

Seychelles Ports Authority



STRATEGIC PLAN

(2019 – 2023)

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EXECUTIVE SUMMARY

The period of the precedent Strategic Plan 2014 – 18 has been a success. SPA was able to accomplish many of its milestones that it set out for in 2014. Our activities have continued to grow. The number of staff as well as our investments in staff training has significantly improved. Our investments in infrastructure at the port terminals on Mahe, Praslin and La Digue have been positive and SPA has continued to make inroads across all fronts despite the daily challenges that it faces.

I can confidently say that our customers, the Seychellois public as well as the visitors to our shores have seen a remarkable improvement in the various port services we offer despite our infrastructure limitations.

In all that we do, the staff remains at the center of our development and progress and shall continue to remain so.

The next Strategic Plan (2019 – 23) period and beyond will be critical for SPA where the Mahe Quay Extension and Rehabilitation Project will be taking center stage. The construction phase of the project as well as the servicing of the loans to the European Investment Bank (EIB) and the Agence Française de Développement (AFD) will be some of the major challenges for the SPA. Although SPA has been granted a five year Grace Period on the repayment of the capital, the interest payments have already started.

Consequently, financial discipline has to be strictly adhered to in order to ensure that SPA meets its loan obligations while at the same time not compromising staff welfare, training and capacity building. Undeniably, while improving its infrastructure, SPA has to ensure the maintenance of existing equipment and procurement of new assets crucial to improve service delivery as expected by all port users. SPA must continue to forge ahead and find innovative solutions and ways to generate additional income, prioritise projects and spending and manage expenses more optimally so that port activities are never disrupted. The procurement of the port infrastructure and equipment should never be compromised and SPA's ability to deliver its mandate is kept to the highest standard.

The Board of Directors and the Management remain committed to making Port Victoria one of the most competitive ports to do business in the South West Indian Ocean. We shall remain a strong partner and facilitator for the continued expansion of the tuna industry and increasingly as a cruise ship hub. We shall continue to speak to the cargo carriers and other stakeholders to see if there are synergies in operations between them and SPA. We remain determined in our quest to bring innovative and smart ways in our port management systems through modern Concessionary Agreements with the Terminal Operator, an updated legal and operational framework, port tariffs that are competitive and more commensurate with international

standards, more inclusion of information and communications technology platforms in our daily processes and the Green Port Initiatives.

I count on the continued support of all SPA personnel and all port partners and stakeholders, bearing in mind the challenges that lie ahead of us, to do their level best and go the extra mile so that the next five years and beyond will bring more benefits and success to SPA, to Port Victoria, to our customers and to all citizens of Seychelles.



Paul Hodoul
Chairman – Seychelles Ports Authority

ABOUT SPA

The Seychelles Ports Authority (SPA) was established in October 2004 by the SPA Act. This followed a Government decision to adopt a business oriented approach towards the running of the Ports for better management of all port related activities.

SPA's vision is to continuously transform and sustain Port Victoria into a vibrant maritime hub. Its mission is to safeguard the maritime gateway to the Seychelles socio- economy by providing adequate and reliable port infrastructure and efficient services in order to facilitate the achievements of the Blue Economy objectives of the country.

Port Victoria remains one of the most important Industrial Fishing, Cruise & Super yachts port destinations in the southwest Indian Ocean, engaging the private sector in port-related Developments and maintaining strong collaboration with other ports in the region by virtue of its membership of the Association of Ports of the Indian Ocean Islands as well as the Port Management Association for eastern and Southern Africa.

SPA remains engaged to increase, modernize and upgrade all its domestic and international port infrastructures as well as its port management processes as well as the efficiency, safety and security at its terminals.

MAHE QUAY

This is the principal international port terminal providing maritime connectivity of Seychelles to the rest of the world. It facilitates international trade and cruise tourism. Procedures are ongoing for a major expansion and transformation of Seychelles main port terminal.

INDUSTRIAL FISHING PORT

The Industrial Fishing Port supports the Tuna Industry by providing adequate transshipment, landing and storage facilities in order to enhance Port' Victoria's competitiveness and processing capabilities.

ILE DU PORT

SPA's contributions to the infrastructure development of Ile Du Port are with a view to transform the area into the logistics base for the tuna fishing industry from where a fishing vessel can obtain all its logistics, supply, bunkering, repairs and maintenance requirements (including nets, minor electrical, mechanical, etc...) before sailing back to the fishing ground in the shortest delay.

INTER- ISLAND QUAY

This terminal provides the main maritime connectivity between the islands for both cargo and passenger traffic. Plans are still on the drawing board for a proper separation of the passenger activities from the cargo in order to improve the efficiency, safety and security at the terminal.

PRASLIN

Praslin is becoming an increasingly important link in the transportation chain between the inner islands and SPA is developing Praslin as a mini hub for islands such as La Digue, Denis Island, Fregate, etc... for cargo and passenger transfers. An efficient and integrated port terminal is being developed at Eve Island with the full separation of cargo and passenger traffic. The present passenger terminal at Baie Ste Anne jetty will be phased out and the facility is to be tendered out for conversion and redeveloped into a waterfront and leisure centre.

LA DIGUE

SPA's plans for the jetty at La Passe is to upgrade and modernize the facility by deepening the harbour and increasing the berthing space by converting the present retaining wall next to the passenger terminal building for berthing purposes. The long term plans for La Digue is also to bring more efficiency and safety at the port terminal by introducing a more efficient passenger and vehicular traffic schemes on the jetty as well as relocating the cargo activities. A more orderly management scheme of the harbour basin is to be implemented with the mooring of certain categories of vessels such as hire crafts and fishing vessels to be relocated.

With a Board of Directors focused on accountability, efficiency, transparency and success; with a dedicated Management Team and a 100% hardworking Seychellois workforce; with a number of projects and the procurement of modern and state- of- the- art equipment at various stages of planning, financing and implementation and with continually rising public expectations, SPA remains focused on the tasks at hand and on course to be one of the leading candidates for the most efficient and best public- owned companies in Seychelles delivering the best to its customers and to the Seychellois public and fully supporting the tourism as well as the tuna fishing industries.

