

# **SOUTH AFRICA MARITIME SAFETY AUTHORITY**

**(SAMSA)**

## **STRATEGIC PLAN**



*For the years*

**2020 – 25**

*Beginning with the fiscal year*

**2020/21**

*Now implementing 2021-22 fiscal year*

**OFFICIAL SIGN OFF**

It is hereby certified that this strategic plan:

- Was developed by the management of SAMSA under the guidance of the Board.
- Takes into account all recent and relevant developments in government policies, legislation and other related mandates for which SAMSA is responsible.
- Accurately reflects the strategic outcomes and outputs which SAMSA will endeavour to achieve over the 2020 – 2025 strategic term.
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**CHIEF FINANCIAL OFFICER**

**MS. ZAMACHONCO CHONCO**

**SIGNATURE:**



**ACTING CHIEF EXECUTIVE OFFICER**

**MS. TSEPISO TAOANA-MASHILOANE**

**SIGNATURE:**



**BOARD CHAIRPERSON**

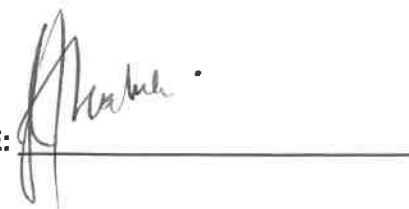
**MS. NTHATO MINYUKU**

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**EXECUTIVE AUTHORITY**

**SIGNATURE:**



**MR. FIKILE MBALULA**

**FOREWORD BY THE MINISTER OF TRANSPORT**

The South African Maritime Safety Authority (SAMSA) is a Schedule 3A public entity in terms of the Public Finance Management Act No. 1 of 1999 ("PFMA"). SAMSA was established on the 1st of April 1998, following the enactment of the South African Maritime Safety Authority Act No.5 of 1998. The Act provided for the establishment of an authority charged with the responsibility for regulating and enforcing maritime safety, marine pollution from ships and promoting South Africa's maritime interests.

SAMSA, led by the Department of Transport and amongst other national public entities forms an important part of South Africa's participation on global, continental and regional maritime transport platforms aimed at developing and regulating maritime transportation. Maritime transport is international in nature and requires strong multinational cooperation to make sure that standardised approaches, international conventions and systems for safe, clean, sustainable and secure shipping and seafaring are established and adhered to across the globe.

South Africa is a signatory to numerous bilateral and multilateral agreements that advance development and technical maritime cooperation with other countries and their relevant institutions. SAMSA, led by the DoT and amongst other national public entities forms an important part of South Africa's participation on global, continental and regional maritime transport platforms aimed at developing and regulating maritime transportation.

As SAMSA enters its second year of the Medium-Term Strategic Framework (MTSF 2019-24), the entity has the responsibility of transforming the fortunes of our maritime Industry. The MTSF sets out the targeted outcomes for the medium term and provides a national framework for all government plans at the national, provincial and local government to deliver within their scope of competence.

The Minister of Transport has prioritised the Oceans economy programme that will guide the country further in unlocking the economic potential by focusing on the following areas:

**Pillar 1: Enhancing South Africa's Shipping Register**

**Pillar 2: Mainstreaming maritime through empowering historically disadvantaged persons to access opportunities, support development of seafarers and support young people to get involved in maritime through recreation and economic opportunities**

Pillar 3: Rolling out coastal shipping and create partnership to ensure sustainable support system to enable effective implementation. The end goal is to have a SADC region-wide coastal shipping market. This to include all offshore shipping activities in the Oil and Gas sector (oil rigs, offshore supply vessels, offshore bunkering activities).

Pillar 4: Create programmes to elevate fluvial transport and open new economic opportunities by maximising the use of inland waterways.

Pillar 5: Unlocking maritime for economic stimulation and recreation

As SAMSA our strategic plan describes the challenges we face in our environment and articulates the key strategies we intend to pursue towards meeting our objectives over the next five years. It communicates our planned approach to our staff, customers and key stakeholders so there is a clear understanding of the direction SAMSA is taking and the outcomes we expect to achieve.

The strategic priorities that will guide us and support delivery against our outcomes over the next five years are:

1. Reducing the risk of accidents and casualties in the maritime transport sector -Reducing the risk of ship sourced pollution and degradation of the maritime environment
2. Supporting the beneficial development and transformation of the maritime sector, with a primary focus on ship registry development
3. Facilitating the creation of maritime jobs and contributing to the reduction of unemployment
4. Supporting in the achievement of increasing the number of highly competent and globally competitive South African Seafarers.

I therefore look forward to taking on the exciting prospect of implementing this ambitious strategy and particularly working with all our key stakeholders in achieving the objectives we have set out. I anticipate with great excitement the collaborative pursuit of these opportunities confident of the greatest levels of support and passion, which has been continuously demonstrated by our stakeholders (partners, staff, customers)

.....  
**MR. FIKILE MBALULA**

**MINISTER OF TRANSPORT**

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## PART A: STRATEGIC OVERVIEW OF SAMSA

### 1. INTRODUCTION

The South African Maritime Safety Authority (SAMSA) is a Schedule 3A public entity in terms of the Public Finance Management Act No. 1 of 1999 ("PFMA"). SAMSA was established on the 1st of April 1998, following the enactment of the South African Maritime Safety Authority Act No.5 of 1998 ("the Act"). The Act provides for the establishment of an authority charged with the responsibility for regulating and enforcing maritime safety, marine pollution from ships and promoting South Africa's maritime interests. It is governed and controlled by a board of directors, appointed by the Minister of Transport in terms of the Act.

### 2. OUR VISION

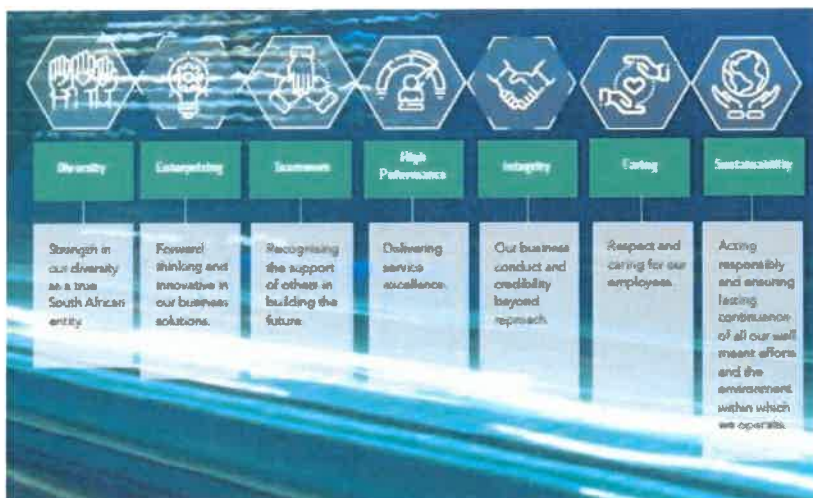
"The Authority championing South Africa's maritime ambitions to be an International Maritime Centre by 2030".

### 3. OUR MISSION

"To provide leadership in maritime safety, prevent and combat marine pollution for a sustainable maritime environment whilst supporting an innovative, progressive and a vibrant maritime economy"

### 4. OUR VALUES

The core philosophy and values that guide and underlie each activity we undertake and how we behave as individuals and collectively when creating value for our stakeholders are as follows:



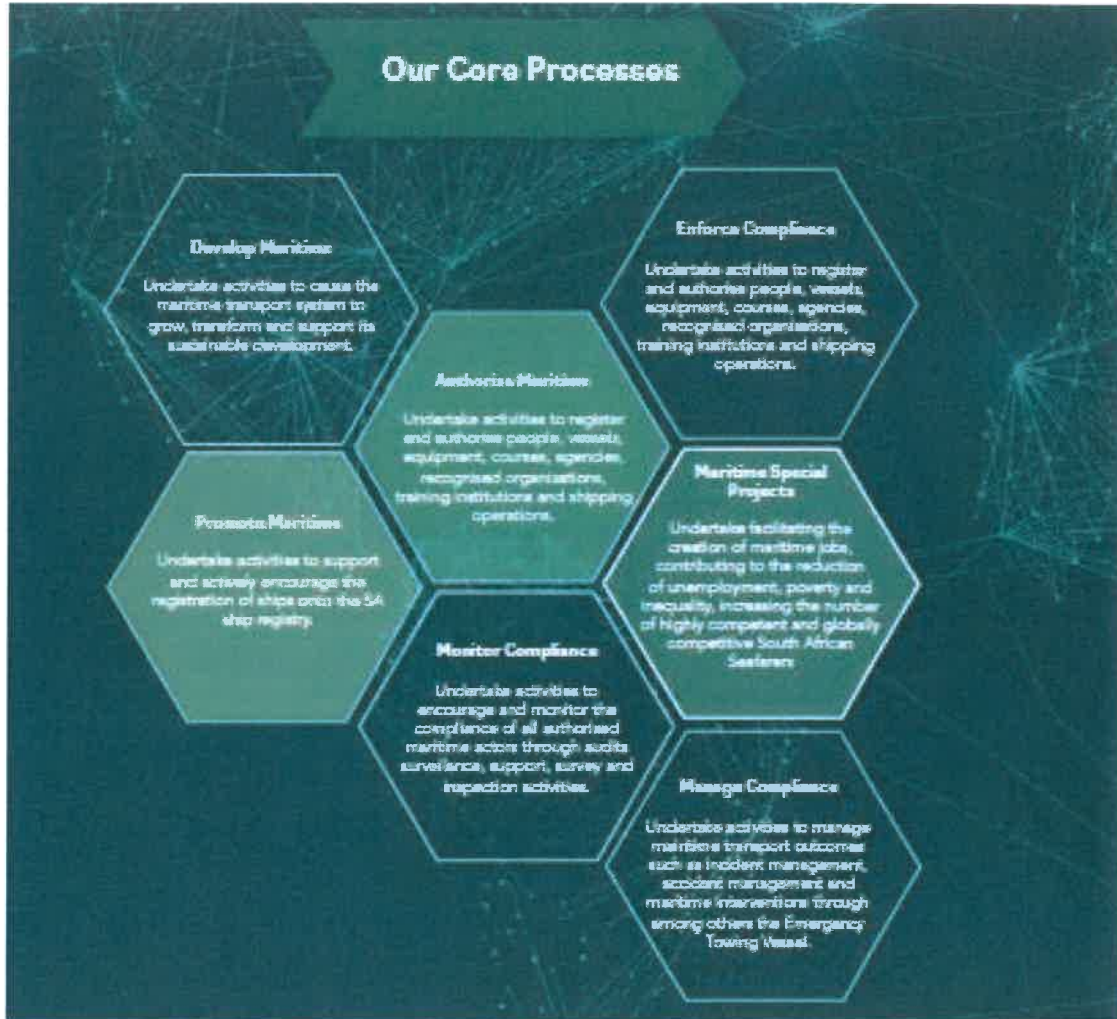
***The underlying mantra of SAMSA is to be "An Entity inspiring excellence and mastering sustainable development"***

