



***MPA CORPORATE PLAN***

***2016 TO 2018***



**MARCH 2016**

Submitted by:





Tel: +230 202 3000  
Fax: +230 202 9993  
www.bdo.mu

DCDM Building  
10, Frère Félix de Valois Street  
Port Louis,  
MAURITIUS  
P.O. Box 799

The Director General,  
Mauritius Ports Authority,  
H. Ramnarain Building,  
Mer Rouge,  
Port Louis,  
Mauritius

Dear Sir,

**MPA's Corporate Plan 2016 - 2018**

We are pleased to enclose herewith the Corporate Plan 2016 – 2018 for the Mauritius Ports Authority.

We thank you and all your collaborators for their contribution and support.

Yours Faithfully,

Fareed Jaunbocus

**Partner**

**BDO**

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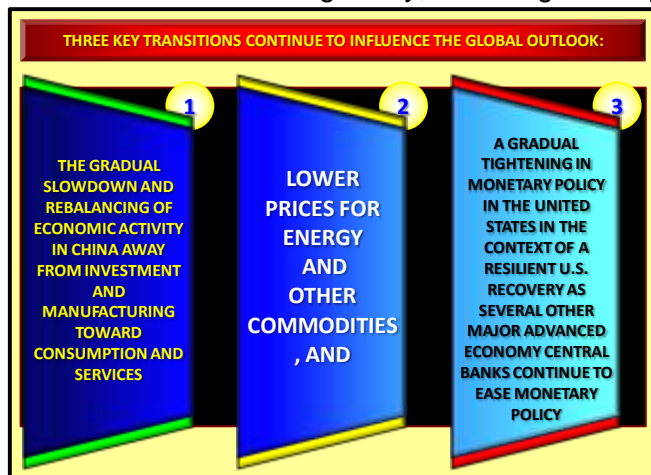
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## 1. GLOBAL TRADE

In 2015, global economic activity remained subdued. Growth in emerging market and developing economies—while still accounting for over 70 percent of global growth—declined for the fifth consecutive year, while a modest recovery continued in advanced economies.

Overall growth in China is evolving broadly as envisaged, but with a faster-than-expected slowdown in imports and exports, in part reflecting weaker investment and manufacturing activity. These developments, together with market concerns about the future performance of the Chinese economy, are having spillovers to other economies through trade channels and weaker commodity prices, as well as through diminishing confidence and increasing volatility in financial markets. Manufacturing activity and trade remain weak globally, reflecting not only developments in China, but also subdued global demand and investment more broadly—notably a decline in investment in extractive industries. In addition, the dramatic decline in imports in a number of emerging market and developing economies in economic distress is also weighing heavily on global trade.



Oil prices have declined markedly since September 2015, reflecting expectations of sustained increases in production by Organization of the Petroleum Exporting Countries (OPEC) members amid continued global oil production in excess of oil consumption.<sup>1</sup> Futures markets are currently suggesting only modest increases in prices in 2016 and 2017. Prices of other commodities, especially metals, have fallen as well.

Lower oil prices strain the fiscal positions of fuel exporters and weigh on their growth prospects, while supporting household demand and lowering business energy costs in importers, especially in advanced economies, where price declines are fully passed on to end users. Though a decline in oil prices, driven by higher oil supply, should support global demand given a higher propensity to spend in oil importers relative to oil exporters, in current circumstances several factors have dampened the positive impact of lower oil prices. First and foremost, financial strains in many oil exporters reduce their ability to smooth the shock, entailing a sizable reduction in their domestic demand. The oil price decline has had a notable impact on investment in oil and gas extraction, also subtracting from global aggregate demand. Finally, the pickup in consumption in oil importers has so far been somewhat weaker than evidence from past episodes of oil price declines would have suggested, possibly reflecting continued deleveraging in some of these economies. Limited pass-through of price declines to consumers may also have been a factor in several emerging market and developing economies.



Monetary easing in the euro area and Japan is proceeding broadly as previously envisaged, while in December 2015 the U.S. Federal Reserve lifted the federal funds rate from the zero lower bound. Overall, financial conditions within advanced economies remain very accommodative. Prospects of a gradual increase in policy interest rates in the United States as well as bouts of financial volatility amid concerns about emerging market growth prospects have contributed to tighter external financial conditions, declining capital flows, and further currency depreciations in many emerging market economies.