THE PERIOD 2019 - 23 IN FOCUS

The SPA is adding new impetus to its growth trajectory for the next five years through the consolidation of this Strategic Plan. This plan outlines the broad objectives which will serve as a roadmap from which all subsequent departmental plans and actions will be derived. The Strategic Plan gives a sense of direction and acts as a point of reference during the 2019 – 23 period. The SPA has achieved multiple milestones since its inception and these achievements were the result of clear strategies enshrined in the Strategic Plans at that time. Hence, this new Strategic Plan also serves as a benchmark against which the performance of SPA will be quantitatively measured over the next Five Years. Another important facet of this Strategic Plan is that of an informational tool. It is imperative that the Government who hold 100% ownership of SPA as well as all our stakeholders have a sense of direction of SPA and how we will get there so that all support could be galvanized and all efforts are synergized towards the common goal, which is economic prosperity for the people of Seychelles.

Another dimension of this Strategic Plan is that of a reinforcement role given the inherent nature of SPA as the maritime gateway to the Seychelles Economy. The fact that over 90% of the Seychelles import and export transit through the Port, underscores the importance of the SPA as a catalyst in the economic development of the Seychelles. The SPA is also cognisant of the enormous potential of Port Victoria being a “stepping stone” between Asia and Africa. Seychelles is blessed with an ideal geography and a favourable time zone. With the right frameworks in place and an enhanced ease of doing business index, Port Victoria and Seychelles has the potential to become one of the preferred business and investment destinations in the Indian Ocean. With over \$250 billion worth of merchandise trade moving between Africa and Asia through the Indian Ocean, the opportunities open to Seychelles cannot be overlooked.

The period of this Strategic Plan will be dominated by the Mahe Quay Extension and Rehabilitation Project with the various challenges that it will bring to Port Victoria and Seychelles generally, especially the servicing of the Euro 29 million loan from the European Investment Bank (EIB) and the Agence Française de Développement (AFD). Its budgetary implications and limitations on the abilities and capacities of SPA to implement its other programmes and projects – namely an annual capping of SR 40 million for capital expenditure must not be ignored.

Nonetheless, the investment and operational programmes of SPA will intensify. New investments are ongoing and planned for Praslin and La Digue with a view to upgrading the quality of infrastructure and matching the expectations of port users.

PURPOSE OF THIS STRATEGIC PLAN

The ports sector is one set with the main aim to facilitate international trade, domestic maritime transportation, promote and facilitate maritime tourism and the broader economic development Seychelles, particularly industrial fisheries. It is therefore, important that the sector has a clear roadmap as well as sound framework and guiding principles. This Strategic Plan offers this framework in terms of:

- Establishes the overall direction for development of the ports sector as well as broader economic transformations that crucially depend on the efficient functioning of the port.
- Serves as a guide for the Government, the Board of Directors, the private sector as well as other stakeholders and decision- makers in developing policy and allocating resources to continually having an efficient and well- functioning international and domestic port sector.
- Integrates with other plans and processes to create opportunities and synergies for partnerships amongst all participants and stakeholders.
- Reflects the country's aspirations, desires and needs in terms of quality maritime transportation, maritime tourism development, support to industrial fisheries development, international trade and broader economic development.

SPA BOARD OF DIRECTORS

The SPA is governed by a Board of Directors as follows:

Mr. Paul Hodoul
Chairman

Mr. Ronny Brutus
CEO (Ex-Officio)
(CEO SPA)

Lt. Col. Leslie Benoiton
Member
(Seychelles Coast Guard)

Ms. Doreen Bradburn
Member
(Corporate Manager – Public Utilities Corporation)

Mr. Alexandre Antonakas
Member
(Port of Marseille, France)



VISION, MISSION AND MOTTO

Under the strategic direction of the Board of Directors, the SPA is guided by the following Vision and Mission, driven by its Motto.

SPA VISION

Our Vision represents what SPA aspires to achieve as an Authority over time:

To continuously transform and sustain Port Victoria as a viable maritime hub.

SPA MISSION

The Mission is a reflection of the core responsibilities bestowed on SPA upon its creation:

To safeguard the maritime gateway to the Seychelles socio-economy by providing adequate and reliable port infrastructure and efficient services.

SPA MOTTO

The Motto showcases SPA as a dynamic Authority moving forward at a steady pace:

Propelling Port Victoria Forward.

SPA CORE VALUES

During the period 2019/23, SPA shall remain focused and shall be guided by the following core principles:

Communication

“We hold direct, open, honest and regular communications and we listen to the views of others at personal, internal and external levels as well as horizontally and vertically in our daily duties and in the search for acceptable solutions to our challenges”.

Discipline

“We are focused in what we do and we do it to the best of our abilities and in full respect of the established standards. We do not give up or compromise in our duties”.

Excellence

“We are committed to offering the highest standards of efficiency and service in everything we do for our customers. In doing so, we deliver a premium value to our customers and make a positive difference in their lives”.

Ethics

“We are committed to the highest standards of respect, honesty, accountability and professionalism. We expect the conduct of our staff to be based on trust and respect for our customers and driven by the highest ethical standards. We are personally accountable for delivering on our commitments”.

Growth

“We are committed to fostering the personal and professional growth of staff by promoting life- long learning and leadership development in all our endeavours”.

Safety and Security

“We are committed to the safety and security of all our staff, customers, ports assets and infrastructure”.

Teamwork

“We value teamwork as an integral approach in bringing together a range of talents for informed decision making and collaborative action. We believe in the sharing of knowledge and experience and supporting our

staff to reach their full potential. We value the contributions of all our partners and stakeholders in helping SPA achieve its vision, mission and goals”.

SCOT ANALYSIS: SPA/ PORT VICTORIA

A successful organization is founded on a series of sound decisions; so the way situations are analysed and options chosen and how the organization reacts to different situations is critical.

The SCOT analysis allows an organization to overcome challenges and determine what leads to pursue.

The primary objective of a SCOT analysis is to help organizations develop a full awareness of all factors and from all angles, in a decision.