## 5. OUR STAKEHOLDERS

The ultimate outcome of SAMSA is to maximise the value generated for all our stakeholders. The stakeholders of SAMSA includes the International and National stakeholders categorised as follows; shipping industry, communities, partners, trade associations, suppliers, employees, customers, beneficiaries, interested parties and government who can be affected by or may affect, the delivery of a safe and sustainable maritime transport system.



## 6. OUR CORE BUSINESS



The SAMSA Value Chain depicts an orchestrated system of core (primary) and support (secondary) processes which various parts of SAMSA performs in order to deliver and exceed stakeholder expectations in a manner consistent with corporate governance, international best practices and mandate requirements. It further demonstrates the value creation system of SAMSA in that it shows in a sequential visualisation of how inputs are transformed through our core processes into products and services in a way which delights our customers and broader stakeholders.



## 7. OUR ORGANISATIONAL STRUCTURE

The PFMA appoints the Minister of Transport as the Executive Authority for SAMSA and the only Shareholder in SAMSA on behalf of the South African Government. The Accounting Authority, which is represented by the SAMSA Board of Directors reports to the Minister of Transport. The Board is made up of six non-executive members and the Chief Executive Officer. The Chief Executive Officer is the Accounting Officer who manages SAMSA under the strategic guidance of the Board of Directors.

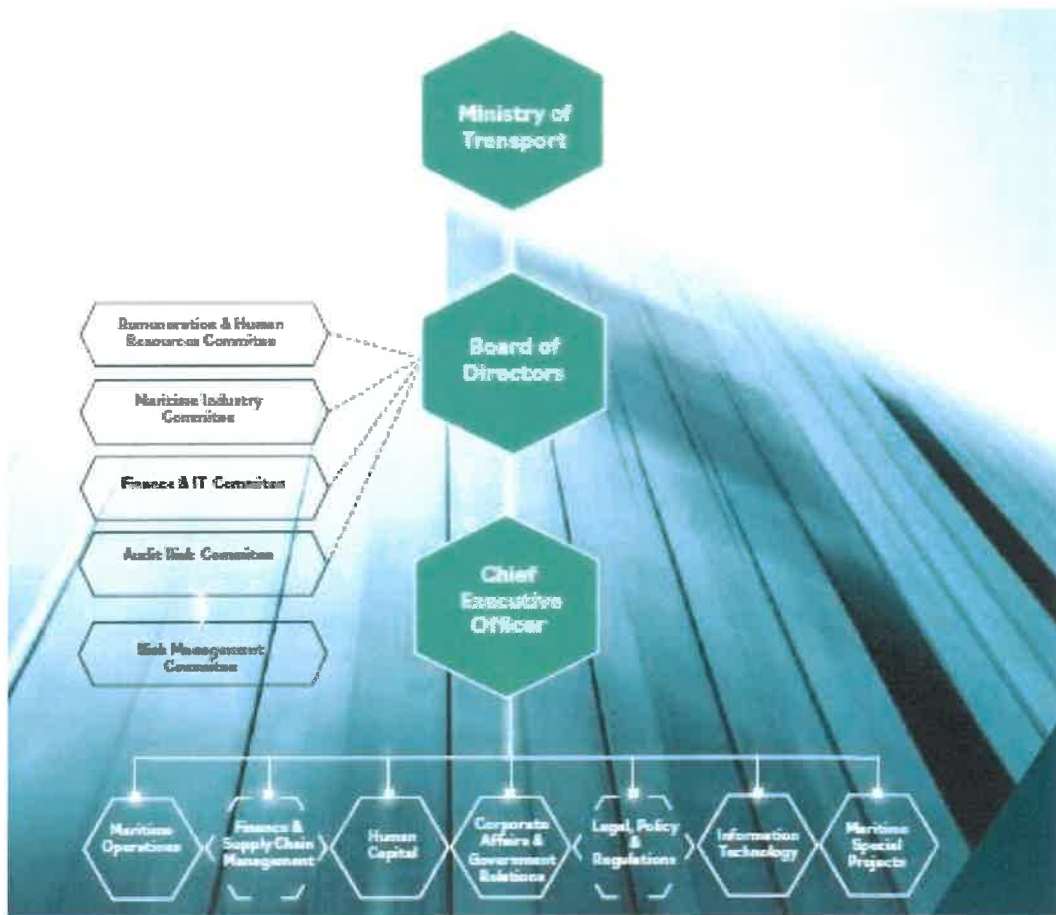


Figure 7.1. The governance structure for SAMSA:

## 8. OUR FOOTPRINT

SAMSAS offices of operations are divided by regions along South Africa's coastal lines.



## **9. OPERATIONAL CONTEXT: THE GLOBAL, CONTINENTAL AND NATIONAL PERSPECTIVE**

Maritime transport is international in nature and requires strong multinational cooperation to make sure that standardised approaches, international conventions and systems for safe, clean, sustainable and secure shipping and seafaring are established and adhered to across the globe.

South Africa is a signatory to numerous bilateral and multilateral agreements that advance development and technical maritime cooperation with other countries and their relevant institutions. SAMSA, led by the DoT and amongst other national public entities forms an important part of South Africa's participation on global, continental and regional maritime transport platforms aimed at developing and regulating maritime transportation.

SAMSA therefore participates and executes nationally adopted obligations flowing from the following institutions and critical agreements:

### **1. International Maritime Organization (IMO)**

The purposes of the IMO, as summarized by Article 1(a) of the Convention, are "to provide machinery for cooperation among governments in the field of governmental regulation and practices relating to technical matters of all kinds affecting shipping engaged in international trade; and to encourage and facilitate the general adoption of the highest practicable standards in matters concerning maritime safety, efficiency of navigation and prevention and control of marine pollution from ships". The Organization is also empowered to deal with administrative and legal matters related to these purposes.

South Africa is a member of the IMO since 1995, which is a specialised agency of the United Nations for setting international standards and regulations for international shipping covering ship safety, seafarer qualifications, preventing pollution from ships, maritime security, search and rescue, and the efficiency of shipping.

### **2. International Labour Organization (ILO)**

The ILO is a specialised agency of the United Nations for promoting workers' rights. It encourages decent employment opportunities, enhances social protection and strengthens dialogue on work-related issues.

### **3. International Association of Marine Aids to Navigation and Lighthouse Authorities (IALA)**

IALA ensures that all seafarers are provided with effective and harmonised marine Aids to Navigation

services worldwide that ensure the safety of life and property at sea.

#### **4. International Communication Union (ITU)**

ITU is a specialised agency of the United Nations that is responsible for issues concerning information and communication technologies, including coordinating the shared global use of the radio spectrum, promoting international cooperation in assigning satellite orbits, and assisting in the development and coordination of worldwide technical standards.

#### **5. The Abuja and Indian Ocean Port State Control Memorandum of Understanding (MOU)**

South Africa is a signatory and active member of two regional MoU's, the Indian Ocean MOU and Abuja MOU on Port State Control (PSC). The two MoU's on Port State Control enable SAMSA to exercise control over foreign ships visiting South African ports by conducting inspections, which are meant to verify compliance with the international maritime conventions. The inspection regime is guided by the IMO's resolution on Procedures for Port State Control.

#### **6. The Association of African Maritime Administrations**

The Association of African Maritime Administrations (AAMA) was officially established at the 2nd Heads of Maritime Administrators held on 23 November 2013. All countries that are members of the African Union are welcomed as members of AAMA. Although 33 of the 54 member states are coastal countries, the Association took a firm decision to ensure the inclusion of landlocked countries because of the importance of the inland waterways that they administer. South Africa is the Secretariat of AAMA. The aim of the Association is:

- To promote the development of Africa's maritime safety and environmental regulatory framework;
- To collaborate in the development of Africa's maritime technical competence;
- To promote the harmonization of Africa's maritime system for greater competitiveness on a global basis;
- To promote the sharing of best practices among Africa's Maritime Administrations in order to enable the growth of the African maritime sector; and
- To enhance continental collaboration to build consensus on issues of common interest in the maritime sector.

## 7. African Union Agenda 2063

Agenda 2063 seeks to deliver on a set of Seven Aspirations each with its own set of goals which if achieved will move Africa closer to achieving its vision for the year 2063.

### ON PROSPERITY

- ❖ Article 6: “A desire for shared prosperity and wellbeing, for unity and integration, for a continent of free citizens and horizon, where the full potential of women and youth are realised....”
- ❖ Article 15: “Africa’s Blue/Ocean Economy shall be a major contributor to continental transformation and growth....”

### ON CLIMATE CHANGE

- ❖ Article 16: “Africa shall address the global challenge of climate change by **prioritising adaptation in all our actions...**”
- ❖ Article 17: Africa will **participate in global efforts for climate change mitigation** that support and broaden the policy space for sustainable development...”

