boats on slipways were last maintained in 2010 and needed urgent attention; the current arms could carry boats up to 120 tons but were not safe for heavier vessels. This curbed economic activity of the harbour.
* Sunken vessels needed to be urgently removed.
* A lack of safety and security led to offices being burgled. This contradicted the Overstrand Municipality’s assertion in the previous discussion that the EPWP project was working well. It could be that the vagueness of that assertion caused a misrepresentation that the EPWP that they referred to include the provision of safety and security similar to what was reported in other small harbours in the Committee’s previous visits to Hout Bay. In the two small harbours under discussion, previously there were 30 EPWP safety and security personnel, but the contract ended in March 2017 and was not renewed.
* Only two staff members worked as dockers in the harbour.
* Local municipalities did not assist with security issues because they expressed a view that the harbour is “Private property”.
* Due to a lack of proper control by the DPW over a number of years, leases were not uniformly negotiated and many businesses pay low rentals in return for maintaining properties. This meant that if leases were brought into market-range, 1000% increases would be in force on some leases. The situation was untenable and required serious attention. Unfortunately, discussions were suspended until after the Small harbours and Coastal Development Investors Conference that was scheduled for 15 to 17 August Investor Conference.
* Businesses operating at small harbours had and investors had the opportunity to make proposals for the establishment of business in government-owned properties at small harbours. All proposals would be evaluated. Particular attention would be given to whether and how these proposals added value to projects under Operation Phakisa. The idea was to develop a Small Harbour State Coastal Property Business Laboratory to ensure that government programmes and business proposals deliver results for the common good. This would come to fruition in 2017 or 2018. The South Coast Investors Conference would be followed up by the Northern Cape Small Harbours and Coastal Development Investor Conference 21 days after the first conference.
* The neglected and state of disrepair of the Lusitania Building was regrettable. In one year since the Lusitania business vacated the building, it was totally devastated due to lack of security. The DPW’s Rehabilitation and Maintenance Programme (RAMP) has already acted on this and consultants started work on this matter. Funds for a security programme had been secured so that the property would not be left as in its current state. The DPW stated awareness that much had to be delivered over the next few months.
* Some of the leases were on a month-to-month basis that caused uncertainty about business activity in the harbour. Business were ready to request improved leasing contracts. The SH-SCPDU stated that it must be kept in mind that without other departments playing their role to support small and medium businesses, the project would not deliver.
* Racial discrimination took place with some businesses assigning ablution facilities for the exclusive use particular racial groups.
* Operation Phakisa was being blocked and could not be rolled off successfully.

**3.2.2. The site visit to the Hermanus Harbour**

a) The Committee required information on the number of historically disadvantaged households that were involved in the aquaculture farming around the harbour. The responses by officials were vague and the Committee could not visit such sites to view them due to the late hour of the site visit.

b) The Committee needed a well-detailed plan of how Harbour Masters would be assisted in terms of safety and security and with the implementation of the OSHE Act.

c) The Committee expressed concern that the Small Harbours and Coastal Development Investor Conference was inadequately advertised. The Committee would like to see it advertised in local newspapers and community radio stations so that isiXhosa and Zulu readers and listeners could be informed and participate in the conference.

d) The rental situation at the harbour was briefly stated as 18 leases in place at a total income of R2.5 million. There were two leases where aquaculture was practiced. There was space for historically disadvantaged communities to participate.

e) Regarding the possible use of the prefabricated buildings next to the harbour master, DAFF and would work with the military veterans intervention teams to look at options to utilise them. A report had to be sent to the Committee detailing timeframes, deliverables, and possibilities from both the SH-SCPDU and DAFF.

**DAFF provided input on the challenges and matters raised:**

The brief background detailed that the first phase of Operation Phakisa planning took place in Durban during the months of July and August 2014. This predated the operationalisation of the PMTE and the formation of the SH-SCPDU. The current staff and leadership of the SH-SCPDU was not present at these planning events. Other officials from the DPW regional office, the DAFF, and the South African Maritime Authority (SAMSA) attended the meetings. During these planning meetings, structures to address key challenges at small harbours were established.

Two key aspects were raised at these meetings as crucial for projects of Operation Phakisa to be successful. These were safety and security at small harbours, and maintenance of equipment, harbour walls, jetties, dredging and the removal of sunken vessels. These two important structural aspects were the responsibility of the DPW.