Below is an overview of the Strengths, Challenges, Opportunities and Threats (SCOT) of SPA and of Port Victoria:

STRENGTHS

- S1 Operating under monopoly conditions. Have a captive market;
- S2 As a 100% public- owned entity, has the backing of the Government in its undertakings;
- S3 All- Seychellois work force;
- S4 Self- financing (not budget dependent) of its day-to-day activities and for minor investments;
- S5 24/7/365 operations in all- weather conditions. Favourable operating tropical climatic conditions;
- S6 Port located outside natural disaster zones (cyclone belt, earthquakes, etc...);
- S7 Situated relatively close to industrial fishing grounds and major shipping lanes;
- S8 Internationally recognized and secure (ISPS Certified);

- S9 International naval activities in the region and visits to Port Victoria. Creates confidence in the national security framework;
- S10 All port services available (pilotage, towage, fresh water, on- shore/off- shore bunker, waste disposal);
- S11 One-stop-shop near port comprising of Customs Services, Immigration Control, Cargo Handling Company, Revenue Commission, clearing of goods, etc...;
- S12 Daily direct air links with Europe, Asia, Africa and the Middle East for ease of crew repatriation/exchange and to fly in supplies/ spares;
- S13 Hard working and most efficient stevedoring in the region;
- S14 One of the world’s largest tuna processing plants located inside (fishing) port;
- S15 Pioneering and proven track record in the use of container fish loaders;
- S16 A reputed leisure and tourism destination and safe port for cruise ships, yachts and military ships;
- S17 Well developed international cooperation mechanisms between SPA and several ports and other international groupings;
- S18 Inter- island maritime transport (passenger/cargo) connection relatively affordable and efficient;
- S19 Political and social stability, safe, secure, peaceful, intelligent and multi- lingual nation, favourable time zone and business environment, good legal and administrative frameworks, stable macro economy.

CHALLENGES

- C1 Relatively old infrastructure (quays) and equipment (tugs and pilot launches);
- C2 Relatively low productivity amongst certain staff;
- C3 Multipurpose nature of Port Victoria – no dedicated berths. Lack of volumes to justify dedicated berths;
- C4 Seasonal nature of some activities (e.g. cruise ship tourism) to justify dedicated cruise ship berths;
- C5 Safety risks associated with cruise/super yacht tourism when mixed with fish/cargo/fuel handling at Mahe Quay;

- C6 Insufficient hinterland to entice larger companies to establish port- related businesses in Seychelles (e.g. shipping lines);
- C7 Inadequate infrastructure (quay length, water depth, shore equipment) to accommodate the next generation (larger, gearless) of vessels;
- C8 Lack of shore power infrastructure in order to minimize port- related pollution (emissions);
- C9 Insufficient financial capacity to finance some critical major infrastructural investment projects;
- C10 Handles small volumes – lack of economies of scale- little interest to large shipping companies;
- C11 Lack of major ship repair facilities and lacking of capacity for heavy long range towage and heavy salvage operations;
- C12 Lack of technical know-how and expertise in making critical port infrastructural development decisions – reliance on foreign consultancy/ expertise;
- C13 Lack of or outdated cargo handling methods and technologies;
- C14 Domestic labour (stevedoring) shortage;
- C15 Lack of space alongside berth for the evolving trend in transshipment method (ship-to-ship to refrigerated container) leads to a relatively high level of “berth shifting” and consequently increase in operational cost in Port Victoria relative to regional ports;
- C16 Only one land access in and out of port for human and vehicular traffic - no emergency exits. This only access often plagued by traffic congestion (trailers)
- C17 Lack of a dedicated traffic lane for port- related vehicles (heavy vehicles, trailers) such as a crawler lane to facilitate traffic movement and minimize congestions in Victoria especially during peak hours;
- C18 Lack of a “Robinson Crusoe” port island to break the ‘sailing tempo’ of cruise ships/ yachts on long trips to Seychelles – a stepping stone into Port Victoria;
- C19 Relatively low marketing and visibility of Seychelles and Port Victoria internationally amongst mariners and sea farers. Marketing efforts not properly targeted;

- C20 Insufficient legal and administrative frameworks in regards to shipping, the yacht, hire craft and the pleasure craft industries;
- C21 Lack of a portal to market port-related investment opportunities, publish procedural guidelines, minimize uncertainty and ensure adequate return on investments;
- C22 Relatively poor standard of safety and security on port premises;
- C23 National security intelligence/counter intelligence not efficient in port;
- C24 Border controls in port relatively weak:
 - Port Security relatively weak. Ease to access port- controlled (ISPS) areas by most individuals;
 - No permanent presence of Regular Police;
 - Anti- drugs enforcement mechanisms is weak;
 - Ability/capacity to detect organized crime is weak;
 - Phyto-sanitary, health controls and bio- security mechanisms are weak;
 - Customs procedures (controls, inspections) need reinforcement.

OPPORTUNITIES

- O1 Favourable geography that can be translated into more/ larger scale port- related businesses. Ideally situated as a shipping 'launch pad' into continental Africa for small scale "high value/specialized" redistribution activities;
- O2 Develop Port Victoria as a (special fiscal zone) supplies hub to encourage vessels to stock up in Seychelles (water, fuel, general supplies) instead of vessels having to import their own supplies. With the help of other national agencies, develop capacity and standards to create opportunities for local farmers to 'export' their products (meats, fruits, vegetables, eggs, etc...) to the vessels;
- O3 Additional cargo handling companies could foster competition, efficiency, productivity and better consumer pricing with the possibility to develop a re- export base;
- O4 Based on the strategic location, possibilities for ocean/marine- related activities to base operations in Port Victoria (e.g. repair and maintenance of submarine IT cable);
- O5 Develop infrastructure to cater for the needs as a port of refuge (boat repair facilities, etc...);