## 8. 2050 INTEGRATED MARITIME STRATEGY (2050 AIMS)

The overarching vision of the 2050 AIM Strategy is to foster increased wealth creation from Africa’s oceans and seas by developing a sustainable thriving blue economy in a secure and environmentally sustainable manner.

In keeping with the African Union (AU) principles and the deep-rooted values enshrined in the Constitutive Act of the AU with applicable programs, the following objectives will guide the 2050 AIM Strategy’s activities:

- i. Establish a Combined Exclusive Maritime Zone of Africa (CEMZA);
- ii. Engage civil society and all other stakeholders to improve awareness on maritime issues;
- iii. Enhance political will at community, national, regional and continental levels;
- iv. Enhance wealth creation, and regional and international trade performance through maritime-centric capacity and capability building;

- v. Ensure security and safety of maritime transportation systems;
- vi. Minimize environmental damage and expedite recovery from catastrophic events;
- vii. Prevent hostile and criminal acts at sea, and coordinate/harmonize the prosecution of the offenders;
- viii. Protect populations, including Africa's Maritime Domain (AMD) heritage, assets and critical infrastructure from maritime pollution and dumping of toxic and nuclear waste;
- ix. Improve Integrated Coastal Zone/Area Management in Africa;
- x. Promote the ratification, domestication and implementation of international legal instruments;
- xi. Ensure synergies and coherence between sectoral policies within and between the RECs/RMs; and
- xii. Protect the right of access to sea and freedom of transit of goods for land-connected States.

#### **9. Revised African Maritime Transport Charter**

The Member States of the Organization of African Unity, Parties to the Charter adhere to the following fundamental principles of maritime cooperation:

- ❖ Solidarity and independence of States;
- ❖ Harmonization and co-ordination of Member States policies in all areas connected with international maritime transport and ports;
- ❖ The need to make maritime and port activities and services more efficient in order to promote economic and social development; and
- ❖ The right of free access to the sea for every land-locked Member States with the proviso that they comply with the laws and regulations of the transit States.

**The objectives of African maritime co-operation are as follows:**

- ❖ To define and implement harmonized shipping policies capable of promoting harmonious and sustained development of the African fleet and to foster on a pragmatic basis close co-operation between the States of the same region or sub-region and between the regions or sub-regions of Africa;
- ❖ To hold regular consultations with a view to determining African common positions on all issues of international maritime policy and to define, for each given problem, concerted solutions;
- ❖ To harmonize Member States' views as regards the implementation of international maritime conventions to which they are parties.

- ❖ To promote bilateral and multilateral co-operation between the maritime administrations of Member States, their respective operational organizations in the field of maritime transport;
- ❖ To undertake studies that will encourage the promotion and the development of co-operation in maritime transport and port operations between countries, regions or sub-regions of Africa;  
and
- ❖ To encourage the establishment of regional and/or sub-regional shipping lines.

## 10. OUR MANDATE

### 10.1 OUR LEGISLATIVE MANDATE

SAMSA is a public entity which derives its legislative mandate from the objectives from the South African Maritime Safety Authority Act No. 5 of 1998. It is responsible for executing the following legislative objectives as set out in the Act:

1. To ensure safety of life and property at sea;
2. To prevent and combat pollution of the marine environment by ships; and
3. To promote the Republic's maritime interests.

Section 52 of the Act provides for certain functions of Authority to be performed by Department of State:

*"52. (1) The responsibility for matters relating to the combating of pollution mentioned in Marine Notice No. 2 of 1996 issued by the Department on 24 January 1996 as amended from time to time is, for all purposes, regarded as having been assigned to the Department of Environmental Affairs and Tourism by this Act.*

*(2) The Minister may, with the concurrence of the Minister of Environmental Affairs and Tourism, by notice in the Gazette, amend or repeal this section in accordance with the further development of rationalisation policy."*

Section 7 (1) of the Act provides that "the Minister may give the Authority written directions regarding the performance of its duties" and in terms of section 356 of the Merchant Shipping Act, 1951 (Act no: 57 of 1951), the Minister promulgated the Merchant Shipping (National Small Vessel Safety) regulations 2007. This expanded SAMSA's obligation to include small vessel activities across South Africa's inland waters.:

SAMSA is also responsible for monitoring the activities of sea going vessels traversing South African waters, providing maritime search and rescue services and ensuring safe navigation through our Maritime Rescue and Coordination Centre (MRCC) and Maritime domain awareness.

SAMSA fulfils the above mandates by executing/administering the following main legislative instruments:

- South African Maritime Safety Authority Act, 1998 (Act 5 of 1998)
- South African Maritime Safety Authority Levies Act, 1998 (Act 6 of 1998)



- Ship Registration Act, 1998 (Act 58 of 1998)
- Merchant Shipping Act, 1951 (Act 57 of 1951)
- Marine Traffic Act, 1981 (Act 2 of 1981)
- Maritime Zones Act, (Act 15 of 1994)
- Wreck and Salvage Act, 1996 (Act 94 of 1996)
- South African Maritime and Aeronautical Search and Rescue Act, 2002
- Merchant Shipping (Safe Container Convention) Act 2011
- Merchant Shipping (Civil Liability Convention) Act 2013
- Marine Pollution (Control and Civil Liability) Act 6 of 1981
- Marine Pollution (Prevention of Pollution from Ships), 1986 (Act 2 of 1986)
- Marine Pollution (Intervention) Act 64 of 1987

## 10.2 OUR POLICY MANDATE

### THE COMPREHENSIVE MARITIME TRANSPORT POLICY 2017

Comprehensive Maritime Transport Policy (CMTP) serves as the embodiment of Government's commitment to the growth, development and transformation of South Africa's maritime transport sector. It represents South Africa's long-term vision, the underpinning philosophy and principles that inform its development and the direction that Government has committed to take the sector to reach its full potential. The current and desired future state of the sector demands CMTP. In being more comprehensive, CMTP provides an elaboration to the declared policy directives as of the White Paper on National Transport policy of 1996 and the subsequent macro national policies; and the National Development Plan and the other coterie of interventionist programmes including Operation Phakisa in the ocean economy.

The fundamental theme of the CMTP is the proper governance management and development of the Maritime Transport sector to serve the country, the industry and be of service to the world. The CMTP realises the vision of developing a maritime transport sector in South Africa that will build on its historic potential and contribute to the economic growth, new business germination, and entrepreneurship and employment creation opportunities in the country. It considers domestic, regional and global challenges and imperatives.

The CMTP creates an environment that is conducive in facilitating the development and growth of the South African maritime transport sector that supports economic growth and well-being of the people of South Africa. The CMTP takes cognisance of the heightened safety, security and environmental concerns at international level. It articulates that Maritime Transport must be harmonised with the broader transport policy framework to complement the goals and strategies of Government

The CMTP recognises further that the Revised African Maritime Transport Charter of the African Union is key instrument with potential to restructure maritime transport policy and strategy in Africa. The CMTP also recognises the strategic importance of partnerships at all levels of the international system.

#### **The strategic objectives of the CMTP are:**

- (a) To develop and grow South Africa to be an international Maritime Centre (IMC) in Africa serving its maritime transport customers and world trade in general.
- (b) To contribute in Government's efforts of ensuring the competitiveness of South Africa's international trade by providing customer focussed maritime transport infrastructure and services through an innovative, safe, secured, reliable, effective, profitable and integrated maritime supply

chain, infrastructure and systems including safety of navigation;

(c) To promote the growth and broadened participation of local entrepreneurs in the shipping industry and marine manufacturing and related services while vigorously through incentives and continuous improvement in ship registration to promote the increase of ships under the South African flag registry;

(d) To Promote marine transport, manufacturing and related services;

(e) To provide guidance to the maritime transport sector stakeholders and customers about institutional arrangements, governance and regulatory interventions while ensuring effective and efficient co-ordination across Government on matters of common interest to the growth of the maritime transport sector;

(f) To provide a clear framework around which operators, customers, investors and funders can freely participate in maritime transport market to improve growth, performance and competitiveness of the total Maritime Transport sector.

(g) Establish where feasible a sustainable funding and financing mechanisms and or facility for the growth of the broader maritime transport sector to facilitate infrastructure development and possible acquisition of ships and equipment necessary to meet the needs of customers in particular and the South African economy in general.

(h) To create and enhance viable and sustainable opportunities for historically disadvantaged entrepreneurs especially, women and youth to participate in maritime transport initiatives.

(i) To ensure efficient and effective regulation and clear separation between maritime operations and maritime regulation and these to be reflected in the institutional and governance frameworks.

(j) From an economic development perspective, create conducive climate for South African perishable goods businesses to take part in the global perishable products market either as producers or as consumers.

(k) Develop modalities for the creation of a national shipping carrier to serve the SA's economic and trade interests.

(l) Develop and maintain a competitive ship registration system.

### 10.3 OUR STRATEGIC MANDATE

The Medium-Term Strategic Framework (MTSF) is a government strategic plan for the 2019-24 electoral term. It reflects the commitments made in the election manifesto of the governing party, including the commitment to implement the 5-year National Development Implementation Plan (NDP). The MTSF sets out the targeted outcomes for the medium term and provides a national framework for all government plans at the national, provincial and local government to deliver within their scope of competence. The MTSF highlights government's support for a competitive economy, creation of decent work opportunities and encouragement of investment.

The 2019-24 MTSF is therefore meant to enable policy coherence, alignment and coordination across government plans as well as ensuring an effective system for allocating government resources to its priority outcome areas. Performance agreements between the President and each Minister will reflect the relevant actions, indicators and targets set out in this MTSF.