At the planning event in Durban during August 2014, DAFF officials were appointed in various positions including the Chair of the Harbour Steering Committee (HSC), which was the Chief Director of the DAFF. Operation Phakisa was a jointly “SA Incorporated” operation. It cannot succeed unless the two aspects that was raised in the planning meeting, and highlighted at each small harbour by this Committee, namely maintenance, and safety and security is provided by the DPW. The DPW was established as the key coordinating department on whose infrastructural maintenance the small harbours depended to implemented projects of Operation Phakisa and the Oceans Economy. Briefing notes regarding all structures that were set up at planning meetings, went to the Directors-General (DGs) of both the DAFF and the DPW. Based on the decisions taken and structures set up, the President signed off on Operation Phakisa and the Oceans Economy. Three years afterwards, the driving coordinating Department, the DPW, did not deliver.

In 2015, at a high-level meeting of DAFF and DPW DGs and Ministers the Implementation Plan was drafted. At the meeting the DDG of the SH-SCPDU and the DPW Regional Office Manager stated that R4 million was secured to fix the infrastructural challenges, which the Committee found to be problematic, such as security, dredging, removal of vessels and fixing of harbour walls. Unfortunately, very little of that was done.

Since the statement of R4 million, there have been new amounts of R80 million stated to be utilised between thirteen harbours. With this input, the DAFF hoped to provide clarity and merely pleaded for implementation to take place and for the blame shifting to end.

**Day 3, 3 August 2017**

**4. Gordons Bay**

**4.1. The Deputy Mayor of the City of Cape Town (the City)**

Operations Phakisa had some success that must be recognised. The City does not want to take over the harbours with its by-law that is under discussion. The much-reported by-law wants to leave the responsibilities of the national departments intact. It merely wants to assume its responsibility in terms of the functions of the small harbours within its local government sphere.

**4.2 The Harbour Master**

a) The Harbour master’s responsibilities stretch between Gordons Bay and Kalk Bay. He does his duties in terms of the Marine Resources Management Act. A Harbour Users Committee exists on which the South African Police Services (SAPS), officials of the City, the rates association and other harbour users. It has an advisory body that agree to, and act to implement terms of operations in the harbour.

b) The Harbour Master stated the vision of the two harbours as want to establish them as the best harbours in the world, not the province or country.

c) Role-players using the Gordons Bay Harbour included eleven recreational boats, one hawker, fishers with permits, the National Sea Rescue Institute (NSRI), and three restaurants operating inside the harbour area.

d) Some of the challenges he referred to was:

i) Reparation was needed on the breakwater jetty;

ii) Maintenance required on the off-loading jetties;

iii) The need for space by the South African Navy at the Gordons Bay Harbour meant that operations at Gordons Bay Harbour differed from that at Kalk Bay.

**5. Kalk Bay**

The site visit and interaction with dockers and DAFF Officials revealed:

5.1. The breakwater jetty required urgent repair as water washed over it and threatened lives when the sea is rough;

5.2. Boats were parked incorrectly and rough seas could damage them.

5.3. Cranes and winches were in disrepair and put DAFF staff, restaurant patrons, and general users of the harbour in danger.

5.4. Support arms for boats on slipways were rusted and falling vessels could have devastating consequences to visitors and patrons at restaurants that are situated right next to these slipways.

5.5. Restaurant owners, stall users, and artists make the harbour a well-used and operating harbour. Licensed harbour users fished for Rock Lobster, Yellow Tail, and Snoek. Hawkers with permits cleaned and sold fish to restaurants and the public. In addition, leisure fishers used the breakwater jetty to fish from the pier.

5.6. Several blockages were noticed in natural pathways that had to be unobstructed to allow safe usage especially in cases of emergency. In order for the Harbour Master to be able to implement safety measures enough movement space in case of emergencies had to be re-established through the removal of such obstacles.

5.7. Wildlife such as seals could cause harm to harbour users as there were not enough barriers in place to prevent them entering and bathing on the breakwater jetty and other surfaces where harbour users frequent.

5.8. Discussions with dockers, the Harbour Master and DAFF staff revealed that a risk report detailing the repair and maintenance challenges relating to winches, support arms, slipways, and cranes was available.

5.9. The nearby Kalk Bay Beach was cause for concern as drug and alcohol abuse led to unruly behaviour that requires extra safety and security measures. The Harbour Master reported a good response time by the local SAPS officials but that more security was needed. The proximity to the Main Road and the Kalk Bay Railway Station meant that the harbour has always easily accessible to the public. It has become a problem due to increased drug trade and other illegal behaviour.

**6. Conclusion**

**6.1. The Committee noted:**

6.1.1.The Southern Cape was an area that has always been inhabited by subsistence fishing communities. The towns around these harbours were always operated by low socio-economic status households who depended on fishing for their livelihoods. This situation was rapidly changing. The possibilities of economic development through tourism as main activity was in tension with the needs of historically disadvantaged subsistence fisher communities.