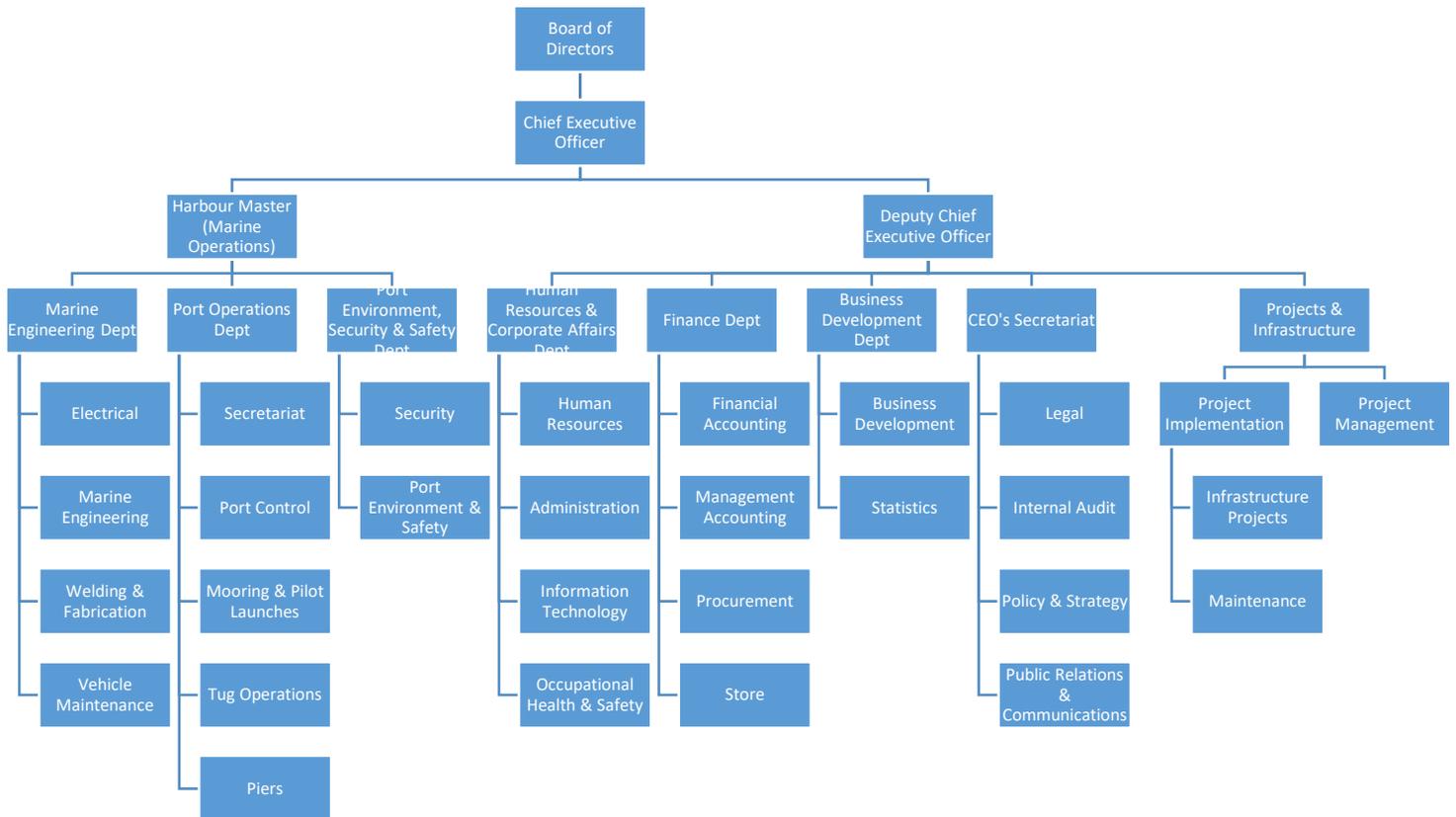
- O6 As an industrial/international fishing hub, potential for investments in international laboratory testing facilities, processing, cold store and sea food redistribution activities;
- O7 Public Private Partnership (strategic partner) arrangements in the re-development of the port and procurement and operation of the port and/or equipment;
- O8 Leasing of port- related equipment instead of outright purchases;
- O9 Selling shares to the Seychellois public in Special Purpose Vehicles to raise capital for the port related commercial projects;
- O10 Investments in ocean salvage expertise and equipment;
- O11 Commercial agreements between SPA and its business partners;
- O12 Participation in regional activities and to impart knowledge and skills at first hand;
- O13 Capacity building of port- related sectors to tap into opportunities created by port sector (e.g. special Seychellois/Creole menu when cruise ships visit where ships would buy ingredients locally and employ local chefs);
- O14 The implementation of Green Port initiatives and energy- saving measure can bring significant benefits;
- O15 More integration of Information and Communication Technologies (ICT) solutions in daily port processes (e.g. Port Management Information Systems) can foster efficiencies amongst port stakeholders and the general public.

THREATS

- T1 Maritime security issues in the south western Indian Ocean (piracy);
- T2 Concentration of activities (fuel depot, food storage, industries, electricity generation, etc...) in the vicinity of the port that could spark fire and other hazards;
- T3 Risk of collapse of quay wall (especially Mahe Quay) in view of severe wear and tear and weakened structural integrity;

- T4 Lack of segregation by commodity in container storage yard as well as goods incompatibility (groupage) transportation and storage often pose a degree of hazard and risk;
- T5 Only one approach channel and international port terminal on which the country depends for most of its imports/ exports. An accident in the channel or in port may paralyze the port/country;
- T6 Concentration of activities inside the port perimeter (contributing to over- access by day- to- day ordinary personnel/unessential staff/unessential activities) that may compromise security and the ISPS status;
- T7 Lack of effective patrols on the sea side (inner harbour) that may jeopardize safety and security of vessels and the International Standard for Ports and Ship Security (ISPS) status;
- T8 Regional competition in fisheries, shifting of fishing grounds due to climate change may deprive SPA of revenues as industrial fisheries constitute a substantial share of the overall business in Port Victoria;
- T9 Sea level rise due to climate change may compromise port infrastructure;
- T10 Port expansions and re- developments in the Indian Ocean region may dilute business in Port Victoria;
- T11 Lack of diversification in SPA revenue base and over reliance on industrial fisheries as the core revenue source may be disadvantageous if the tuna trade collapses;
- T12 Some ports in the region operating under better fiscal business model (e.g. Freeport). Relatively cheaper fees, tariffs and services in these ports may divert vessels and their business away from Port Victoria;
- T13 competition from other ports that can potentially drain business away from Mahe Quay.