Headline inflation has broadly moved sideways in most countries, but with renewed declines in commodity prices and weakness in global manufacturing weighing on traded goods' prices it is likely to soften again. Core inflation rates remain well below inflation objectives in advanced economies. Mixed inflation developments in emerging market economies reflect the conflicting implications of weak domestic demand and lower commodity prices versus marked currency depreciations over the past year.

### **The Updated Forecast**

Global growth is projected at 3.4 percent in 2016 and 3.6 percent in 2017.

Growth in advanced economies is projected to rise by 0.2 percentage points in 2016 to 2.1 percent, and hold steady in 2017. Overall activity remains resilient in the United States, supported by still-easy financial conditions and strengthening housing and labour markets, but with dollar strength weighing on manufacturing activity and lower oil prices curtailing investment in mining structures and equipment. In the euro area, stronger private consumption supported by lower oil prices and easy financial conditions is outweighing a weakening in net exports. Growth in Japan is also expected to firm in 2016, on the back of fiscal support, lower oil prices, accommodative financial conditions, and rising incomes.

### **Emerging Market and Developing Economies**

Growth in emerging market and developing economies is projected to increase from 4 percent in 2015—the lowest since the 2008–09 financial crisis—to 4.3 and 4.7 percent in 2016 and 2017, respectively.

- Growth in China is expected to slow to 6.3 percent in 2016 and 6.0 percent in 2017, primarily reflecting weaker investment growth as the economy continues to rebalance. India and the rest of emerging Asia are generally projected to continue growing at a robust pace, although with some countries facing strong headwinds from China's economic rebalancing and global manufacturing weakness.
- Aggregate GDP in Latin America and the Caribbean is now projected to contract in 2016 as well, albeit at a smaller rate than in 2015, despite positive growth in most countries in the region. This reflects the recession in Brazil and other countries in economic distress.
- Higher growth is projected for the Middle East, but lower oil prices, and in some cases geopolitical tensions and domestic strife, continue to weigh on the outlook.



- Emerging Europe is projected to continue growing at a broadly steady pace, albeit with some slowing in 2016. Russia, which continues to adjust to low oil prices and Western sanctions, is expected to remain in recession in 2016. Other economies of the Commonwealth of Independent States are caught in the slipstream of Russia's recession and geopolitical tensions, and in some cases affected by domestic structural weaknesses and low oil prices; they are projected to expand only modestly in 2016 but gather speed in 2017.
- Most countries in sub-Saharan Africa will see a gradual pickup in growth, but with lower commodity prices, to rates that are lower than those seen over the past decade. This mainly reflects the continued adjustment to lower commodity prices and higher borrowing costs, which are weighing heavily on some of the region's largest economies (Angola, Nigeria, and South Africa) as well as a number of smaller commodity exporters.

### Forecast Revisions

Overall, forecasts for global growth have been revised downward by 0.2 percentage point for both 2016 and 2017. These revisions reflect to a substantial degree, but not exclusively, a weaker pickup in emerging economies than was forecast in October. In terms of the country composition, the revisions are largely accounted for by Brazil, where the recession caused by political uncertainty amid continued fallout from the Petrobras investigation is proving to be deeper and more protracted than previously expected; the Middle East, where prospects are hurt by lower oil prices; and the United States, where growth momentum is now expected to hold steady rather than gather further steam. Prospects for global trade growth have also been marked down by more than ½ percentage point for 2016 and 2017, reflecting developments in China as well as distressed economies.

WTO economists have lowered their forecast for world trade growth in 2015 to 2.8%, from the 3.3% forecast made in April, and reduced their estimate for 2016 to 3.9% from 4.0%.

- ❖ The **World Merchandise trade volume is expected to rise 2.8% in 2015**, down from the previous estimate of 3.3% as slowing import demand in China, Brazil and other emerging economies reduces exports of trading partners.
- ❖ **Trade growth in 2016 is expected to pick up to 3.9%**, down slightly from the last estimate of 4.0%, and still below the average for the last 20 years (1995-2015) of 5%.
- ❖ **Risks to the forecast are firmly on the downside**, the most prominent being a further slowing of economic activity in developing economies and financial instability stemming from eventual interest rate rises in the United States.
- ❖ **Asia export and import growth for 2015 has been revised down** as slower growth in Chinese imports has reduced intra-regional trade.
- ❖ **South American imports have also been revised down sharply** but the region's export volume growth should remain positive in 2015 and 2016.



