

BOBBY JORDAN

Smaller facilities to be rescued from doldrums

A LONG-AWAITED plan to revitalise South Africa's many fishing harbours — and to build three new ones — is finally moving ahead, with several investment proposals already on the cards, the Department of Public Works has confirmed.

The department has released its most comprehensive small-harbour briefing document to date, revealing the location of 33 economic development hubs and the expected job-creation opportunities.

The document was presented at the South African Maritime Industry Conference in Port Elizabeth last month by Dhaya Govender, head of the department's small harbours development and state coastal property development unit.

In an interview with Business Times, Govender confirmed the coastal plan was moving ahead, and was now incorporated in the government's Operation Phakisa, which aims to develop the ocean economy. He said investor conferences were due to be held next month, and final project decisions would be announced in November.

"Municipalities have already been receiving proposals from investors. We cannot name them but I am aware of them. There is significant interest already," Govender said, adding that the aim remained to breathe the new life into moribund coastal areas.

"People need jobs. The only way to do that is if we stimulate

Public Works has plans to develop three new small harbours

a new building programme. This will attract a private-sector capital injection. Where businesses are running there will be more sustainable jobs," he said.

Govender's briefing document identified several key problem areas in coastal and harbour management, among them the lack of an efficient and integrated lease management system for the department's 333 harbour and coastal properties, 269 of them in the Western Cape.

The document also identifies the skewed historical legacy of coastal development in the Western Cape — the epicentre of the country's fishing industry — at the expense of other provinces.

To help correct this, the department will develop new small harbours, in Port Nolloth on the West Coast and in Port St Johns and Port Edward on the East Coast.

Existing proclaimed small harbours in the Western Cape, most of which are in a state of disrepair despite being the backbone of South Africa's coastal economy, will receive a significant boost.

"Spatial and economic development frameworks" for all 12 of the province's small harbours have identified critical capital and maintenance projects valued at R400-million.

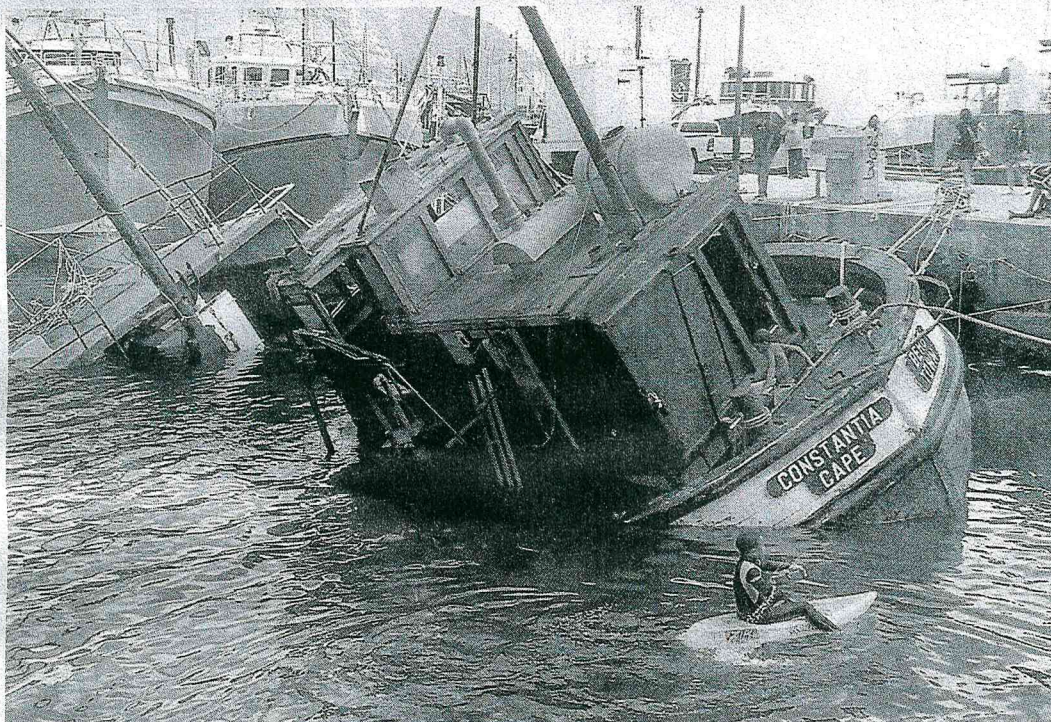
In this regard the department has already embarked on a six-stage repair and maintenance roll-out plan expected to culminate with the handover in March 2019.

Among the immediate concerns are dredging and removal of sunken vessels in three of the best-known small harbours, Hout Bay, Gordon's Bay and Kalk Bay.