SPA ORGANISATIONAL CHART



MAIN RESPONSIBILITIES

Under the Seychelles Ports Authority Act of 2004, the core mandate assigned to SPA are as follows:

- 1/ Manage the movement and mooring of vessels in the Port Victoria Port Limits.
 - 2/ Manage the upkeep of all the domestic and international port terminals under its jurisdiction.
- These include:

MAHE

- Mahe Quay (Commercial Port)
- Industrial Fishing Port
- Ile Du Port
- Inter- island Quay

PRASLIN

- Baie Ste Anne Jetty
- Eve Island (Passenger and Cargo Jetties)

LA DIGUE

- La Passe Jetty

3/ Formulate and implement policies and strategies relating to commercial and infrastructural development of the public ports in Seychelles.

4/ Provide port- related services and collection of all dues prescribed in the harbor Act (Harbour Dues Regulations).

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- 5/ Manage all properties allocated to SPA commercially especially in regards to marine- based and Blue Economy industries.
 - 6/ Maintain the navigational aides in the inner harbor on behalf of the Seychelles Maritime Safety Authority.
 - 7/ Manage the port occupational, environmental health, safety and security at all the port terminals under SPA's jurisdiction.
 - 8/ Participate in search and rescue, oil spill combat and anti- narcotics operations and any other maritime- based activity that may be required of SPA.
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SPA CORE PRINCIPLES

SPA's continued progress is pivoted on the following fundamental principles:

1. To continuously maintain a work force of high standard at the center of its development.
2. To promote meaningful consultations with all its partners and stakeholders in order to achieve mutually beneficial relationships for the good of the SPA, industries and the country.
3. To respond effectively to developments and innovations in port and shipping technologies with the aim of providing modern and cost- effective facilities and services at the domestic and international terminals.
4. To exceed expectations in all aspects of its operations in order to ensure that Port Victoria remains the preferred port of call in the region for all categories of vessels.
5. To continuously upgrade its port security and communications methods.
6. To support other industries such as fisheries to remain competitive and strong.

- 7. To remain vigilant to the evolving trends in the regional and international port industry.
 - 8. To gradually integrate IT solutions and Green Port strategies in its development and operational plans.
 - 9. To participate in and support regional and international port- related institutions with a view to developing strong collaboration and cooperation and obtain support.
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STRATEGIC OBJECTIVES 2019 – 2023

Strategic Objectives are broad statements of an organization that indicate what are critical or important to address in the organization in a specified period of time. In the case of SPA, they are listed below as the highest measures and initiatives (or goals) that SPA will strive to achieve in the next five years beginning in 2019. A set of strategies accompany the Strategic Objectives to show how SPA intends to achieve each one of them.

The Strategic Objectives of an organization are crucial to concretize and support the achievement of its vision and mission.

Strategic Objective No.1

- 1. To continuously maintain a productive work force of high integrity, performance and standard at the centre of our development.**

To achieve this objective SPA is adopting the following strategies:

- 1.1 Implement a sound recruitment policy by matching the right skills with the right job thus maximizing productivity and return. In so doing employee satisfaction will be optimized and turnover will be reduced.
- 1.2 Maintain an updated Training Policy and maximise the potential of employees by continuously engaging in training programmes locally as well as internationally in line with SPA's training needs.
- 1.3 Promote a conducive working environment for all employees with clear guidelines for career progression, scope for promotion and succession planning.
- 1.4 Consolidate on the incentive schemes across all levels of the organization to recognize and reward all achievements contributing towards the advancement of SPA Vision and Mission.
- 1.5 Continuously focus on approaches for team building and team work across all departments.
- 1.6 Maintain the image and reputation of SPA as the employer of Choice where employee well-being is at the core of SPA's development strategy.
- 1.7 Conduct Continuous Assessment and Review of employee performance in line with Plans and Targets.
- 1.8 Implement a new updated version of Information Management System to ensure proper record keeping.
- 1.9 Develop and maintain effective social and welfare (staff gathering) schemes in order to boost coercion and sense of camaraderie and team spirit amongst staff.
- 1.10 Develop and maintain an organizational structure that provides maximum efficiencies and synergies between departments.
- 1.11 Develop policies that will provide the administrative, organizational and operational framework for maximum transparency, accountability and oversight in all aspects of SPA activities.
- 1.12 Adequate and measurable succession planning shall be established for key positions in every department to ensure continuity of activities during absenteeism and retirement.

Strategic Objective No.2

2 To develop a proper internal and external communications system to support SPA in disseminating information and contribute to its positive image.

To achieve this objective SPA is adopting the following strategies:

- 2.1 Maintain regular consultations and dialogue with port users, partners and stakeholders with a view to ironing out issues of concern thus ensuring a smooth level of communication, understanding and operations at all times given the limitations of Port Victoria.
- 2.2 Participate actively in maritime related forums locally and internationally.
- 2.3 Foster closer collaboration with other related Ministries.
- 2.4 Support the Blue Economy Agenda by providing the necessary assistance in instances where SPA has the financial and Technical expertise.
- 2.5 Establish a PR unit and develop initiatives through close partnerships with the media thereby ensuring maximum positive exposure and visibility of SPA activities to the public including the Mahe Quay extension project.
- 2.6 Regularly publish SPA Newsletters as a means of information dissemination on the actual events taking place in the organization.
- 2.7 Manage SPA Website and other social media platforms effectively by regular posting of information about SPA and the activities being undertaken.
- 2.8 Implement other medium of communication and information dissemination which will positively impact on the public image of the organization.
- 2.9 Conduct regular internal meetings with staff and management to disseminate information.
- 2.10 Encourage inter- division meetings so that staff can better understand the role of other departments thus the broader role and mission of SPA generally.
- 2.11 Encourage Directors and Managers to become mentors to other staff.

