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GENERAL NOTICES • ALGEMENE KENNISGEWINGS

DEPARTMENT OF TRANSPORT

NOTICE 4268 OF 2026

PUBLIC INVITATION FOR WRITTEN SUBMISSIONS ON THE FORMULATION OF A SOUTH AFRICAN POLICY ON SADC COASTAL SHIPPING

The Department of Transport invites South African stakeholders to submit written inputs to inform the formulation of a South African Policy on Southern African Development Community (SADC) Coastal Shipping.

1. Background and purpose

1.1 The Department of Transport (DoT) intends to develop a South African Policy on SADC Coastal Shipping to establish a coherent national policy position on the development, facilitation and regulation of maritime shipping services between ports in Southern African Development Community (SADC) Member States.

1.2 The proposed policy will examine the role that regional coastal shipping can play in advancing South Africa's trade and industrial development objectives, strengthening regional economic integration, improving transport connectivity, diversifying freight transport options and retaining a greater proportion of maritime transport value within South Africa and the wider region.

1.3 The proposed policy should seek to facilitate intra-SADC trade, enhances maritime security, and develops indigenous shipping capacity and should be aligned with the objectives of the SADC Regional Indicative Strategic Development Plan (RISDP), the African Union's 2050 Africa's Integrated Maritime Strategy (AIMS 2050), and the African Continental Free Trade Area (AfCFTA).

1.4 The policy formulation process will assess the economic and commercial feasibility of regional coastal shipping, the opportunities available to South African businesses and maritime industry participants, and the potential risks, costs and unintended consequences associated with different policy options.

1.5 The Department recognises that the development of viable regional shipping services requires more than identifying potential routes or encouraging the movement of cargo by sea. It requires a sound understanding of cargo demand, trade flows, vessel operating economics, port costs, regulatory arrangements, competing transport modes, investment requirements and the interests of South African cargo owners, shipowners, operators, ports and other participants in the maritime and logistics value chain.

1.6 The Department therefore invites written submissions from South African stakeholders to inform an evidence-based policy that defines South Africa's interests, identifies viable opportunities and establishes appropriate national policy positions and implementation options for SADC coastal shipping.

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2. Geographical and policy scope

2.1 For purposes of this exercise, SADC coastal shipping refers to maritime shipping services involving the movement of cargo between ports in SADC Member States.

2.3 The proposed policy will be a **South African national policy addressing regional coastal shipping**, rather than a joint SADC policy. It will seek to determine how South Africa should position itself in relation to the development and operation of such services, taking account of national economic interests, regional cooperation and the applicable legal and institutional frameworks.

2.3 The policy assessment will consider, among other matters:

- Opportunities for shipping services connecting South African ports with ports in other SADC Member States.
- The potential for South African shipowners, shipping operators, cargo owners, ports and maritime service providers to participate in regional coastal shipping.
- The movement of containerised, bulk, liquid, agricultural, manufactured and other suitable cargoes between South Africa and regional markets.
- The relationship between regional coastal shipping, South Africa’s road and rail freight systems, port operations and international shipping connections.
- The implications of regional coastal shipping for South African trade competitiveness, industrialisation, employment, investment and maritime capability development.
- The regulatory, commercial and institutional arrangements necessary to facilitate cross-border shipping services, including the implications of different national regulatory regimes.
- The potential costs, benefits and risks to South Africa of alternative approaches to regional coastal shipping.

3. Objectives of the submissions process

3.1 The submissions process seeks to obtain evidence, research, commercial experience and policy recommendations that will assist the Department to:

1) Conduct a comprehensive cost-benefit assessment of regional coastal shipping from a South African national-interest perspective.
2) Identify and evaluate economic and commercial opportunities for South African businesses and the maritime transport sector.
3) Identify potential threats, risks, constraints and unintended consequences, including effects on existing transport operators and regional trading relationships.
4) Determine the conditions under which regional coastal shipping services could be commercially sustainable and economically beneficial to South Africa.