The briefing document details expected job opportunities from 2030, upon completion of the development frameworks, when the harbours are expected to be fully operational. These range from between 12 and 17 jobs in Arniston to between 1 713 and 2 318 in Hout Bay. In total, the department expects the creation of close to 5 000 jobs in the Western Cape alone.

The department has also finalised a list of priority projects for each coastal province based on input from affected municipalities.

These include fishing, fish



GOING DOWN: Hout Bay harbour is one of those where the immediate concern is dredging and the removal of sunken or sinking vessels
Picture: BOBBY JORDAN

No sport in retail's troubles

PERICLES ANETOS

THE sports-apparel sector is not immune to troubles facing the country's retail industry.

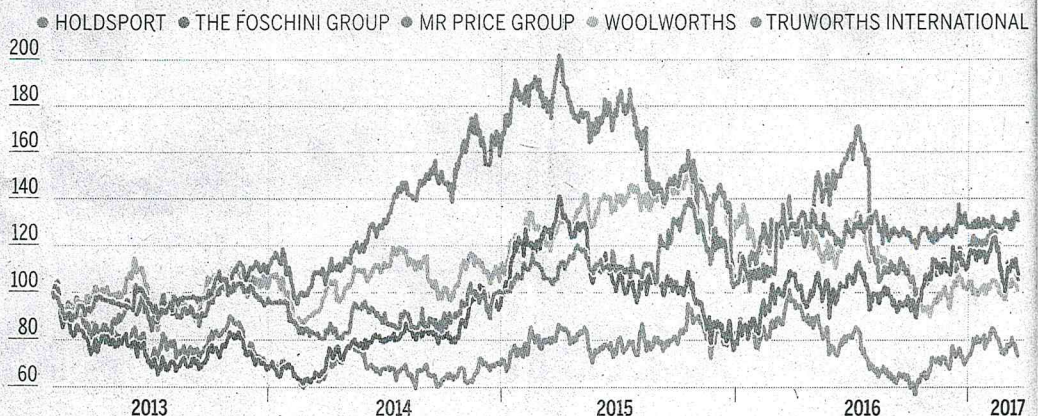
It is a tough environment for consumers.

And Kevin Hodgson, CEO of Holdspport, which owns the sport apparel stores Sportsman's Warehouse and Outdoor Warehouse, does not expect the pressure to lift in the medium term.

While the retailer's target mar-

Holdspport vs retailers

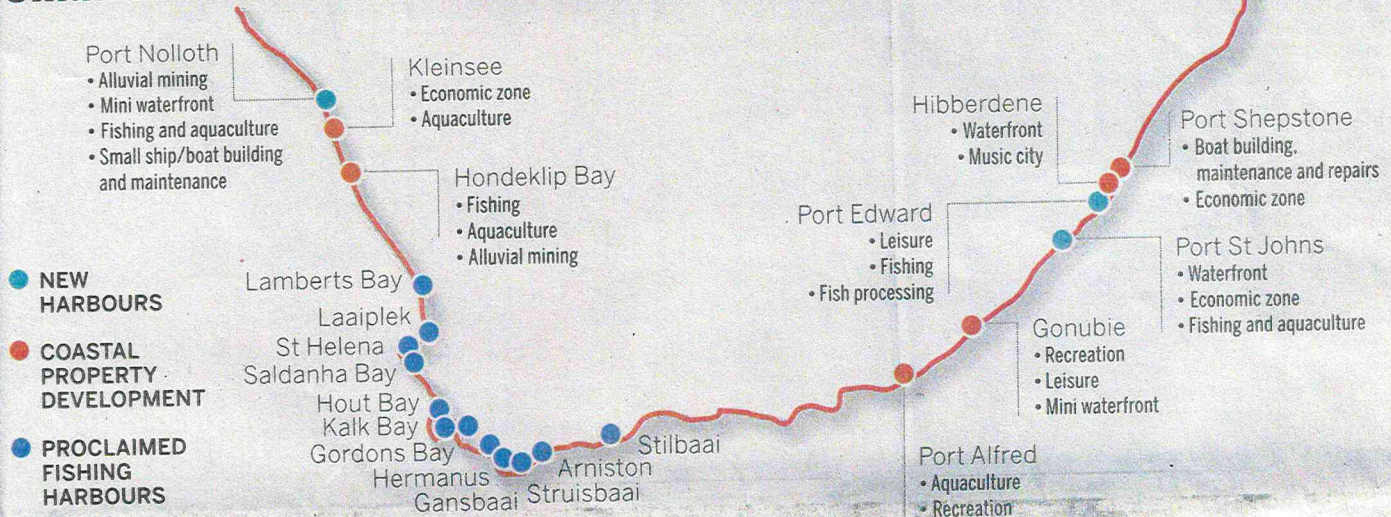
Share prices based to 100 daily, since January 2013



Graphic: RUBY-GAY MARTIN Source: IRESS

the stock market is going up and those emotions make it easier for performing currencies. emerging-market He pointed out that while sales slumped last winter for genera

Small harbours and coastline development



Graphic: RUBY-GAY MARTIN Source: DEPARTMENT OF PUBLIC WORKS

processing, waterfronts, water theme parks, breweries, yacht mole facilities, wreck museums, mining, water taxis, ice making and desalination.