Strategic Objective No.3

- 3 To respond effectively to development and innovations in port and shipping technologies with the aim of providing modern and cost- effective facilities and services at both the domestic and international terminals;**

To achieve this objective SPA is adopting the following strategies:

- 3.1 Continue to provide adequate port infrastructure on Mahe, Praslin and La Digue for the continuing evolution of shipping, land- based activities, safety and security and other trade facilitation needs of the country and in line with international shipping requirements.
- 3.2 Establish a sound and efficient maintenance schedule for the upkeep of all port infrastructure in order for them to remain in good operational state. Ensure that all support infrastructure and equipment (roads, other public domains, plants and utilities) are functional and efficient.
- 3.3 Do the utmost to obtain more space for expanding port activities in future. Explore ways to optimize planning for the use of hinterland by doing more on less land.
- 3.4 Ensure that all port planning and development stay within the boundaries of climate change parameters and in line with SPA's green port initiatives.
- 3.5 To expedite the investments in commercial projects on Mahe, Praslin and La Digue so that SPA can have additional sources of income to boost its cash flow.
- 3.6 To maintain adequate and proper records of all infrastructure projects (planning, construction, maintenance) for audit and other internal and external oversight and reporting requirements.
- 3.7 Ensure that there are adequate infrastructure provisions for all border control agencies inside the relevant port terminals and that all facilities are conducive for their specific purpose.
- 3.8 Continually liaise with the various stakeholders (Mahe Quay Extension Project Teams, the Operations Department, the Port Security Unit, Terminal Operator, Border Control Agencies, etc ...) for the use of available infrastructure and space in order to mitigate inconveniences and keep the Commercial Port functional during the construction period.

Strategic Objective No.4

4. To continue to review all aspects of SPA's legal, business and operational framework and model in order to ensure that Port Victoria remains the preferred port of call in the region.

To achieve this objective SPA is adopting the following strategies:

- 3.9 To aim for the least turn- around time of vessels in port.
- 3.10 Investment in better operational assets (e.g. tugs, pilot launches) to cater for the evolution of shipping in the Indian Ocean region and especially for new generations of ships expected to call in Port Victoria upon the completion of the Mahe Quay extension project. The new tugs would also bolster SPA's capacity for long range towing operation given the strategic geography of Port Victoria that can also be promoted as a port of refuge.
- 3.11 Invest in the professional development of Tug Masters, Engineers, Harbour Pilots and Tug Crew in line with international certification and norms to ensure SPA delivers the best possible service to vessels in Port Victoria.
- 3.12 Regular maintenance of operational assets, equipment, aids to navigation and other demarcations in the approaches and channel of Port Victoria to ensure navigational safety at all times.
- 3.13 Ensure normalcy as much as possible in port operations during the Mahe Quay expansion project.
- 3.14 Continuously review the Harbour Act including the Harbour Dues Regulations and the SPA Act to remain abreast of the latest development in international Ports and Shipping rules and regulations.
- 3.15 Ensure operational order and discipline in the harbor basins, on the jetties and on the hinterland on Mahe, Praslin and La Digue for the continued functionality and operational efficiency at all the port terminals.
- 3.16 Invest in modern vessel communications and radar systems to ensure navigational safety and tracking of vessel movements in SPA- controlled areas especially in the inner harbour.
- 3.17 Manage the leasing of port infrastructures efficiently to ensure that SPA derives optimum return from rental of facilities.
- 3.18 Identify business opportunities which have the potential to generate a reasonable return on investment hence boosting the revenue stream of SPA.
- 3.19 Maintain an updated lease agreement and other legal documents of every tenant to reduce potential risk exposure which can impede on the revenue that SPA relies on to finance investments in infrastructures.

- 3.20 Identify cost factors that contribute to increase in expenses and implement remedial solutions.

- 3.21 Explore every means of investments such as Public Private Partnerships (PPP), Build Operate Transfer (BOT) and Lease Purchase models to bolster and optimize investment projects and service delivery.

- 3.22 Reinforce SPA’s cruise ship strategy to ensure that Port Victoria remains soundly on the Indian Ocean itinerary of the cruise operators.

- 3.23 Work with other local agencies and institutions to find ways to increase cruise ship visitors spending in the local economy.

- 3.24 Implement economic (financial and social) viability studies on every commercial and public project by SPA to assess and ascertain its financial rate of return to SPA and social contributions to the country.

- 3.25 Ensure good governance and transparency by establishing and implementing clear and updated guidelines and policies for the commercialization (allocation and rental) of SPA properties. (e.g. rental policy).

Strategic Objective No.5

5. To continuously upgrade our Port Security methods.

To achieve this objective SPA is adopting the following strategies:

- 5.1 Continuously review and improve the Port Facility Security Plan (PFSP) in order to maintain the Status of Port Victoria as an ISPS compliant and Certified Port.

- 5.2 Implement a reliable safety/security alarm and loud speaker system to convey information, messages and instructions in cases of emergency in the port area and vicinity on Mahe, Praslin and La Digue.

- 5.3 Improve on the effectiveness of a Search and Detection System using the Close Circuit Television (CCTV) Technology at all SPA- controlled port facilities. To explore the use of drones.

- 5.4 Strengthen the port access control system including procurement of adequate security- based technologies such as scanners to assist in searches on persons and under vehicles as part of access control to port.

- 5.5 Legal empowerment of Port Security officers for Arrest and detention of offenders within the Port.

- 5.6 Increase the current security workforce to cater for additional responsibilities and provide effective coverage of all premises.
- 5.7 Investment in specialized training to ensure due diligence in the face of new security threats. Collaborations with training partners such as the US Coast Guard and the NCIS will continue to be strengthened.
- 5.8 Consider the possibility through collaboration with other local agencies such as the Marine Police and the Seychelles Coast Guard to second fully- armed officers to assist SPA with its security requirements on a 24-hour basis at the international port terminals. MOUs will be signed with the security partners.
- 5.9 Implement Exchange Programmes with other Ports to gain hands on knowledge and skills into Port Security measures and protocol.
- 5.10 Continuous Training of officers on Port Security measures with emphasis on work ethics, approach and discipline and professionalism.
- 5.11 Conduct Security and Evacuation Drills and exercises on a quarterly basis as required by the ISPS Code to prepare for any eventual threats that may affect the Port Operations.

Strategic Objective No.6

6. To support other industries such as fisheries to remain competitive and strong.

To achieve this objective SPA is adopting the following strategies:

- 6.1 Continue to engage other industries such as fisheries and tourism in port related decision-making that have a direct impact on businesses and industry.
- 6.2 Improve on the welcoming and service level for cruise ship when in Port Victoria.
- 6.3 Consider favourable incentives to encourage cruise ship and fishing vessels to continue choosing Port Victoria as their preferred port of call.
- 6.4 Provide better and more port infrastructures to support the purse seiner, long line fishing, cruise ship and yachting industry.