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5) Identify appropriate policy, legal, regulatory and institutional interventions to facilitate viable regional shipping services.
6) Establish South Africa's policy position on regional cooperation, market access, shipping services and related maritime transport arrangements.
7) Develop practical implementation options, including priority cargoes, routes, pilot initiatives and performance indicators.

4. Key areas for written submissions

South African stakeholders are invited to provide written inputs addressing one or more of the following areas.

4.1 Full cost-benefit analysis

Submissions should identify and, where possible, quantify the full costs and benefits of establishing or expanding coastal shipping services between South Africa and other SADC Member States.

Relevant considerations include:

- Vessel acquisition, chartering, financing, insurance, crewing, fuel, maintenance and operational costs.
- Port dues, cargo handling, pilotage, towage, terminal access and other port-related charges.
- Customs clearance, border processes, storage, cargo aggregation, transhipment and inland delivery costs.
- Comparative door-to-door costs and transit times for maritime, road and rail transport alternatives.
- Infrastructure investment, fleet development, regulatory compliance and institutional capacity requirements.
- Potential savings arising from improved logistics efficiency, reduced road congestion, lower road infrastructure wear and more resilient supply chains.
- Environmental costs and benefits, including energy consumption, emissions and other relevant externalities.
- The fiscal implications of possible government interventions, incentives, infrastructure investments or support measures.
- The distribution of costs and benefits among South African government institutions, cargo owners, consumers, shipping operators, ports, logistics providers and other stakeholders.

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Respondents are encouraged to identify appropriate methodologies, assumptions, data sources and assessment periods for determining the economic viability of proposed shipping services.

4.2 Economic analysis of opportunities for South Africa

Submissions should identify and assess potential opportunities for South Africa, including:

- Establishing commercially viable shipping routes between South African ports and ports in other SADC Member States.
- Identifying suitable cargo flows, trade corridors, cargo volumes and return-cargo opportunities.
- Improving the competitiveness of South African imports and exports through alternative regional maritime transport arrangements.
- Increasing participation by South African shipowners, shipping operators, maritime service providers and cargo interests.
- Supporting South African shipbuilding, ship repair, vessel maintenance, maritime training and related industries.
- Creating employment, developing maritime skills and expanding opportunities for small and medium-sized enterprises.
- Strengthening South African port connectivity and the integration of maritime, road and rail transport.
- Supporting regional industrialisation, manufacturing, agricultural trade and regional value chains.
- Attracting investment into shipping services, maritime infrastructure and supporting logistics activities.
- Retaining a greater proportion of maritime transport expenditure and related economic value within South Africa.

Submissions should, where possible, provide supporting information on potential markets, cargo demand, routes, vessel requirements, indicative operating costs, investment needs and the conditions necessary for sustainable commercial operations.

4.3 Potential threats, risks and constraints

The Department invites evidence-based assessments of threats that may affect South Africa’s interests in regional coastal shipping, including:

- Insufficient cargo volumes, unbalanced trade flows and the absence of viable return cargoes.

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- High operating costs and the potential inability of coastal shipping to compete with established road, rail or maritime services.
- Port capacity constraints, operational inefficiencies and inconsistent service standards.
- Regulatory differences and market access restrictions between SADC Member States.
- Unequal distribution of economic benefits, investment opportunities and maritime employment across participating countries.
- Market concentration, anti-competitive practices and barriers to entry for South African operators.
- Risks to South African cargo owners and exporters arising from inadequate service frequency, reliability or route coverage.
- The possibility of government support measures creating unsustainable fiscal obligations or market distortions.
- Maritime safety, security, marine pollution and environmental risks.
- Shortages of suitable vessels, skills, finance, insurance and supporting maritime services.
- Geopolitical, climate-related and other disruptions affecting regional maritime transport.
- Potential unintended consequences for South Africa’s road and rail freight sectors, existing shipping services and broader logistics system.

Respondents should propose practical mitigation measures and identify the conditions under which particular risks could undermine the commercial viability or national economic value of proposed services.