These revisions reflect a number of factors that weighed on the global economy in the first half of 2015, including falling import demand in China, Brazil and other emerging economies, falling prices for oil and other primary commodities; and significant exchange rate fluctuations.

Volatility in financial markets, uncertainty over the changing stance of monetary policy in the United States and mixed recent economic data have clouded the outlook for the world economy and trade in the second half of the year and beyond.

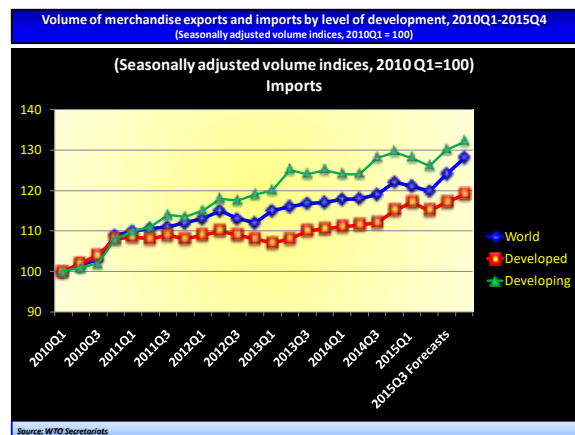
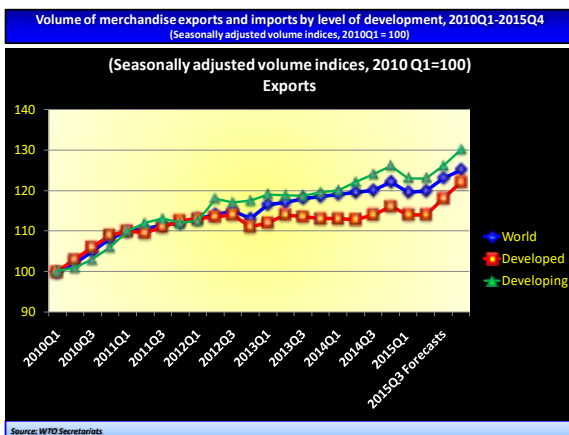
If current projections are realized, 2015 will mark the fourth consecutive year in which annual trade growth has fallen below 3 per cent and the fourth year where trade has grown at roughly the same rate as world GDP, rather than twice as fast, as was the case in the 1990s and early 2000s.

Global output is still expanding at a moderate pace but risks to the world economy are increasingly on the downside. These include a sharper-than-expected slowdown in emerging and developing economies, the possibility of destabilizing financial flows from an eventual interest rate rise by the US Federal Reserve, and unanticipated costs associated with the migration crisis in Europe.

At the time of our last forecast in April 2015, world trade and output appeared to be strengthening based on available data through 2014Q4. However, results for the first of 2015 were below expectations as quarterly growth turned negative, averaging -0.7% in Q1 and Q2. Recent trade developments are in graphs below, which shows seasonally-adjusted, quarterly merchandise trade indices in volume terms (i.e. adjusted to account for fluctuations in prices and exchange rates) by level of development. Despite the quarterly declines in the first half of 2015, year-on-year growth in trade for the year to date remains positive at 2.3%.

**Merchandise exports and imports by level of development, 2010Q1-2015Q4**

(Seasonally adjusted volume indices, 2010Q1=100)



