

Extract from Annual report

The first Operation Phakisa: Oceans Economy Delivery Laboratory took place in 2014 where the Small Harbours was added as an annexure to the Marine Transport and Manufacturing (MTM) Laboratory. After realising the potential of the Small Harbours, it was decided that the Small Harbours requires a separate Operation Phakisa Laboratory. The Department is committed to convening the Operation Phakisa: Oceans Economy: Small Harbours Development Mini-Lab during the 2018/19 Financial Year.

To this extent, priority harbours have been identified for development. They are Port Nolloth in the Northern Cape; Port St Johns in the Eastern Cape and Port Edward in Kwa-Zulu Natal. The Unit conducted a technical workshop in January 2018 with all relevant government stakeholders to assist in the development of these three new priority harbours. In addition, bilateral meetings were held with the affected municipalities to identify any previous studies that were conducted along their respective coastlines.

The Department has spent a total of R198 Million on the special intervention repair and maintenance programme to the 12 Proclaimed Fishing Harbours in the Western Cape. This programme has progressed with the removal of sunken vessels being completed and dredging to commence at these harbours in the 2018/19 financial year. Within the removal of sunken vessels activity alone, the Department has created a total of 102 jobs and empowered 11 local SMME companies to the value of over R3,5 Million.

The Department, currently generates approximately R16.7 million annually from 333 state coastal property leases nationally. The total number of people currently employed by the private sector in the 12 Proclaimed Fishing Harbours from DPW leased out properties is estimated at 5,600 jobs.

In order to upscale our revenue generation and job creation contributions in this area, the Department in partnership with National Treasury's Office of the Chief Procurement Officer (NT-OCPO) has developed a New Letting-out Framework which addresses the following objectives:

- a) Standardisation of the letting out process;
- b) Renegotiation and regularisation of all existing leases (expired and those that are about to expire);
- c) Issuing long term leases appropriate for different types of businesses (for example linking lease terms to fishing quotas); and
- d) Empowerment of black owned and local businesses through radical economic transformation measures and set-asides.

In preparation for the advertisement of the RFPs and the implementation of the new Letting Out Framework, the Small Harbour Unit held extensive and interactive briefing sessions with all 44 coastal municipalities in the four

coastal provinces. These engagements spanned from December 2016 to June 2017.

During the interactive sessions with the coastal municipalities and provinces the department was able to identify a total of 70 coastal priority projects. It became apparent that DPW could play a critical role in acting as a catalyst to stimulate economic growth within these coastal towns as well as significantly contribute to growing the Oceans Economy.

The Small Harbours unit hosted 3 property marketing events during the 2017/18 Financial Year in the Western Cape, KZN and Northern Cape in conjunction with National Treasury. All the Property Marketing Events that took place were well received and there is a keen interest from the private sector to invest along the coastline of South Africa. Many of these coastal municipalities have great potential to grow however this cannot be stimulated solely through government funding.