Kleinsee in the Northern Cape, a former De Beers mining town, has been earmarked as a potential economic zone and centre for aquaculture, whereas nearby Port Nolloth could soon boast a mini-waterfront and boatbuilding facilities.

In the Eastern Cape, Gonubie and Port St Johns have been earmarked as potential waterfront development sites, with Port Alfred tagged for aquaculture.

Govender said the department had tried to ensure affected municipalities would each have their own area of expertise and not compete against one another.

"The focus on economic development will be different so they can attract the necessary investment," he said.

Govender also played down the ongoing intergovernmental

dispute over control of small harbours, with the Western Cape provincial government still claiming management priority.

Pieter van Dalen, the DA's fisheries spokesman, said the provincial government was compiling a report on the matter following hearings in the provincial legislature.

Said Van Dalen: "The con-

We are busy thrashing out a new management model

stitution gives local government the mandate to manage small fishing harbours. We are trying to get hold of them because we believe we will be able to better look after the harbours."

He questioned the department's track record in maintaining harbours: "These harbours have fallen into disrepair.

Vessels have been lying in Hout Bay harbour for over 15 years."

However, Govender said legal opinion suggested harbours should remain with the national government.

"We are busy thrashing out a new management model and want to make sure our property does not go derelict," he said.

Some harbour users in the Western Cape have raised concerns about a lack of consultation. Hout Bay ferry owner Ken Evans said he hoped public works would listen to the needs of existing business partners, some of whom he claimed still knew next to nothing about the roll-out plan.

"We have not been consulted recently on the development of these proposals which were exposed to us two years ago by the Department of Public Works," Evans said. "It would be nice to get an update."

Kalk Bay charter operator Carl Schubert said an upgrade was urgently needed, particularly to bolster tourism.

"Kalk Bay is a working harbour but it is not really tourist-friendly. Hopefully they can have a tourist kiosk."

He said harbour users had not been consulted about future plans.

Pedro Garcia from the South African United Fishing Front said the harbour-upgrade plan clearly needed to be more inclusive and "lacked cohesion between key stakeholders".

Garcia said: "If these fishing communities are not consulted there will be a huge public outcry about this."

According to the public works briefing document, the government hopes to ramp up the contribution of the "blue economy" to GDP from its current level of around R54-billion to R177-billion in 2033.

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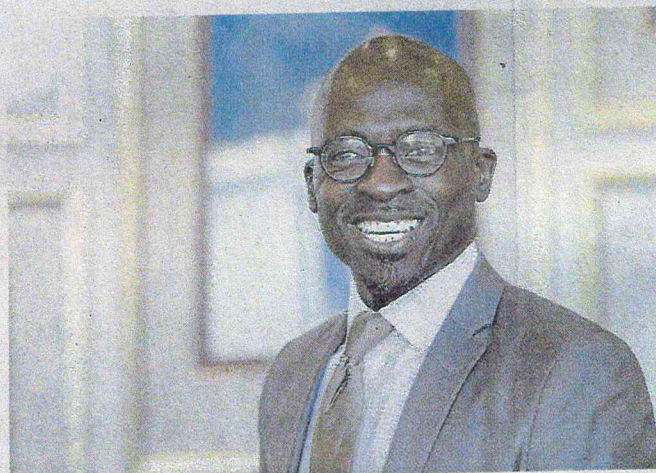
SA to look East for advice on policy

ASHA SPECKMAN

FINANCE Minister Malusi Gigaba will draw on fiscal policy advice from the East and woo Asian investors in future international road shows.

Gigaba held several rounds of bilateral talks on the sidelines of the World Economic Forum on Africa with investors and leaders to assure them of consistency of policy and efforts to boost investor confidence.

This follows the change of ministers in the surprise cabinet reshuffle at the end of March and the downgrade of the sovereign credit rating to



TRAVELLING: Finance Minister Malusi Gigaba intends visiting

international clients wanting to invest in South Africa — the first question they ask us is what does radical economic transformation mean and how likely are aggressive policies to come from government going forward?

"There are a lot of people that would like to invest in South Africa but are now sitting on the fence until they can get a better understanding of what radical economic transformation actually means.

"Investors are quite clinical in the way they look at things. They see the rhetoric, but now they are going to look at what is going to be implemented in the next budget cycle."