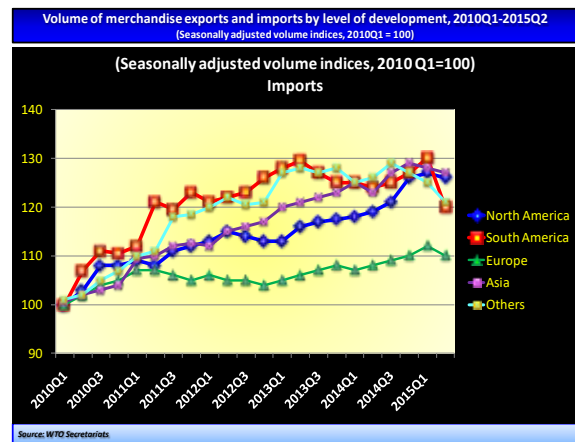
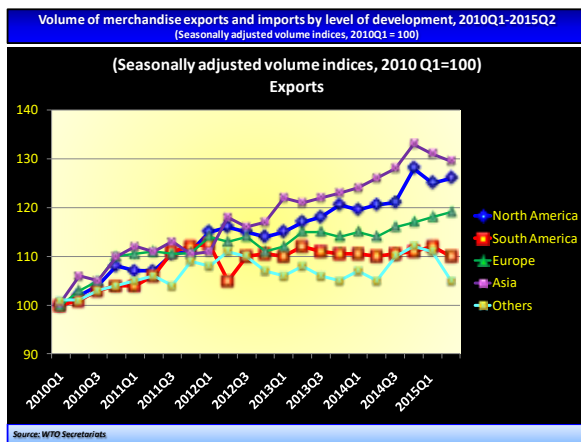
Quarterly export growth of developed economies was essentially flat in the first two quarters of 2015 (-0.2% on average in Q1 and Q2), but those of developing countries were more negative (-1.9%). The drop in exports was driven by weaker developing countries' imports (-2.2%) and stagnation in developed countries' imports (+0.1%).



Trade growth remains uneven across countries and regions as illustrated by the Chart below, which shows WTO merchandise trade volume indices by geographical region. After a long period of stagnation, Europe recorded the fastest year-on-year export growth of any region in Q2 at 2.7%, followed by North America (2.1%), Asia (0.6%), South and Central America (0.4%) and Other Regions (-1.0%, including Africa, the Commonwealth of Independent States and the Middle East). Disparities between regional growth rates was stronger on the import side than on the export side, with positive growth of 6.5% in North America, 3.1% in Asia and 1.6% in Europe, and declines of 2.3% in South and Central America and 3.1% in Other Regions.

### Volume of Merchandise exports and imports by region, 2010Q1-2015Q2

(Seasonally adjusted volume indices, 2010Q1=100)



The Table below shows revised trade projections for 2015 and 2016, which depend on consensus estimates of world real GDP growth at market exchange rates. The WTO now expects world merchandise trade volume as measured by the average of exports and imports to grow 2.8% in 2015 and 3.9% in 2016. On the export side, shipments from developed economies should rise 3.0% this year and 3.9% next year. Developing economies' exports are expected to grow more slowly at 2.4% in 2015 and 3.8% in 2016. Imports of developed economies should increase at around the same rate in 2015 (3.1%) and in 2016 (3.2%), while those of developing economies pick up from 2.5% this year to 5.2% next year.

The strongest downward revision to the previous export forecast for 2015 was applied to Asia, where our estimate was lowered to 3.1% from 5.0% in April. This is mostly due to falling intra-regional trade as China's economy has slowed. The downward revision to Asia on the import side was even stronger, from 5.1% to 2.6%, partly due to lower Chinese imports which were down 2.2% year-on-year in Q2 (non-seasonally adjusted data). The product composition of China's merchandise imports suggests that some of the slowdown may be related to the country's ongoing transition from investment to consumption led growth. Large year-on-year drops in quantities of imported machinery (-9%) and metals (iron and steel -10%, copper -6%) were recorded in customs statistics for August, while strong increases were recorded for agricultural products including cereal grains (+130%) and oilseeds (+33%).