#### ***The Seven Priorities derived from the Electoral Mandate + SONA:***

- ***Priority 1: A Capable, Ethical and Developmental State***
- ***Priority 2: Economic Transformation and Job Creation***
- ***Priority 3: Education, Skills and Health***
- ***Priority 4: Consolidating the Social Wage through Reliable and Quality Basic Services***
- ***Priority 5: Spatial Integration, Human Settlements and Local Government***
- ***Priority 6: Social Cohesion and Safe Communities***
- ***Priority 7: A better Africa and World***

## **THE DEPARTMENT OF TRANSPORT'S STRATEGIC OUTCOMES:**

The Department of Transport in its 2020- 25 strategic plan defined fundamental topical areas that the Department will prioritise over the next five years in response to the Medium-Term Strategic Framework (2019 – 2024).

### **A. SAFETY as an Enabler of Service Delivery**

This area will cover all safety issues across the four modes of transport (road, rail, civil aviation and maritime), including safety of public transport; and applicable interventions that will be designed and employed to address such. The DoT's desired outcome will be to reduce all transport-related incidences and accidents, which will ultimately lead to a significant reduction in injuries and fatalities

#### **1. Maritime Safety and Security**

Countries across the globe are witnessing unprecedented times for maritime-related economic development, however to enable these opportunities, risk management strategies must be prioritised. Determining threats, vulnerabilities and consequences to personnel assets, operations and critical infrastructure, it will be crucial that these risks are mitigated and that performance is improved.

To this effect, the development and application of risk assessment and management techniques to maritime safety and security must take into account the complex regulatory and operational context in which the maritime industry operates. The DoT will thus strive to create a unique safety and security platform that will outline current concerns, provide 'fit-for-purpose' tools and management mechanisms, and enable focused operational programmes aimed at building capacity and critical mass.

Over the medium term, the DoT will focus on ensuring 100% compliance with the International Ship and Port Facility Security (ISPS) Code. The Code, developed in response to the perceived threat to ships and ports after the 9/11 attacks, encompasses a set of measures to enhance security of ships and port facilities. The Code is part of the Safety of Life at Sea (SOLAS) Convention and compliance is mandatory for South Africa as part of the Contracting Parties to SOLAS.

As part of ensuring compliance to the ISPS Code, the DoT will focus mainly on addressing the 'stowaway' problem, which seems to be an ever-present for the shipping industry. This problem is closely linked to vessels and/or cargo-type, as well as to the security training and awareness of the

crew. The costs involved in looking after and repatriating stowaways can be substantial, and generally involves moving reluctant people across several continents.

The DoT will aim to reduce stowaways by addressing inadequacies in security and watch keeping. Stringent measures will be put in place to ensure that no unauthorised personnel are able to gain access to vessels, and that all those who have been authorised to board disembark before sailing.

### **B. Building a MARITIME Nation, Elevating the Oceans Economy**

This area presents a strategic opportunity for South Africa. South Africa is bordered by the ocean on three sides. In 2010, the ocean contributed approximately R54 billion to SA's Gross Domestic Product (GDP) and accounted for approximately 310 000 jobs. Studies suggest that the ocean has the potential to contribute up to R177 billion to the GDP and between 800 000 and one million direct jobs.

The DoT, as part of its contribution to unlock the economic potential of the ocean, will look at several key areas. These include regional coastal shipping agreement within the Southern African Development Community (SADC), establishment of a national shipping carrier and corporatisation of the Transnet National Ports Authority (TNPA).

One of the key strategic objectives of the CMTP is to develop South Africa to be an International Maritime Centre in Africa. In considering the bold objective, it is important to note that the proposed Maritime Transport Strategy 2030 envisages that this status may be achieved by 2030. Elements that are required to achieve this status involve a few factors that are required, and these include that South Africa's maritime sector must develop beyond its ability to serve national interest and be more occupied in providing efficient services to the global industry.

South Africa, and most countries in Africa, has begun investing and utilizing resources to explore and grow their maritime sectors. The investments into port and logistics infrastructure including warehousing infrastructure has grown exponentially with the most recent major development

With the 4th Industrial Revolution in our midst, South Africa should promote maritime analytical skills and tools to embrace the 4<sup>th</sup> Industrial Revolution (4IR). There is need to learn from the bit of excellence ship and boat building industry where South Africa is already highly recognized in the world and ranking number 2 after France as leader in the manufacture and distribution of Catamarans and other sophisticated luxury yachts.

The first five years of the next decade are crucial in taking South Africa exactly five (5) years closer in achieving the IMC Status. One of the areas requiring a better marine footprint is shipping and the CMTP and draft Strategy 2030 identifies coastal shipping as a key instrument laying a firm foundation to build and grow the maritime sector. We must also clarify during the coming Medium-Term Expenditure Framework trade policy as it relates to some of our commodities and on a gradual scale to be shipped by South African ship owners. Our focus in the coming decade is going to be in the building a strong maritime industry. South Africa must take steps to promote the development of a national shipping company in the light of the renewed impetus brought about by the CMTP.

Steps will be initiated to configure the structure in to deliver on the mandate of the Programme and all its agencies. There is ongoing need to monitor the staff profile of all maritime entities across the board. Other internal institutional factors that may impact on the achievement of the institution's outcomes must be reflected.

The nature of transformation of the maritime sector requires context and must also be informed by the fact that structurally a developing industry and therefore, part of what we need is modernization and innovation through smart technologies. The delayed appointment of the B-BBEEE Charter Council is delaying transformation. We will continue promoting the implementation of the 2019 Women in Maritime Dialogue Declaration.

### **C. ENVIRONMENTAL PROTECTION – Recovering and Maintaining a Healthy Natural Environment**

This area will cover the effects of transport activities on climate change and environment as a whole, and engage on approaches to avoid or mitigate those effects.

In the Maritime Transport space, new IMO energy efficiency regulations and cleaner fuels are coming into force in January 2020. These regulations will bring about a new marine fuel economy. The South African industry must take advantage of this reality not only by ensuring the enforcement, but also looking at opportunity brought about by the regulation.

Under the new global limit, ships will have to use fuel oil on board with a sulphur content of no more than 0.50%. That compares with the current limit of 3.50%, which has been in effect since January 2012. The interpretation of 'fuel oil used on board' includes fuel used in main and auxiliary engines and boilers. The transport sector welcomes the introduction of the sulphur cap, which comes into effect in January 2020, as an important step in reducing the impact of global supply chains on people's health and the environment. To this effect, the DoT will ensure full implementation of the MARPOL Annex VI, to limit main air pollutants contained in ship exhaust gas, including sulphur and nitrous oxides. The

implementation of the MARPOL Annex VI will also prohibit deliberate emissions of ozone depleting substances and regulate shipboard incinerations and emission of volatile organic compounds from tankers.

South Africa lies in one of the world's busiest shipping lanes. The peculiar waters of South Africa explain the treacherous sailing conditions. The large traffic volume transiting around the Cape horn and the large number of ships sailing towards the country's ports make the coast vulnerable to oil pollution. It is with this view in mind that the country's marine pollution prevention measures be reviewed on a regular basis to ensure that oil pollution is minimised.

Over the medium term, the DoT will target to acquire a pollution prevention tug that will ensure that it timeously responds to emergency callouts and high-risk maritime emergencies.

The maritime industry is bracing itself for the rapid approach of January 1, 2020 – the day on which the sulphur limit imposed under International Maritime Organization (IMO) 2020 comes into effect. The regulatory requirements will certainly have an economic effect on shipping with the bunker prices constantly fluctuate due to market forces and the cost of crude oil.

Overall, the effect of the new Annex VI agreement may be quite costly for the participants in the shipping industry. Based on historical price differences could well imply a cost increase per ton of bunker fuel of an average by at least 3% in the fuel operating costs.

Ship operators will face higher vessel operating costs due to the use of low sulphur fuel. The shipping companies could in principle decide to absorb some of these additional costs, but such a strategy would negatively affect the financial base and attractiveness of the short sea business. The resulting lower margins would undermine innovation in the industry and would prolong the operating lifespan of (older) short sea vessels. A more logical strategy for operators is to charge their customers to recuperate the additional fuel costs linked to the use of low sulphur fuel.

Therefore, the country will continue to implement the South Africa 2020 Global Sulphur Cap Resolutions. There will be a special focus on research to understand the economic impact of the compliance effect and try to implement initiatives that will ensure that there is minimum impact to the maritime economy (jobs).



## **MINISTER OF TRANSPORT FIVE STRATEGIC THRUST**

The Minister of Transport identified five strategic thrust that will guide the department for the next five years. These are the prioritised strategic thrusts.

- ST 1: Safety as an enabler of service delivery
- ST 2: Public transport that social emancipation and an economy that works
- ST 3: Infrastructure built that stimulates economic growth and job creation
- ST 4: Building a maritime nation, elevating the oceans economy
- ST 5: Accelerating transformation towards greater economic participation

## **THE BUILDING BLOCKS FOR THE MARITIME PROGRAMMES CONSTITUTE FIVE FOCUS AREAS (PILLARS)**

- Pillar 1: Enhancing South Africa`s Shipping Register
- Pillar 2: Mainstreaming maritime through empowering historically disadvantaged persons to access opportunities, support development of seafarers and support young people to get involved in maritime through recreation and economic opportunities
- Pillar 3: Rolling out coastal shipping and create partnership to ensure sustainable support system to enable effective implementation. The end goal is to have a SADC region-wide coastal shipping market. These to include all offshore shipping activities in the Oil and Gas sector (oil rigs, offshore supply vessels, offshore bunkering activities).
- Pillar 4: Create programmes to elevate fluvial transport and open new economic opportunities by maximising the use of inland waterways.
- Pillar 5: Unlocking maritime for economic stimulation and recreation

## **11. OUR OPERATING ENVIRONMENT – A SITUATIONAL ANALYSIS**

SAMSA's business is impacted by a wide range of factors, which are internal and external to the entity. Understanding how these current and emergent factors interact with each other to create an organisational context, is central to devising an appropriate strategy and way to navigate the future.

