

## AQUACULTURE VALUE CHAIN ROUND TABLE

On the 13<sup>th</sup> of July 2016, the AVCRT held its regular meeting at Cape Town, Foreshore. Foretrust Building

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### **Progress on Operation Phakisa Projects**

A detailed progress report on the implementation of Operation Phakisa projects was presented. The full status report is still pending Minister's approval. There will soon be a reporting platform of Operation Phakisa program for public domain. The progress report was mainly focusing on the following 8 initiatives:

- 1: Implementation of 24 catalyst projects;
- 2: Legislative reform to promote aquaculture development;
- 3: Interdepartmental Authorisations Committee;
- 4: Establishment of a globally recognised monitoring;
- 5: Aquaculture Development Fund;
- 6: Capacity building and skills development;
- 7: Coordination of industry wide marketing efforts, and
- 8: Preferential procurement of aquaculture products

### **Update On The Aquaculture Bill**

The first draft of the Aquaculture Bill was published on the 23rd February 2016 for public comments. Subsequent to the deadline of 31 March 2016, a total of 381 comments were received and discussed internally during a 4 days workshop. Responses to comments and further instructions to EnAct (Service Provider) were formulated. The responses/instructions document was submitted to EnAct on the 6<sup>th</sup> of June 2016. There is an expectation for EnAct to return the amended responses/instructions document incorporating public comments by the week of 11 – 15 July 2016. Upon receipt of the final draft of the Aquaculture Bill, an internal meeting will be held to assess the document before it is submitted to the Office of the Chief State Law Advisor for pre-certification.

### ***BBBEE Codes in ADEP: Questionnaire***

The DTI is a custodian of the BBBEE Act and is leading the process of ensuring that all programs implemented have the compliance element. The BBBEE score card for ADEP was ranging between level 1 (High compliance) to level 8 (Less compliance). About 80% of the respondents were at level 6 compliance, which is not a satisfactory level. Therefore it was proposed that the compliance level be moved from level 4 to be atleast at level 6. The main challenges faced by emerging farmers were high cost of permits, species not growing to their potential and lack of funding. The DTI proposed a higher cost sharing grant to unlock investments. Maximum grant per application is proposed to go down from R40 million to R20 million. Budget allocation for 2016/17 is R60 million and for 2017/18 is R70 million for ADEP incentives.

### ***New Environmental Impact Assessment (EIA) Regulations***

A detailed presentation of the new 2014 National Environmental Management Act (NEMA) EIA regulations was made. An important aspect to note is that aquaculture activities require only a basic assessment which takes approximately six months. Subsequent to the implementation of the new EIA time frame, Qolora project tested the success of the regulation and confirmed the new EIA assessment taking approximately six months.

Key highlights on the presentation were as follows:

- NEMA EIA application process was clearly outlined;
- Combination of applications for environmental authorisations is now possible;
- EIA timeframes have been shortened;
- Notification of decision on application;
- Resubmission of a refused application;
- Validity period of Environmental Authorisation and extension; and
- Suspension and withdrawal of an Environmental Authorisation.

### ***Inward-Outward Investment Missions and Seminars***

The DTI's Trade and Investment South Africa (TISA) division embarked on a journey of promoting South African Aquaculture. TISA promotes South African aquaculture through the inward and outward missions. The inward missions identify the international companies to partner with the South African aquaculture projects through seminars that are held locally, whilst the outward mission visits other countries to promote South African aquaculture.

For the inward mission, a seminar is being arranged with Norwegian companies and will be held in November 2016. On the other hand, China was visited recently as part of the outward mission. Due to the discovery of similar objectives, the TISA division of the DTI and Operation Phakisa unit of DAFF will work together with regard to aquaculture investment promotion and they are also on a process of partnering with the Western Cape Investment and Trade Promotion Agency (WESGRO).

## ***Progress Report On Working Groups of the AVCRT***

The Marketing Research and Intelligence Working Group developed its Action Plan, Terms of Reference (ToR) and a framework for the Aquaculture Marketing Information System (MIS). Development of database on local markets is continuing. Funding has been received from DEA to fund the implementation of the Operation Phakisa marketing initiatives. The DTI also indicated that there is a sector specific scheme to fund marketing research. The issue of preferential government procurement was revisited. A caution was given that government procurement opportunity may be available, however it is very thin. Therefore, the development of other market strategies is of importance.

The Aquaculture SA business plan working group is in a process of finalising the business plan. The business plan development is almost 80% complete. Aquaculture SA will serve as an umbrella body for aquaculture producers organisations in South Africa. Mr. Roger Krohn is currently the elected chairperson of Aquaculture SA.

Another working group has been proposed for the AVCRT. The working group is meant to deal with employment and worker welfare issues within the aquaculture sector. The objective of the working group is to be proactive in the employment and worker welfare issues as they arise.

### ***Announcement of Events and Seminars***

- The World Aquaculture Conference is to be held in Cape Town from 26 – 30 June 2017.
- The Department of Environmental Affairs is hosting regular seminars to update stakeholders on new developments regarding environmental legislation.

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