### Merchandise Trade Volume and real GDP, 2011-2016

Annual % Change





Merchandise trade volume and real GDP, 2011 – 2016a						
Annual % change						
	2011	2012	2013	2014	2015P	2016P
<b>Volume of world merchandise trade</b>	5.3	2.2	2.5	2.5	2.8	3.9
<b>Exports</b>						
Developed economies	5.1	1.1	2.2	2.0	3.0	3.9
Developing economies	5.9	3.7	3.8	3.1	2.4	3.8
North America	6.6	4.4	2.7	4.2	4.4	3.9
South and Central America	6.4	0.9	1.9	-1.3	0.5	3.1
Europe	5.5	0.8	2.4	1.6	2.8	3.7
Asia	6.4	2.7	5.0	4.7	3.1	5.4
Other regions <sup>b</sup>	2.3	3.9	0.7	-0.4	0.5	0.5
<b>Imports</b>						
Developed economies	3.4	0.0	-0.1	2.9	3.1	3.2
Developing economies	7.7	4.9	5.2	1.8	2.5	5.2
North America	4.3	3.2	1.2	4.6	6.4	5.2
South and Central America	12.1	2.3	3.4	-2.4	-5.6	5.7
Europe	3.2	-1.8	-0.2	2.3	3.2	3.4
Asia	6.5	3.7	4.7	3.4	2.6	4.3
Other regions <sup>b</sup>	7.8	9.9	4.1	-1.4	-1.5	0.5
<b>Real GDP market exchange rates (2005)</b>	2.8	2.3	2.3	2.5	2.5	2.8
Developed economies	1.5	1.1	1.3	1.6	1.9	2.1
Developing economies	5.9	4.6	4.5	4.2	3.5	4.2
North America	1.9	2.4	2.1	2.4	2.5	2.7
South and Central America	5.1	2.8	3.3	1.0	-1.1	0.4
Europe	2.0	-0.2	0.4	1.3	1.8	1.9
Asia	4.2	4.4	4.5	4.0	4.0	4.2
Other regions <sup>b</sup>	4.1	3.7	2.6	2.6	1.4	2.9

a Figures for 2015 and 2016 are projections  
b Other regions comprise the Africa, Commonwealth of Independent States and Middle East  
Source: WTO Secretariat for trade, consensus estimates for GDP

Another noteworthy revision relates to the import forecast for South and Central America in 2015, which was lowered to -5.6% from -0.5% in April. Much of this reduction can be attributed to adverse economic developments in Brazil, which has been simultaneously hit by a fiscal crisis, a financial scandal involving the country's largest company, and falling export prices. Brazil's merchandise imports in Q2 were down 13% year-on-year compared to the same period in 2014. A rebound in imports of South and Central America is expected in 2016 as Brazil's GDP growth stabilizes and its imports start to recover. Other countries in the region should also see imports accelerate as their economies pick up next year. The size of the rebound in 2016 is also partly explained by the fact that future growth will be proceeding from a lower base following the steep decline in 2015.

If the slowdown in emerging markets worsens the revised forecasts in the Table above could still prove to be overly optimistic. In particular, a slower rebound from recent declines in developing economies' imports could shave half a percentage point off of global trade growth in 2015.

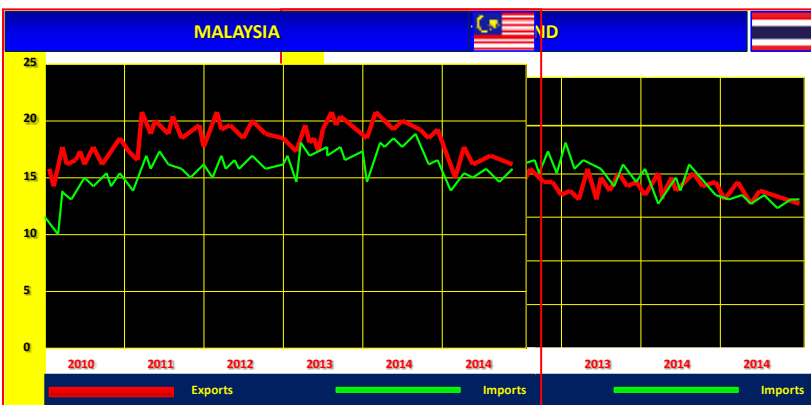
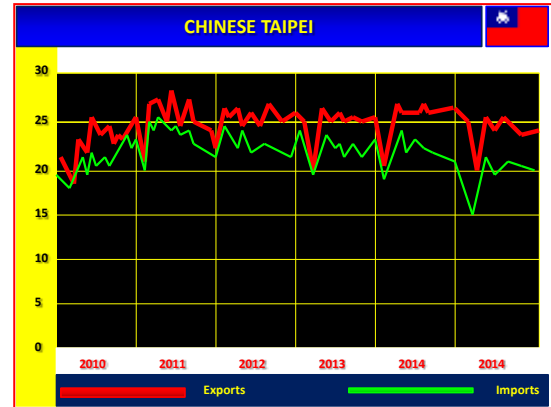
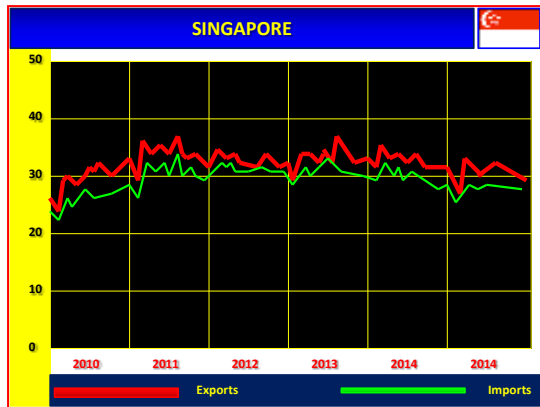
Finally, nominal merchandise trade statistics sometimes provide a better indication of current trade trends than statistics in volume terms since the former are generally timelier. However, trade statistics in dollar terms are highly sensitive to fluctuations in prices and exchange rates and should be interpreted with caution.

