SOUTH AFRICAN SHIP REGISTER PROMOTION STRATEGY

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ABSTRACT

The history of the South African maritime sector mirrors the history and evolution of South Africa, pre and post the 1994 political transition of the country. Due to heavy economic sanctions and the looming 1994 (and beyond) era, most of the ships were de-registered and placed on foreign registries. South Africa significantly depends on international trade for its transport needs, and around 2008, foreign vessels almost solely provided this service as only one (1) convention vessel remained on the SA Register - down from fifty-two (52) in the 1970s. About 98% of South Africa's imports and exports are carried by merchant ships owned and operated by foreign companies and flagged in foreign jurisdictions. South Africa's status as a maritime state has, regrettably, weakened over the last 20 years, resulting in the merchant shipping register being diminished and a market perception developing that the SA flag is uncompetitive. This was largely caused by an "unattractive" flag as the country fell behind in keeping up with international developments in this regard. This diminished fleet on the SA ship register also created a problem for the country of being unable to provide berths for the South African cadets. The aim of the South African ship register promotion plan is to assist South African flag to grow the fleet and this will assist South Africa to reclaim its rightful status as a maritime nation. A larger fleet under the South African registry will empower the country's positioning in the global value chain and can create significant economic spin-offs through repatriated wages and the development of domestic industries. The presentation will covers the incentives of the South African ship register.