4.4 South African policy, legal and regulatory position

Submissions may address the policy and regulatory measures South Africa should consider in facilitating regional coastal shipping, including:

- The appropriate objectives, principles and scope of a South African Policy on SADC Coastal Shipping.
- The relationship between regional coastal shipping and South Africa’s domestic coastal shipping arrangements.
- Market access, vessel eligibility, authorisation and other regulatory requirements applicable to cross-border shipping services.
- The implications of national maritime legislation and relevant SADC instruments for regional shipping operations.

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- Potential areas for regulatory cooperation or harmonisation with other SADC Member States.
- The roles of the Department of Transport, maritime administrations, port authorities and other relevant government institutions.
- Competition, transparency, non-discrimination and the fair distribution of commercial opportunities.
- Financing arrangements, private-sector participation and the role of government in enabling commercially viable services.
- Appropriate mechanisms for stakeholder engagement, monitoring and policy review.

4.5 Implementation options and performance indicators

4.5.1 Stakeholders are invited to propose practical implementation measures, including priority routes, cargo categories, feasibility studies, pilot services, institutional responsibilities and investment requirements.

4.5.2 Proposed performance indicators may include freight costs, cargo volumes, vessel utilisation, service frequency, transit times, reliability, investment, employment, South African industry participation and environmental performance.

4.5.3 Respondents should identify the data and institutional arrangements needed to monitor implementation and determine whether the policy is delivering measurable economic and logistical benefits.

5. Stakeholders invited to submit

5.1 The Department particularly invites submissions from South African stakeholders, including:

- Shipowners, shipping lines, vessel operators and maritime service providers.
- SOEs, terminal operators and port users.
- Importers, exporters, cargo owners, manufacturers and commodity associations.
- Road and rail freight operators, freight forwarders and logistics companies.
- South African maritime industry associations and organised business.
- Relevant government departments, public entities and regulatory institutions.
- Investors, commercial banks, development finance institutions and insurers.
- Labour organisations, maritime professionals and skills development institutions.
- Universities, research institutions, economists and maritime policy specialists.
- Small and medium-sized enterprises and other businesses interested in regional maritime transport.

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- Environmental organisations and other interested parties with relevant expertise or evidence.

5.2 Stakeholders are encouraged to collaborate where appropriate and to submit joint contributions reflecting the interests of particular industries, supply chains or economic sectors.

6. Format and supporting evidence

6.1 Submissions should identify the respondent, the organisation represented where applicable, the respondent's interest in regional coastal shipping and the issues addressed.

6.2 The Department particularly welcomes quantitative data, economic models, cargo-flow information, feasibility studies, comparative transport cost assessments, commercial proposals, research findings and documented operational experience.

6.3 Where possible, respondents should distinguish between verified information, assumptions, forecasts and policy recommendations. Any commercially sensitive information should be clearly identified and handled subject to applicable legal requirements.

7. Submission arrangements

Written submissions must be received by **30 January 2027**

Email: ntulid@dot.gov.za; mokgoshl@dot.gov.za; Mpahlwac@dot.gov.za
Subject line: *Written Submission: South African Policy on SADC Coastal Shipping*

Postal or physical submissions:
The Director-General
Department of Transport
159 Struben Street, PRETORIA, 0001

Enquiries: Mr Dumisani T Ntuli, Chief Director Maritime Policy and Legislation, +27 787819398, ntulid@dot.gov.za

8. Consideration of submissions

8.1 Submissions received within the prescribed period will be considered as part of the Department's policy formulation process. The Department may use the information provided to inform economic and technical assessments, identify policy options, undertake further stakeholder engagement and develop recommendations for consideration through the applicable government processes.

8.2 This invitation does not constitute a commitment to adopt a particular policy option, establish a specific shipping service or provide financial support to any operator. Any proposed interventions will be assessed on their merits and will be subject to applicable legal, regulatory, budgetary and governmental approval requirements.

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8.3 The Department encourages South African stakeholders to participate constructively and to contribute evidence-based proposals that will assist in determining how regional coastal shipping can advance South Africa's national interests while supporting mutually beneficial regional trade and maritime cooperation.

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