To this end, SAMSA has undertaken an analysis of its operating environment to assess both the internal and external environments to gain material insights into the strategic options facing the entity. This analytical tool has been used to engage and agree on the set of strategic options available to SAMSA. The following section presents a summary of the strategic analysis conducted through the SWOT analytical framework:

### **Internal Analysis**

The internal situational analysis interrogates the level, quality and appropriateness of current organisational resources and capabilities against optimal organisational requirements for gaining a sustainable advantage and maximising the achievement of the SAMSA mission. This analysis has been undertaken to develop a deep insight into the strategic strengths and weaknesses of SAMSA.

#### **The strengths of our resources and capabilities**

- Operating offices well positioned in all the commercial Ports in South Africa. The entity has footprint across all the commercial ports in the country which enables it to fully execute its mandate and reach all its stakeholders.
- Diverse Maritime Industry knowledge and skill base within the entity. The entity employs more than two hundred maritime technical experts in different roles ranging from vessels surveying, port state inspections, maritime environment protection, maritime search and rescue, maritime domain awareness, casualty investigations, maritime examinations and certification, maritime legislation and maritime industry development.

#### **The weakness in our resources and capabilities**

- Scarce and aging skilled maritime technical workforce to assist the entity to deliver on its core mandate. The maritime technical human resources required to fully execute the mandate is scarce due low base of qualified marine engineers and deck officers within the country and due to fact that most of qualified seafarers are employed at sea by shipping companies.

- Inadequate funding to capacitate and resource on maritime infrastructure and equipment to the full requirements of the entity's mandate as per the Act. The limitation on funding also has had a huge impact on the entity ability to attract and retain scarce technical skills in critical positions.
- SAMSA Information Communication Technology systems are not fully integrated to assist the entity to fully optimise the existing information for decision making and align maritime operations with the future technological trends.
- Lack of a Corporate Quality Management System that would ensure that the entity would improve on its corporate performance and provide sustainable development in the management of the entity with a focused standard of delivery to its stakeholders.

### **External Analysis**

Shipping, as the key element around which much of SAMSA's mandate revolves, is a cyclical business on its own but is also largely linked to the real economies of South Africa's trading partners. However, shipping as contemplated in the SAMSA strategy is broader than the element of transportation as would be ordinarily envisaged. SAMSA's broader maritime business model incorporates a wide range of stakeholders who in turn form a large opportunity pool of subsectors and industries from which SAMSA can derive and capture socio economic value.

The macro-environmental variables (economic, political, technological, regulatory, etc.) remain stable in the medium to long term.

### **The Threats from our external operating environment**

- Inadequate maritime regulatory and legislative framework (due to slow ratification, domestication and review of maritime legislation environment). The slow domestication has resulted in huge risks such as having an ineffective penalty system (low value penalty charges) to deter non-compliance on all maritime transgressions.
- Inadequate national maritime incident response system due to a lack of the availability of assets and resources to respond effectively and efficiently to maritime incidents (Aerial capabilities, patrol vessels, helicopters) within the South African Exclusive Economic Zone.
- Non-compliance in line with the PFMA and SAMSA Act requirements with critical issues such as not having a permanent Chief Executive Officer to guide in the long-term strategic direction.
- The implementation of Marine Protected Areas under the National Environment Management Protected Act 57 of 2003 would impact on the maritime economic initiatives being implemented within the South African exclusive economic zone.

- Non-integration and collaboration of maritime issues within government in the implementation of key initiatives in line with the national priorities.
- The effect of emergence of autonomous vessels on maritime legislation, labour force, port state responsibility readiness and funding of the required systems to monitor and enforce compliance.
- The increase of marine traffic, especially that of scrapped tankers and cargo vessels sailing or being towed around South Africa's coast line on the way to Asian scrapyards, combined with SAMSA's inability to effectively and resolutely respond during an emergency together with a significant increase in medical evacuations along our coastline and increase South Africa's Risk profile significantly to such an extent that our coastline is compromised.

### **The Opportunities from our external operating environment**

- Implementation of the CMTP in focused areas of maritime transport.
- Exploiting the extensive global focus on South Africa as a significant international maritime economy due to its confirmation as the next host of the IMO World Maritime Day Parallel event in 2020 and International Maritime Organisation (IMO) Technical Programs to build capacity for all member states.
- South Africa's re-election to the IMO Council as "one of 20 States which have special interests in maritime transport or navigation, and whose election to the Council will ensure the representation of all major geographic areas of the world."
- To fully execute marine environmental protection and combating objective function transfer from the Environment, Forestry and Fisheries (Ministry of) to the Department of Transport and then effectively to SAMSA.
- Integrated Partnership with Environment, Forestry and Fisheries (Ministry of) on the sharing of national resources and capabilities (aerial capabilities and vessels).
- Bilateral and multilateral agreements with South Africa that focus on technical collaboration and development initiatives.
- Free Trade Agreement of the African Union (AU) will free up cargoes for trading amongst African Countries thus creating demand for maritime transport.
- The effect of emergence of autonomous vessels would bring up new business in maritime technology

### **Naval Architecture**

The office of the Naval Architect is responsible for ensuring that all vessels comply with the requirements of the Load Line Regulations and Tonnage Regulations, working closely with the Surveyors and the Registrar of Ships. The Naval Architect liaises closely with external Naval Architects, ship builders regarding the verification of all Stability Books, Tonnage measurements and calculations to ensure compliance with the relevant regulations.

### **Ship Registration**

The Registrar of Ships is responsible for the maintenance of the South African Ships Register by ensuring that all vessels that are required to be registered onto the South African flag, complies with the Ship Registration Act 58 of 1998 (SRA). The Registrar of Ships receives and record all information and documents required or permitted to be lodged with the Registrar of Ships in the South African Ships Register; grants, issues, vary or revoke the certificates and other documents that are required or permitted to be granted or issued in terms of the Act.

The Registrar of Ships is the custodian of the Ship Registration Database and ensures that this database is always up to date.

### **Radio Services**

SAMSA discharges its radio survey and inspection mandate as legislated in terms of the Merchant Shipping Act, MS (Radio installations) Regulations, MS (National small vessel safety) Regulations, MS (EPIRB registration) Regulations, MS (Automatic Identification System) Regulations and MS (Long Range Identification and Tracking) Regulations.

In addition, SAMSA discharges its marine radio operator certification responsibilities in terms of a Memorandum of Understanding concluded with the Independent Communications Authority of South Africa (ICASA) and as legislated by the Electronic Communications Act, MS (Safe manning, training and certification) Regulations and the South African Code of Qualifications. SAMSA provides an inter-governmental marine radio technical consultancy service including service level agreement audits (Department of Transport and Telkom Maritime Safety Information Equipment provisions).

SAMSA provides stakeholder engagement at national and international level to assist in ensuring compliance with the IMO (SOLAS, STCW, STCW-F, HTW) and ITU (Radio Regulations) Conventions to which the South African government is a party.

### **Maritime Industry Development**

This function facilitates the growth of the maritime sector with a focus on domestic and international priority areas. Domestic maritime sector development focuses on Fishing through the National Fishing Forum and Boating through the Small Vessel Technical Committee by exploiting the existing opportunities within the sector for the benefit of identified national stakeholders.

International maritime sector development focuses on opportunities that could be derived from the registration of international trading ships on the South African Ships Register with an anticipation to increase the number of South African seafarer's employment opportunities working onboard ships trading internationally.

### **Sea Watch and Response**

In executing its responsibility for contributing towards ensuring safety of life and property at sea and the protection of the marine environment. This function includes the Maritime Rescue Co-ordination Centre (MRCC), Intervention and Safety of Navigation.

The MRCC is fully functional, operates 24/7, with the focus primarily of the safety of life at sea, and complies with the requirements of the Department of Transport's (DoT) South African Search and Rescue (SASAR) Act. This entails interaction with the various government and non-government entities involved with maritime rescue at sea.

The Intervention section is being developed and capacitated to respond to situations developing at sea relating to marine environment protection and maritime security. This is where interaction with vessels at sea and organisations ashore are executed; through radio communication, tasking of emergency standby tug, initiating the National Oil Spill Contingency Plan (NOSCP) and the Hazardous and Noxious Substances (HNS) Response Plan for specific pollution situations and calling on Defence and other assets to assist.

The Safety of Navigation section is also being developed and capacitated to ensure the safety of navigation in South African waters, both coastal and inland waterways through enhancing our maritime domain awareness (MDA) and regulation.

**PART C. DETAILED 2020-25 SAMSA STRATEGIC PLAN**

**2020-25 SAMSA STRATEGIC PLAN STRATEGIC ALIGNMENT TO NATIONAL PRIORITIES**

National Government	DoT	Minister's	Minister's	SAMSA Strategy	
National Priorities	Strategic Outcomes	Strategic Thrusts	Maritime Programme Pillars	Strategic Challenge	Strategic Outcomes
<b>Social Cohesion and Safe Communities</b>	SAFETY as an Enabler of Service Delivery	Safety as an enabler of service delivery.		Managing risks with regards to maritime safety of life and property, equipment, seafarers and pollution incidents from vessels.	<p>Safer Life - Safe shipping in South African waters.</p> <p>Safer Property - Reduction in reportable maritime safety Incidents</p>
	ENVIRONMENTAL PROTECTION – Recovering and Maintaining a Healthy Natural Environment			South Africa has outdated maritime legislation which needs to be prioritised for urgent reviewing and International Conventions that South Africa recently acceded to are not domesticated expeditiously into local laws to ensure execution of enforcement.	<p>Clean Seas - Reduction in reportable maritime pollution Incidents</p> <p>Enforcement of all maritime legislation and regulations.</p>
<b>Economic Transformation and Job Creation.</b>	Building a MARITIME Nation,	Building a maritime nation,	Enhancing South Africa's Shipping Register.	To enhance the competitiveness of South Africa's	1000 jobs (Women, Youths etc) created in South Africa maritime industry

National Government	DoT	Minister's	Minister's SAMSA Strategy		
National Priorities	Strategic Outcomes	Strategic Thrusts	Maritime Programme Pillars	Strategic Challenge	Strategic Outcomes
	Elevating the Oceans Economy	elevating the oceans economy	<p>Rolling out coastal shipping and create partnership to ensure sustainable support system to enable effective implementation</p> <p>Unlocking maritime for economic stimulation and recreation</p> <p>Create programmes to elevate fluvial transport and open new economic opportunities by maximising the use of inland waterways.</p>	Maritime industry and exploit the potential for job creation, transformation and economic contribution to the country's Gross Domestic Product.	<p>Ten of merchant vessels registered onto the South Africa Ship register</p> <p>Ten new SMME's assisted in South Africa maritime industry</p> <p>3% increase in value of Maritime contribution to South Africa Gross Domestic Product (GDP)</p>



## **DETAILED 2020-25 SAMSA STRATEGIC PLAN**

**STRATEGIC CHALLENGE 1:** Managing risks with regards to maritime safety of life and property, equipment, seafarers and pollution incidents from vessels.