6.1.2. In spite of this tension, the tourism model propagated by the IDPs of municipalities and the SH-SCPDU of the DPW PMTE require purposeful management at political and administrative levels. The need of businesses to make profit and the socio-economic needs of historically disadvantaged fisher communities must be equally satisfied.

6.1.3. There was tension between DAFF that wants to play its originally assigned leadership role in the Operation Phakisa programme of government, and the initiatives of the SH-SCPDU requires attention. The projects of Operation Phakisa and the intergovernmental effort driven jointly by the SH-SCPDU and municipalities hold promise, and common ground exists. This common ground must be mined and further developed. The coordinating roles of both the DAFF and the DPW had to be synergised so that delivery takes place to both the wealthy business sectors and historically disadvantaged low SES communities in a sustainable way in the future.

6.1.4. The Committees deliberations with the DPW SH-SCPDU and municipalities revealed an agreement that the tourism-focused development model was the preferred way in which under-developed rural towns around harbours would be developed. The benefits that would be accrued by the businesses, the municipalities and the subsequent success of the newly formed SH-SCPDU is quite detailed.

6.1.5. Unfortunately, the proposed tourism-focused model is far too silent on much-needed detail of how historically low SES households that are the original subsistence fishers of the rural Southern Cape would benefit. Detail is required on precisely how the tourism-focused model would consistently benefit these historically disadvantaged communities, rather than continue the historical pattern of being service providers, drivers, cleaners, servants, and clients in newly established businesses at the small harbours in their rural towns.

6.1.6. The tension between the SH-SCPDU propagated tourism-centred business model and the DAFF leadership role in Operation Phakisa, is at its core about enhancing both the tourism as well as the aqua- and agriculture aspects of developing the rural towns around the small harbours. Synergy between these two departments at national and programme levels is urgently needed. Both play leadership and coordinating roles in government’s small harbours management structures and must improve the ways in which they work together.

6.1.7. The operationalisation of the Integrated Small Harbour Management Authority (ISHMA) and the Harbour Steering Committee (HSC) is urgently required. Operation Phakisa and the tourism-focused model of the SH-SCPDU and the municipalities, require such intergovernmental structures to get both the DAFF and DPW SH-SCPDU to play their relevant roles at small harbours more effectively.

6.1.8. Possible racial tension exists at some harbours. In meetings, there were allegations of business owners allocating ablution facilities on their premises for the exclusive use of assigned race groups. This matter had to be reported to relevant authorities so that allegations are properly and responsibly investigated to prevent possible criminal activities as well as the spread of unnecessary falsehoods.

6.1.9. The COEGA Development Corporation (CDC) is an implementing agency that does not hold a budget for the maintenance tasks assigned to it. It performs tasks using a budget assigned for each task as per the instructions of the DPW, PMTE SH-SCPDU.

6.1.10. The budget assigned to CDC for the tasks of maintaining harbour walls, docking quays, dredging, as well as the removal of sunken vessels have been found to be insufficient. The staff of CDC and the PMTE SH-SCPDU reported that the budget would not allow for any of these tasks to be properly completed so that small harbour development can in fact take place. This insufficient budget has implications for the medium to long-term success of both the tourism-development model of the SH-SCPDU, the IDPs of affected rural municipalities, as well as Operation Phakisa projects.

6.1.11. Lease management that is the responsibility of the PMTE SH-SCPDU and the Property Management Trading Entity (PMTE) of the DPW, has been suspended (albeit unofficially) with a variety of lease-types in operation. This causes an unstable business environment at the small harbours. It is threatening the much-propagated need for economic and social development.

6.1.12. There were spaces left at Hermanus harbour for historically disadvantaged communities to participate in aquaculture ventures, in addition, detail was required regarding the possible use of the prefabricated buildings next to the Office of the Harbour Master, which DAFF undertook to discuss options with the military veterans intervention teams to use them.

6.1.13. The repair needed on the harbour wall, removal of structures to ensure safer access through the harbour area, winches, and cranes at Kalk Bay and Hermanus harbours, required much improved integrated management between DAFF and DPW. A report on the funding as well as improved communication through structures such as ISHMA must be made to the Committee.

6.1.14. A risk management report detailing all specific mechanical challenges was drafted and processed to management by DAFF officials at Kalk Bay.