Strategic Objective No.7

7. To remain vigilant to the evolving trends in the international port industry.

To achieve this objective SPA is adopting the following strategies:

7.1 Improve on the Statistical Collection platform to ensure adequate and reliable data information and retrieval system is in place which can be used for strategic decision making and policy formulation.

7.2 Conduct periodic evaluation and studies to gauge the different stages in systems and procedures where revenue is being generated and the earnings of beneficiaries at the different stages in Port Victoria activities in comparison with other Regional Ports.

7.3 Improve on SPA Market Intelligence Systems to have up to date information on Regional and International port industry developments and their potential impact on the performance of Port Victoria to remain the tuna transshipment and logistics fishing hub of the Indian Ocean.

Strategic Objective No.8

8. To gradually integrate Green Port Initiatives in SPA's development plans.

To achieve this objective SPA is adopting the following strategies:

8.1 Study the implications and setup of Green Port initiatives in other Ports where this strategy is already established.

8.2 Assess the cost and benefits of implementing Green Port initiatives at all the ports terminals in Seychelles under the jurisdiction of SPA.

8.3 Measure the effectiveness of the measures implemented and advocate for the Ports to be recognized and obtain the Green Port Label or equivalent ISO standards.

- 8.4 Adopt adequate measures at both planning and operational stages to manage the impacts of climate change and sea level rise on port infrastructure.
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Strategic Objective No.9

- 9. To participate in and support regional and international port-related institutions with a view to developing gradually mutually beneficial relationships, strong collaboration and cooperation.**

To achieve this objective SPA is adopting the following strategies:

- 9.2 Consolidate the spirit of collaboration between existing Regional Group such as APIOI and PMAESA.
- 9.3 Increase the number of sister ship agreements with other Ports whereby SPA can benefit from exchanges, technical support and training.
- 9.4 Partner with other regional ports to further promote the concept of Regional Cargo Shipping Services and the Regional Cruise Ship Lines where the Regional Ports will stand to benefit.
- 9.5 Continually promote Port Victoria, through cost reduction national policies, as the premier tuna transshipment hub of the Indian Ocean.
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Strategic Objective No. 10

- 10 To adopt and implement adequate and appropriate finance and procurement procedures to maintain strong accounts and ensure conformity to accounting and procurement standards in line with local laws, policies and international practices.**

To maintain an efficient and functional stores system.

To achieve this strategic objective, SPA is adopting the following strategies:

- 3.26 Implement the International Financial Reporting Standards (IFRS) in 2019.
- 3.27 Recruit adequate qualified accounting, procurement and stores personnel.
- 3.28 Adopt appropriate and updated accounting software to achieve best practices.
- 10.3 Timely updating of SPA accounts and reporting to the Management, Board and external oversight agencies.
- 10.4 To ensure proper and timely management of the EIB/AFD loan servicing.
- 10.5 To monitor the revenue streams and expenditure of SPA and advise management of any abnormalities or irregular trends and maintain strong budget control.
- 10.6 Ensure full compliance with internal and external audit procedures and policies.
- 10.7 Ensure statutory compliance with accounting procedures, practices and policies.
- 10.8 Produce a Procurement Plan in line with local procurement regulations.
- 10.9 Ensure full compliance with the established procurement laws and policies.
- 10.10 Procurement to advise management on best procurement options in terms of value for money where unnecessary and excess spending could be avoided.
- 10.11 Establish internal procurement mechanisms to speed up purchases in line with established thresholds with transparency and accountability at the center of all transactions.
- 10.12 To employ proper IT software for the management of the SPA store, Procurement and Accounts.
- 10.13 To disseminate the idea of sound planning by the various departments and coordinate and manage purchasing in order to minimize the number of unplanned purchasing trips as well as avoid overstocking of items.
- 10.14 Conduct regular inventories and audits of the SPA store.
- 10.15 Establish mechanisms to ensure prompt payment of bills outside normal working hours.
- 10.16 To ensure the appropriate segregation of duties of Accounts, Procurement and Store.
- 10.17 Procurement Unit and Store to conduct periodic reviews and training with staff to sensitize them on best practices and the need to respect established regulations, policies and standards.
- 10.18 To explore more modern, efficient and optimal ways for SPA to accept payment including bank transfers and electronic system (point of sale (POS)).

10.19 Establish revenue and cost centers for every operational asset and port terminal with a view to facilitate analyses and relative financial comparisons.

Strategic Objective No. 11

4 To develop an integrated, efficient and modern Information and Communication Technology system (Internet, telephone) to support the SPA in its administrative and operational duties.

To achieve this strategic objective, SPA will adopt the following strategies:

- 4.1 To ensure that suitably qualified staff are recruited in SPA's IT department.
- 4.2 Ensure that SPA has the right hardware and software and has adequate band- width to meet existing and future work demands.
- 4.3 To ensure that all staff and adequately equipped with the necessary hardware and software to conduct their duties efficiently.
- 4.4 To ensure that the SPA IT system is not compromised by internal or external parties.
- 4.5 Implement a Port Management Information system that will provide an IT platform for all port stakeholders to communicate and operate that will foster efficiency and promote a paper- less operation.
- 4.6 To establish a pro-active maintenance schedule on all IT equipment to ensure their continued operations, virus- free and longevity.
- 4.7 To outsource to the service providers for the availability of a wire- less IT service in port for use by Port Victoria customers.
- 4.8 To establish a workable and professional tele- and – video conferencing system.
- 4.9 To ensure that all SPA port terminals (Mahe, Praslin and La Digue) are inter connected through IT.

4.10 To assist with the development of simple software to facilitate basic activities in SPA and facilitate the transition for a manually based system to IT.

4.11 To keep abreast of developments and evolutions in the IT arena and advise SPA Management on best practices and options.

Strategic Objective No. 12

5 To develop a culture of high performance and quality service delivery.

To achieve this objective, SPA will adopt the following strategies:

5.1 Directors to produce and implement their plans and targets at the beginning of the year and participate in mid-year and annual reviews to assess performance and output delivery.

5.2 Conduct periodic surveys and reviews with port users and stakeholders with a view to assessing customer satisfaction and adjusting modes of operation that are considered inefficient or do not constitute a win-win situation for all parties.