### **Background and Context of the Strategic Challenge:**

It is SAMSA's responsibility to ensure that all partners and stakeholders operating within the South African maritime environment responsibly observe the applicable maritime safety, security and pollution legislation, regulations and practices to effectively facilitate a maritime environment that is clean, safe, sustainable and economically viable. SAMSA as its mandate must promote a safe and secure culture, fostered through the application of global and local safety and security standards and their rigorous enforcement. These global standards should ensure a "level playing field", but the safety culture should go beyond mere regulatory compliance and deliver added value for the broader global maritime transportation system through the promotion of safety, security and sustainable practices. SAMSA must also perform its functions in accordance with South Africa's international obligations, such as the conventions and treaties to which our country is a party.

The International Maritime Organisation (IMO) states that a clean and sustainable maritime transportation system must minimise the environmental impact of shipping and activities of maritime industries. Environmental stewardship should be reflected in the development and implementation of global standards for pollution prevention and protection of the marine environment. The SAMSA's outcome therefore should be to ensure that there is a reduction in the loss of lives, pollution and reportable maritime incidents in our South African waters.

The people at risk include South African communities, national and international seafarers, fishers, stevedores and shipyard workers, sport and recreational and passengers on a vessel at sea and inland.

The risk on board a vessel includes all cargoes (dry cargo, wet cargo, and containers, bulk) being conveyed by a vessel as well as the vessels bunkers. The Property at risk refers to the vessel and its related equipment (i.e. firefighting appliances, life serving equipment, marine engines, and electronic equipment at risk from vessel activities at sea. The strategic outcomes will be delivered through a cooperative partnership approach is adopted in the regulation and governance of the maritime sector across the global, regional continental and national spheres of maritime transportation. This is where a collaborative approach with multilateral formations, regional communities, bilateral country to country arrangements, public entities, government departments, industry, academia, communities, and labour all participate in the formation of integrated policy, strategy and regulations.

## OUR STRATEGIC RESPONSE OVERVIEW TO THE CHALLENGE

Impact Statement:	To safeguard life and property across the maritime transportation environment such that we have a reduced occurrence of maritime fatalities and maritime incidence and accidents in South African waters. We anticipate ensuring safe shipping in South African waters with minimum pollution from vessels and a secure maritime environment.			
	Outcomes	Outcomes Indicator	Baseline Performance	Five Year Target
1.	A Safe South Africa Maritime Transport System- (Safer Lives and Property)	State of Maritime Transport Safety Index (Trend analysis) – including variables such as 1. Reportable Maritime Incident rate from all types of vessels.  2. Maritime fatalities rate reported from all types of vessels	10 Reportable Incident Rate reported in 2018-19 (April 2018- March 2019) financial period.	Below 5 Reportable Maritime Incident Rate
			New Indicator	Below 1 Reportable Maritime fatalities rate reported from all types of vessels
2.	Clean Seas – Reduced reportable maritime pollution incidents by vessels.	Status of Rreportable Maritime pollution incidents. (Trend analysis) on Maritime pollution incidents rate from all types of vessels	2 maritime pollution incidents rate from all types of vessels	Below 1 maritime pollution incidents rate from all types of vessels

## OVERVIEW OF THE STRATEGIC RISKS

Strategic Risks	Identified Risks	Risk Description	Action to mitigate Risks
	A serious and very serious maritime incident occurs involving the total loss and damage to property and loss of life.	A maritime safety incident occurring because of human errors, vessels technical issues and act of God.	<ol style="list-style-type: none"> <li>1. SAMSA to determine South Africa's required capacity and make recommendations to Government and the Private Sector on the required capacity and the geographical location to ensure a State of Readiness to respond effectively and efficiently to a maritime incident.</li> <li>2. Conduct an analysis of previous maritime incidents to determine the adequacy of the Maritime Fund.</li> <li>3. Investigate a better funding model, consider Environmental Levies and other alternatives to fund Maritime Domain Awareness responsibility.</li> </ol>
	A serious or very serious maritime oil, harmful and harmful noxious substances, pollution incident occurs.	A major pollution incident occurring because of human errors, vessels technical issues and act of God	<ol style="list-style-type: none"> <li>1. An assessment on existing Capacity and resources within the maritime environment in line with the requirements to respond effectively to maritime incidents.</li> <li>2. Implement the 2019 South Africa Maritime Risk Workshop resolution on response capability in line with the ETV feasibility report.</li> </ol>
	Non- compliance to the International Maritime Organisation Instruments Implementation Code (III Code)	Non- compliance to the International Maritime Organisation Instruments Implementation Code (III Code)	<ol style="list-style-type: none"> <li>1. Develop and Implement the South Africa Mandatory Audit action plan on IMO Instruments Implementation Code (III Code).</li> </ol>

Being on the STCW White List gives assurance to shipping companies that seafarers holding a certificate of competency/proficiency from this Maritime Administration meet the standards of training and certification required on the STCW Convention. Seafarers holding SAMSA's issued certificates are thus attractive to these employers.

South Africa's last report on Independent Evaluation accepted by the Panel of Competent persons was in September 2006, thus posing the risk of being removed from the STCW White List if an acceptable report is not submitted before the MSC implements the provision of Regulation I/7.3 of the STCW Convention.

## OUR STRATEGIC RESPONSE OVERVIEW TO THE CHALLENGE

<b>Impact Statement:</b>	To ensure that all seafarers within the maritime sector have the knowledge, skills and competency to effectively perform their roles in safely operating vessels, in a manner that protects lives, property and the environment. This competency is at the core of seafarer development, seafarer registry, seafarer employment, seafarer/stevedore welfare and its administration. The following outcomes will be achieved such as the development and maintenance of an excellent maritime education and training system that is current, flexible and supports industry needs and South Africa's national maritime development aspirations, maintain IMO Whitelist Status, a World class Seafarer Welfare programme and South African Seafarers qualifications that are accepted in most maritime jurisdictions across the globe.			
	<b>Outcomes</b>	<b>Outcomes Indicator</b>	<b>Baseline Performance</b>	<b>Five Year Target</b>
1	A Globally Competitive South Africa Maritime Education and Training System.  A Globally competitive and supported South African Seafarer.	A Globally Competitive South Africa Maritime Education and Training System, through confirmation of being on STCW Whitelist.	Maintain South Africa Whitelist Status	Maintain South Africa Whitelist Status

## STRATEGIC RISKS OVERVIEW

Strategic Risks	Identified Risks	Risk Description	Action to mitigate Risks
	South Africa removed from the International Convention of Standards of Training, Certification and Watchkeeping for Seafarers (STCW) White List.	South Africa removed from the International Convention of Standards of Training, Certification and Watchkeeping for Seafarers (STCW) White List.	<ol style="list-style-type: none"> <li>1. The Legislation must be improved to become compliant with the STCW Convention, viz;               <ol style="list-style-type: none"> <li>a. the Merchant Shipping (Safe Manning, Training and Certification) Regulations, 2013, as amended (joint responsibility with the DOT)</li> <li>b. the Merchant Shipping (Eyesight and Medical Examinations) Regulations, 2004, as amended</li> </ol> </li> <li>2. A Quality Management System (QMS) ensuring effective implementation of the provisions of the Regulations and the STCW Convention</li> <li>3. An Independent Evaluation, a report of which will be submitted to the IMO.</li> </ol>

**STRATEGIC CHALLENGE 3:** South Africa has outdated maritime legislation which needs to be prioritised for urgent reviewing and International Conventions that South Africa recently acceded to are not domesticated expeditiously into local laws to ensure execution of enforcement. A structured and documented training regime to train surveyors to enforce regulations consistently must also be prioritised. Penalties for transgression of legal requirements are also very low in comparison with other countries and environmental laws and thus not a real deterrent for offenders.

**BACKGROUND AND CONTEXT OF THE STRATEGIC CHALLENGE:**

For SAMSA to realise the above mandates all acceded conventions must be ratified and domesticated into national laws. Current principal Acts and Regulations are also outdated and must be emended to ensure standards of surveys are consistent and in line with latest technological developments and industry best practice.

Our maritime legislative framework and legislation needs to be reviewed. As a coastal state, South Africa has several national and international obligations. In its current form, several pieces of our legislation cannot be enforced as the instruments are either outdated or no national legislation exists for implementation and enforcement of obligatory international conventions. Understanding that South Africa is a signatory to a few IMO conventions, there needs to be a rethink on the way legislation is drafted so that it is enabled to adopt changes or amendments to the conventions and codes to which South Africa is a signatory.

Lack of regular updated checklists, Standing Operating Procedures (SOP) and a structured and documented training programme for surveyors cause inconsistency, non-compliance with IMO requirements (III CODE) and reputational damage.