**7. Recommendations**

**The Committee recommends that the Minister of Public Works:**

7.1. Engages with the Minister of Agriculture, Forestry and Fisheries on the number of communication lapses related to delayed responses regarding to reports on maintenance of equipment, and safety and security needs at all small harbours in rural areas (including those that were not visited and reported on in this report). A report should be prepared and submitted to the Portfolio Committee on Public Works by March 2018. It should provide relevant detail on:

7.1.1 The matters noted related to the lack of proper maintenance of slipway equipment, winches, and cranes so that working conditions for DAFF staff can be safe enough to operate boats on slipways. The report should provide specific detail on the DPW’s intergovernmental cooperation with DAFF on the specific roles it plays concerning the maintenance of equipment that could hamper the work of the Harbour Masters and Dockers of the DAFF at the small harbours.

7.1.2. The safety and security needs of small harbours that Harbour Masters affirmed, was reported to DAFF regional and national offices. There is an urgent need for leadership at the highest level to address the communication lapses so that the two departments could cooperate properly so that formerly successful efforts such as the EPWP safety and security projects can be re-instated at the different small harbours where it operated.

7.2. Instructs the DG of the DPW with the DDG of the SH-SCPDU to access the risk report that was available from DAFF on the repair and maintenance of the cranes, winches, and maintenance equipment at specifically Kalk Bay. The risk report was processed by DAFF harbour officials to their management, and must be submitted to the Committee by November 2017.

7.3. Instructs the DG of the DPW with the DDG of the SH-SCPDU in the PMTE, to report to the Committee in the 2018 financial year, on the specific coordinating roles that it plays with the officials of DAFF on the existing harbour management structures with other departments. The delayed establishment of the Integrated Small Harbour Management Authority (ISHMA) is worrying. There is a need for clarity on the roles of the DPW and DAFF on the Harbour Steering Committee and other coordinating structures to ensure success in projects linked to Operation Phakisa and the Oceans Economy.

7.4. Notes that the interaction with the Committee revealed that the budget allocated to the COEGA Development Corporation (CDC) to maintain harbour walls, docking quays, dredging, as well as the removal of sunken vessels requires urgent attention and must be increased to ensure that all these tasks per small harbour can be implemented. The Minister is urged to:

7.4.1. Negotiate with The Minister of Finance for the National Treasury to increase this amount for the new financial year and over the next medium term expenditure period. This is crucial as Operation Phakisa and the development of the rural coastal areas depended on the proper maintenance of small harbours.

7.4.2. Instruct the DG of the DPW to interact with the DG of DAFF to gather the relevant information so that a detailed report is submitted to the Committee on this matter in the first quarter of the 2018/19 financial year. The report should include the relevant detail from the SH-SCPDU on the specifics per financial year, per small harbour that would be re-allocated to the CDC to do the maintenance work on the small harbours.

7.5. Instructs the DG of the DPW with the DDG of the SH-SCPDU, to report to the Committee in the 2018 financial year, on specifically lease management of government-owned properties per operating business in each small harbour that was visited. The report should provide detail of:

7.5.1. The current lease including the property lay-out, the rental cost per square meter, and the annual expenditure on maintenance of the property;

7.5.2. The current business plan that each business submitted;

7.5.3. The previous lease agreement, including the property layout, rental cost per square meter;

7.5.4. The previous business plan and the maintenance programme that each business runs on the government-owned properties that it is leasing.

7.5.5. The report per property should indicate sub-letting that is known to occur, and the action plan that DPW has developed to deal with such cases.

7.6. Instructs the DG of the DPW with the DDG of the SH-SCPDU to develop a report on:

7.6.1. The use of prefabricated buildings at Hermanus, the reparation of the old Lusitania Building; and

7.6.2. The participation of historically disadvantaged parties in aquaculture ventures.

The report should reach the Committee by March 2018 and include detail such as timeframes to completion, parties responsible for delivery and completion, showing the intergovernmental roles of both the SH-SCPDU and DAFF at the small harbours.

Report to be considered.

1. Provincial Notice 163/2015, Province of the Western Cape Provincial Gazette, No 739, Cape Town: 29 May 2015 [↑](#footnote-ref-1)
2. Wesgro is the Official Tourism & Trade, Investment Promotion Agency for the City of Cape Town and the Western Cape Government. The entity is structured as per the Public Finance Management Act (PFMA), is managed by a Board of directors appointed by and reporting to the Executive Authority. It has operational divisions that include Tourism, Trade, Investment Promotion, Research, Film and Media, and a Convention Bureau. [↑](#footnote-ref-2)
3. Dockers are employed by the DAFF. Their work is defined in the International Labour Organisation’s Safety and Health in the Ports Code of Practice on page 5, as doing “*Port work that* covers all and any of the part of the work of loading or unloading of any ship, as well as any work incidental thereto”. [↑](#footnote-ref-3)