5.3 Develop Key Performance Indicators as yardsticks to measure service and works delivery and output quality.

5.4 Evaluate remuneration (e.g. bonuses) on the basis of KPIs.

5.5 Pitch quality performance at par with or above similar private sector operators.

5.6 With sound financial planning for projects, budgets allocated for projects shall not be exceeded.

5.7 Materials used to implement projects shall be properly documented and accounted for.

PRIORITY CHALLENGES FOR SPA FOR 2019-23

The SPA is mindful of the challenges that will arise in implementation of this Strategic Plan.

- Piracy activities in the Indian Ocean remain a concern despite the number and intensity of attacks having been reduced significantly recently;
- Budgetary constraints for other port infrastructure projects brought about by the servicing of the Mahe Quay expansion project loans;
- The need to review the structure of the cargo handling industry in Port Victoria to be more Cost/Price Competitive in the region;
- The extended periods for approval / tendering procedures for development projects;
- Changing priorities of government;
- Inadequate interest from private sector resulting in small traffic volume to Port Victoria;
- Internal Economic Factors such as exchange rate depreciation which could substantially increase the cost of planned projects as well as the cost of servicing the EIB/AFD loans. This could lead to cash flow challenges to SPA;
- External Economic Factors such as trade wars, the price of fuel which impact on the Cost of Goods and Services as well as the cost of the port expansion project;
- Declining worker productivity combined with rising salaries and expectations of monetary benefits (increasing cost of labour) could put added stress on the SPA cash flow;
- Drop in tourism and fisheries revenues which could put pressure on the balance of payments/reserves;
- Increasing regional competition in the Port / fisheries industry which could further reduce traffic in Port Victoria and adversely impact on the revenue streams to Seychelles;
- Major challenges in vessel design and cargo handling (Longer/heavier/Bigger Draft & Gearless) could become a major challenge for Port Victoria if the necessary is not done timely to meet these developments and rising customer expectations.

OPPORTUNITIES FOR SPA AND SEYCHELLES TO MOVE TO THE NEXT THRESHOLD

- The expansion and rehabilitation of Seychelles main commercial port (Mahe Quay) will provide the springboard for more trade and development and open new avenues for port and maritime activities and investments.
- Seychelles are strategically located in the Indian Ocean not far from the billion dollar trade route between Asia and Africa. Hence Port Victoria has the potential to become a transit hub.
- In the light of possible budgetary limitations, opportunity to create Special Purpose Vehicles (SPV) to work in partnership with the private sector under the PPP business model. Port infrastructure and land-based projects at the Industrial Fishing Port, Inter- Island Quay, Praslin and La Digue may be open to this model.
- Increasing interest from foreign investors in the fishing industry thereby increasing the economic transshipment and processing activities in Port Victoria. Seychelles has the opportunity to develop new industries around the tuna industry.
- Prospect for further development Port Victoria and Seychelles as a leisure destinations for cruise passengers and military personnel. Opportunities also exist to reinforce Port Victoria's ability and capacity as a home port for cruise passenger exchange.
- With the proposed setting up of ship repair facilities in Seychelles as well as the proposed investment in long range towage capacities by SPA, there is potential to develop Port Victoria as a port of refuge for vessels in distress in the vicinity of Seychelles.
- The local farmers can develop capacity, standards, reliability and the right pricing policy to satisfy the logistics (food supplies) requirements of the maritime industry. This will represent an export activity and can constitute an important foreign exchange earner for the country.
- Provided that the right institutional, legal, operational and policy frameworks are in place and with the proper safeguards, the yachting industry can be developed into one that brings more socio- economic benefits for the country.

CONCLUSION

With the selection of consultant for the design of the new Mahe Quay, the stage is set for another threshold of port activities, trade facilitation and the achievement of some of the major Blue Economy objectives in Seychelles.

The deep water port will be able to accommodate new generations of vessels of sizes never envisaged before in Port Victoria which can potentially lead to mass transportation with the possibility of reduction in shipping cost. In addition to the possible cut in the number of transit ports for inbound and outbound cargo, the stage is set for a significant improvement in quality of goods (e.g. perishables) as well as a reduction in the cost of living if the cost savings are passed on to the end consumer.

A new business model based on the Seychelles International Trade Zone framework will be discussed with Government so as to give SPA Freeport Status. The new model can boost the cash flow position of SPA and provide the financial leverage for more re- investments in port infrastructure on Mahe, Praslin and La Digue without compromising its other financial and projects commitments.

The new Mahe Quay will also feature an intelligent mix of manual and automated processes in line with strategies to enhance cost efficiencies so that Port Victoria can bolster its competitive edge over the rapidly evolving regional ports jostling for a larger share of the tuna industry.

It is recognized that the tuna industry will continue to play a crucial role in the growth of shipping in and out of Seychelles as it constitutes a significant volume to the shipping industry and therefore, keeping shipping cost relatively stable. The tuna industry needs to be nurtured and expanded to further contribute to shipping cost management hence a better standard of living for the people of Seychelles. Nonetheless, the tuna industry that has flourished in Seychelles must take its responsibility and must also make its fair contributions to the development of fishery- related institutions, infrastructure (e.g. the tuna logistics base on Ile Du Port) and the country as a whole.

The Industrial Fishing Port is next in line for a major make- over. Work has already begun to find the best win-win business model to re- develop the port which is a central infrastructure to the future development of tuna fishing and processing.

The domestic port terminals on Mahe, Praslin and La Digue will also move forward in parallel with Mahe Quay in terms of modernization and expansion. They constitute the catalysts for the future socio- economic progression of the islands and all effort will continue to bring them to the right standard commensurate with the rising expectations of the public as well as visitors and with the evolution in inter- island passenger and cargo transfers.



The integration of IT solutions in the daily processes across the various port terminals and by the various port users and stakeholders is expected to increase operational and administrative efficiency, accountability and transparency and further contribute to further environmental advantages through the paper- less processes.

The Green Port Initiatives that are being integrated in the new port infrastructure developments on Mahe, Praslin and La Digue will contribute to better port environmental management and cost savings generally in SPA's activities.

SPA counts on the continued support of the Government, the private sector, the public, all partners and stakeholders to facilitate the achievement of this Strategic Plan over the next five years as this will be one of the greatest contributions to the socio- economic development and welfare to the people of Seychelles and the continued growth of local and exporting industries.

SPA: APRIL 2019