## OUR STRATEGIC RESPONSE OVERVIEW TO THE CHALLENGE

<b>Impact Statement:</b>	To ensure strengthening maritime governance with a focus on collaborative stakeholder participation and the sharing of responsibilities and actions at national, regional and international perspectives of governance to ensure effective implementation of the South African Maritime agenda. The outcomes will reflect the role played by SAMSA at international and regional levels of cooperation and partnerships, principally the IMO, ILO, IALA, Indian Ocean Memorandum of Understanding (IOMOU), the Abuja Memorandum of Understanding on Port State Control and other SAMSA Memoranda of Understanding and agreements aimed at improving regional maritime governance and sector development.			
	<b>Outcomes</b>	<b>Outcomes Indicator</b>	<b>Baseline Performance</b>	<b>Five Year Target</b>
1.	A well governed (legislations, regulations, frameworks, policies) South Africa's Maritime Transport System in line with the National Agenda (Priorities) & International Conventions.	Maritime legislation Priority list and Medium-Term roadmap developed and implemented	Maritime legislation Priority list and Medium-Term roadmap updated	Maritime legislation Priority list and Medium-Term roadmap fully implemented

## STRATEGIC RISKS OVERVIEW

	<b>Identified Risks</b>	<b>Risk Description</b>	<b>Action to mitigate Risks</b>
<b>Strategic Risks</b>	Non enforcement of maritime safety responsibilities due to outdated legislation and non-domestication of acceded to International Conventions resulting in increased maritime incidents	Non enforcement of maritime safety responsibilities due to outdated legislation and non-domestication of acceded to International Conventions.	<ol style="list-style-type: none"> <li>1. A legislative framework wherein DoT together with SAMSA establishes a formal committee to review existing and outdate legislation, draft and promulgate Acts and Regulations in a timeous manner to effect International Conventions that South Africa has acceded to.</li> <li>2. A National maritime legislation priority list and medium-term roadmap developed and implemented.</li> <li>3. All maritime legislation and regulations developed and implemented for all domesticated legislation.</li> </ol>

**STRATEGIC CHALLENGE 4:** To be a Maritime Centre by the year 2030, capable of delivering on its mandate, SAMSA needs to be appropriately resourced and capacitated, with complete and correct financial resources, manpower, competencies (processes, systems, leadership, structures, management approaches, etc.), ICT infrastructure and able to retain the inherent institutional knowledge.

#### **BACKGROUND AND CONTEXT OF THE STRATEGIC CHALLENGE:**

The ever-developing maritime transport sector and the expectations of our core stakeholders place higher demands on our resources, skills and expertise across the maritime transport value chain. We therefore seek to reconcile our internal resource and capabilities with the services and technical support demands placed on the entity so that we are best able to meet current and future strategic obligations over the next 5 years. To this end the current strategic resource and capability challenges facing SAMSA include the rapid loss of critical senior technical skills and expertise due to retirement, increasingly complex service demands from our stakeholders, long running unfunded mandates and obligations, , and the displacement of key maritime infrastructure, and inadequate recovery of costs associated with delivering core services, the need to upgrade our technologies and systems, rapid corporate governance systems requirements

Due to a lack of enough resources, a significant number of surveys are outsourced to third parties, such as Authorised Agencies (small vessels), External Surveyors or Recognised Organisations (Classification Societies), which could lead to SAMSA failing in providing effective oversight. Should any incident occur, the ability of SAMSA to respond is limited, due to a lack of resources and capability. Emergency Response capability such as vessels or aircraft are outsourced to third parties and does not always have these assets available for immediate use. No Sea or Air patrols have been conducted since early 2010 to monitor and combat pollution along the South African coast.

It is SAMSA's responsibility to provide the necessary resources to enable the execution of its mandate in a professional manner. Advancements in technology in the next five years is expected to rapidly change our operating environment. New Technologies, Autonomous ships, Remotely Operated Ships, the threat of cyber-attacks, the adoption of new environmental regulations in order to reduce emission from ships, will require a new type of skill for SAMSA to deliver on its mandate. Remote Surveying Technology provide new methods which will allow SAMSA to execute its mandate in safer and more efficient way, removing the risks which surveyors are exposed to daily. These new and emerging priorities for SAMSA will draw on the relationship management capabilities of our workforce, as it is recognised that technical knowledge coupled with strong negotiation and communication skills will be key to determining our success in these areas.

Building a sustainably resourced and dynamic set of organisational capabilities can assist us to integrate, build and reconfigure internal and external competencies to address SAMSA's rapidly changing environments for today and into the future. SAMSA's resources and capabilities are a source of long-term sustainable advantage and can effectively position the entity as it pursues its strategic aspirations. adopt an institute wide continuous improvement approach to managing SAMSA's business processes, systems and operational culture with the objective of streamlining operations and achieving superior stakeholder performance results. It will focus on the sustainable management of suppliers, system wide quality management, embedding lean operating principles and overseeing the performance of its broader partner network. It proactively identifies these requirements, monitors and maintains service levels and sets compliance standards in line with best practices.

### OUR STRATEGIC RESPONSE OVERVIEW TO THE CHALLENGE

Impact Statement:	Without a competent, engaged workforce that is properly resourced and capable to fully execute the mandate, the entity will not able to promote South Africa's Maritime interests on a national and global platform to become a Maritime Centre. The entity will be able to retain scarce skills, become an employer of choice, improve service delivery using an integrated management system with effective and efficient processes and systems, as well as using technology to improve our service delivery to all our Stakeholders.			
	Outcomes	Outcomes Indicator	Baseline Performance	Five Year Target
1.	A Highly Competent Maritime Authority with a Certified Quality Management System in place.	Certified Quality Management System	No Quality Management System in place.	Certified Quality Management System fully implemented in line with the plan.
2.	A Highly Competent Maritime Authority with engaged, diverse and sustainable workforce capable of delivering on SAMSA's mandate and other global initiatives	Top Quality Workforce - Best Company to Work for Employee Survey Rating	Number of Vacancies as per Capacity Plan  Scarce Skills Turnover rate.  Current employment equity ratio  360 Degree evaluations	An engage and highly competent staff complement with the right knowledge, skills and competencies capable of delivering on SAMSA's mandate other global initiatives
3	A Digitalised SAMSA with all systems fully optimised with new technologies embraced to ensure better work practises and greater synergies, allowing for integrated systems, to prevent pollution incidents and safer ships and people and promoting the maritime interests for the country.	SAMSA Digital Strategy and Roadmap with all systems fully optimised	Status of all SIOMS modules and implementation. No App-based Survey software exists currently. Limited MDA software available. No Maritime Patrols conducted around the South African Coastline	Phase 5 SAMSA Digital Strategy and Roadmap with all systems fully implemented and optimised.  (New <b>Technological SMART</b> " systems implemented, such as Surveyor Survey Software (apps) and faster turnaround times for customers. Better MDA with the coastline monitored 24/7 through



<b>Impact Statement:</b>	<b>Without a competent, engaged workforce that is properly resourced and capable to fully execute the mandate, the entity will not be able to promote South Africa's Maritime interests on a national and global platform to become a Maritime Centre. The entity will be able to retain scarce skills, become an employer of choice, improve service delivery using an integrated management system with effective and efficient processes and systems, as well as using technology to improve our service delivery to all our Stakeholders.</b>			
	<b>Outcomes</b>	<b>Outcomes Indicator</b>	<b>Baseline Performance</b>	<b>Five Year Target</b>
				integrated intelligence systems and Drones)
4	A Financially sustainable SAMSA with enough resources to implement SAMSA's mandate other global initiatives.	Cash cover,	Level 4 of the SAMSA's Long term financial sustainability model	Cash cover of 2,5

### STRATEGIC RISKS OVERVIEW

Strategic Risks	Identified Risks	Risk Description	Action to mitigate Risks
	Limited technical and support skills to deliver on the SAMSA mandate.	Inability to attract and retain maritime technical skills the following skills have been identified as critical: Vessels (Deck and Engine and radio) surveyors, Naval architects, MRCC Chief, Chief Examiner, Senior examiners, Registrar of Seafarers. Registrar of Ships, Principal Officers.  The loss of scarce technical skills effects our ability to successfully perform our Mandate and contributes to the loss of Inherent Knowledge and Skills.	<ol style="list-style-type: none"> <li>1. Implement the SAMSA Funding Model to ensure Market Related salaries and the recruitment of scarce technical skills</li> <li>2. Implement the SAMSA Employee Value Proposition</li> <li>3. Reward and Recognition Performance Management System implemented which allows for both financial rewards and succession planning</li> <li>4. Training and Development Programs for Surveyors and Naval Architects</li> <li>5. Review the current Age Profile of scarce technical skills and introduce programs to reduce the profile allowing for a younger workforce.</li> </ol>
	ICT System Failure and Poorly integrated Systems and Processes	Down time of Network Infrastructure and IT Systems that host business application  The implementation of SAMSA Digital Strategy the can allow for greater synergies between integrated systems.	<ol style="list-style-type: none"> <li>1. SIOMS fully implemented</li> <li>2. Web-based Quality Management System which is ISO 9001:2015, ISO14001:2015 and Certified</li> <li>3. Introduce Surveyor Tools, such as Drones and Tablet or Cell-based Survey Software integrated with other software systems</li> <li>4. Complete a Gap Analysis of current Maritime Domain Awareness systems, recommend improvements and implement</li> </ol>
	SAMSA funding cannot meet its mandate obligations	SAMSA's funds are inadequate to fund the mandate due to the limitation of the current funding model.	<ol style="list-style-type: none"> <li>1. SAMSA to conduct an analysis of previous maritime incidents to determine the adequacy of the Maritime Fund.</li> <li>2. SAMSA and DoT to ensure immediate implementation of the SAMSA Funding Model</li> <li>3. Timeous approval of the SAMSA Tariffs on a short- and long-term period.</li> </ol>

**STRATEGIC CHALLENGE 5:** To be an International Maritime Centre by the year 2030, SAMSA will have to be focused on creating awareness on the role and value of South Africa`s oceans and maritime sector as well as addressing the impact it can have in addressing the socio-economic challenges facing the country. SAMSA will have to systematically identify, understand and interact with its stakeholders to solicit for collaboration and support in the implementation of initiatives to promote the country`s maritime interests.

**BACKGROUND AND CONTEXT OF THE STRATEGIC CHALLENGE:**

South Africa has placed the maritime economy on the socio-economic development agenda of the country with a clear and detailed programme of action for accelerating a process to unlock the economic potential of the industry. This is an industry, government and community multi stakeholder approach, which proposes a collaborative development and implementation of agreed upon targeted initiatives to effectively realise the aspirations for increased contribution to GDP and job creation for South Africans.

SAMSA`s main task will be to ensure the promotion of South Africa`s maritime sector, the coordination of maritime safety, maritime environment protection at all regional and international platforms and to be the country knowledge hub on maritime matters. This is premised on a strong collaboration and stakeholder participation framework to ensure that all role players participate in advancing SAMSA`s work and contribute their resources and capabilities towards the development of South Africa`s maritime sector. In this way SAMSA would help unlock the country`s maritime potential and contribute to the socio-economic development of the country by aligning the maritime industry and government and international stakeholders into an International Maritime Centre and jointly implement high impact interventions.

SAMSA will follow a Stakeholder Centric approach to designing, creating and delivering value to all our customers, service users, partners, the shareholder ministry, employees, targeted communities, industry associations and the general public. Putting our stakeholders at the heart of SAMSA`s service design and delivery will result in ensuring that every individual stakeholder can access services with ease and that they experience attentiveness and responsiveness to their specific needs. Designing services around stakeholders also means that all the different services that contribute to this particular outcome are seamlessly integrated in their delivery. Ensuring a stakeholder focus will mean greater attention to stakeholder experiences and perceptions of services as a valuable indicator of service performance.

**STRATEGIC CHALLENGE 6:** To enhance the competitiveness of South Africa's Maritime industry and exploit the potential for job creation, transformation and economic contribution to the country's Gross Domestic Product.

**BACKGROUND AND CONTEXT OF THE STRATEGIC CHALLENGE:**

South Africa is strategically positioned where the Indian Ocean, the Atlantic oceans and the Southern Seas meet to create a unique sea trade route, oceans and marine ecosystem. The country has jurisdiction over one of the largest Exclusive Economic Zones (EEZ) in the world, where its waters stretch 200 nautical miles (370,4 km), a depth of 5,700m with more than 65% of this area deeper than 2,000m. The EEZ is traversed by international merchant ships transporting global trade from the far east to Africa, the Americas and Europe as well as ships performing a diverse number of knowledge gathering, recreational and economic offshore operational activities.

The South African oceans economy and coastal economic assets, resources, goods and services of the country, which includes fisheries, ports, harbours, trade, recreation and tourism makes up approximately 43% of the country's Gross Domestic Product (GDP) production system of which 25% is from direct economic benefits whilst 18% is derived from indirect benefits.

The following are the key drivers of change in SA's Maritime Sector:

**(a) International environment**

- Global and regional economic environment
- The deepening spread of political instability in many key economic regions
- Heightened demands for environmental protection (MARPOL) and interventions to reduce carbon emissions and integrate sustainable practices in ocean related industries.

**(b) Market Conditions**

- Shipping market performance (supply vs demand conditions) as well as the advent of bigger and more technology enabled ships.
- Commodity prices and trade conditions
- Oil price instability and the advent of sustained low oil price conditions
- Increase demands for infrastructure to transport and handle alternative forms of energy, such as LPG and LNG
- Technological advancements and innovations across all sub sectors of the oceans economy including, amongst others, the transformation of big ocean data, robotics, automation,

materials, the advent of remotely operated vessels, possibilities of deep-sea operations, communication technologies, etc.

- New mega container vessels forcing dramatic upsizing of ports and maritime channels around the world, decreasing ship call frequencies and causing implications for smaller operators in the global shipping industry.

### **(c) National Policy and Strategic Environment**

**1. The National Development Plan** Developed by the National Planning Commission of the South African Government and published in 2012. The broad strategic framework aims to eliminate poverty and reduce inequality by 2030.

#### **2. The 2017 Comprehensive Maritime Transport Policy**

The CMTP was approved by government in May 2017 and represents South Africa's medium to long-term vision, the underpinning philosophy and principles that inform maritime development and the direction that government together with industry will be taking for the sector to reach its full potential. The overarching aim of the CMTP is to facilitate growth and development of South Africa's maritime transport system in support of socio-economic development of the country whilst contributing to international trade. The policy broadly defines "maritime transport" as "an integrated system that involves the design, construction, operation, management, servicing and maintenance of merchant, leisure and other ships in the service of seaborne trade and contemplates overland logistics corridors facilitating the movement of people and goods through port connected road and rail infrastructure.

**3. The Industrial Policy Action Plan Commonly referred to as IPAP**, these plans were launched by the Department of Trade and Industry with the aim of preventing industrial decline and supporting the growth and diversification of South Africa's manufacturing sector through key action programmes such as Special Economic Zones (SEZs) and Industrial Development Zones (IDZs).

The SEZ programme was established to address challenges and weaknesses identified within the current IDZ programme. SEZs were established as key contributors to economic development that aim to bring mainstream economic activity to poor and isolated parts of South Africa by leveraging the commercial potential of regions. The

projects listed in the SEZ Act of 2014 seem to have limited and indirect opportunity for port interaction, other than the SEZ's implied interaction within the relevant IDZ.

4. **The New Growth Path** - This plan was formulated by the Economic Development Department (EDD) in 2010 with the aim to address three key aspects of the South African economy: job creation, economic growth, and decline in poverty levels. The key job driver; Spatial Development; contains port initiatives and performance indicators to assist South Africa to create strong partner-ships with other African countries on the continent to succeed in regional development. Proposals centre on:

- A strategy for improving logistics; including a smart ports network that integrates common systems, people and technology platforms across several countries to improve port efficiencies and costs.

5. **THE OCEANS ECONOMY PROGRAMME: OPERATION PHAKISA**

The oceans economy initiatives by government in partnership with the private sector is envisaged to enhance the oceans economy's contribution to GDP from R57 billion in 2013 to R234 billion to GDP by 2033. This will be achieved by adding an additional R177 billion to GDP by 2033, which is expected to create between 800,000 and 1 million direct jobs. Forty-seven (47) detailed initiatives have been identified, which on implementation, will increase the oceans economy's contribution to GDP by between R14 and R23 billion and lead to the creation of 40 - 50,000 direct new jobs by 2019.

**OUR STRATEGIC RESPONSE OVERVIEW TO THE CHALLENGE**

Impact Statement:	To grow and transform the South Africa maritime industry to ensure jobs creation in line our maritime global ambitions priorities whilst ensuring growth of the maritime contribution to the country's gross domestic product.			
	Outcomes	Outcomes Indicator	Baseline Performance	Five Year Target
	South Africa's Maritime industry that contributes to the National Gross Domestic Product And creates jobs	Jobs created in the South Africa maritime industry	-	1,000 jobs created in South Africa maritime industry
	Value of Maritime contribution to South Africa Gross Domestic Product (GDP)	Value of Maritime contribution to South Africa Gross Domestic Product (GDP)	No study conducted	3% increase in value of Maritime contribution to South Africa Gross Domestic Product (GDP)
		Number of merchant vessels registered onto the South Africa Ship Register	Five of merchant vessels registered onto the South Africa Ship Register	Ten new merchant vessels registered onto the South Africa Ship Register
	A Transformed South Africa's Maritime industry	Small, Medium and Micro-Enterprises (SMME's) assisted in South Africa maritime industry	None	Ten new SMME's assisted in South Africa maritime industry

## STRATEGIC RISKS OVERVIEW

Strategic Risks	Identified Risks	Risk Description	Action to mitigate Risks
	COVID 19 Pandemic	<p>On 11 March 2020, the World Health Organisation (WHO) declared COVID-19 a pandemic (an infectious disease outbreak that spreads on a global scale).</p> <p>The COVID 19 pandemic will have a great effect on job creation and maritime sector growth due to downturn of the global economic activities in areas such as cruise shipping which were some of the key focus areas of our strategic initiatives.</p>	<ol style="list-style-type: none"> <li>1. Continuously strategic stakeholder engagements with prospective shipping companies on the creation of employment in line with a new plan taking cognisance of COVID 19.</li> <li>2. Implement the MYDP programme in line with the new MSC requirements</li> </ol>
	Loss of South African ships from the South African Register	<p>Loss of ships registered on the SA ships register due to among other factors such as:</p> <ol style="list-style-type: none"> <li>1. Business factors as: financial viability, investment decision, operating country factors such as the political risk of a country.</li> <li>2. Circumstances that can lead to a vessel being written off such as accidents.</li> <li>3. SAMSA internal efficiency in the ship registration process: turnaround time, easiness of the registration process (automation of the ship registration process), uncompetitive ship registration costs 4. Uncompetitive incentives scheme to ship owners: preferential treatment, port charges discounts, taxation (income tax, customs and excise and Customs VAT, PAYE for seafarers</li> </ol>	<ol style="list-style-type: none"> <li>1. Continuously conduct comparative studies on ship register incentives in order to devise informed promotion and retention strategies</li> <li>2. Address the treatment of Customs and Excise, and Customs VAT, involving relevant institutions among them, National Treasury, SARS, the Department of Trade and Industry (DTI), DoT and SAMSA. Also, seafarers doing duty on qualifying ships are exempt from Pay As You Earn (PAYE) tax.</li> </ol>

## **CONCLUSION**

This Strategic Plan reflects the first steps South Africa will be taking to ensure that the country becomes an International Maritime Centre by the year 2030. The focused details on how to implement the strategy of the entity on each strategic challenge is contained in the SAMSA Annual Performance Plan.

The Strategic Plan has been developed in compliance with the new South Africa Frameworks on Strategic and Annual Performance Plans and aligned with the new 2019-24 Medium Strategic Term Framework.