Trade values in dollar terms have declined in most countries since last year and were down roughly 12% year-on-year in July at the world level. This is partly the result of a strong general appreciation of the US dollar over this period (+15% in nominal effective terms against major currencies according to the Bank for International Settlements). There may be generally an inverse relationship between world trade values in current dollar terms and the value of the US currency.



Merchandise exports and imports of selected economies, January 2010-August 2015

(Billion dollars)



Sources: IMF International Financial Statistics, Global Trade Information Services GTA database, national statistics

### 1.1 Container Trade Growth

#### Container Trade Growth

#### Economic Assumptions

Growth in container trade is ultimately driven by economic growth. An underlying assumption of this study is that, for next decade at least, the structural relationships between growth in container trade and economic growth will remain basically unchanged.



The starting point for this analysis was therefore based on expectations of future economic growth.

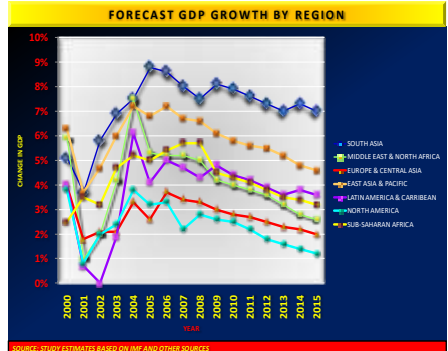
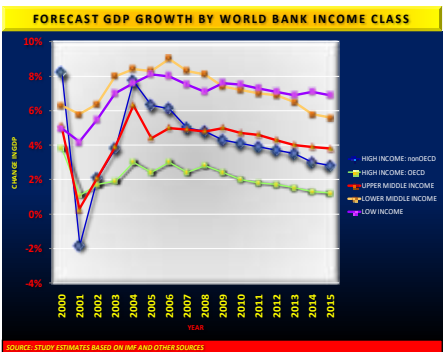
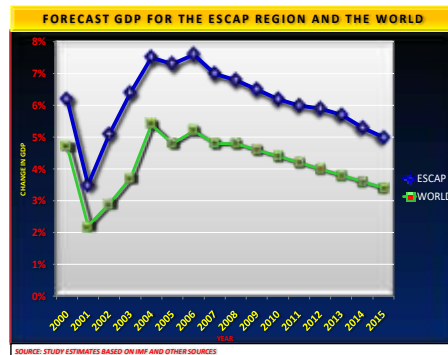
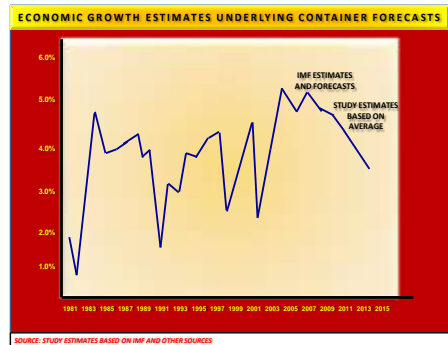
For its underlying economic assumptions, this study has relied as far as possible on the economic projections of the IMF. The IMF projections estimate major economies, however only extend through to 2010, whereas this study period runs to 2015. For some countries, it was possible to obtain longer term economic growth estimates from national sources. Where this was possible, these estimates have been accepted as authoritative. Otherwise, in extending the projections for this study's forecast period, the average growth rate for IMF projections over the 2006-2010 period was applied for the remainder.

The resulting economic growth estimates are shown in **Figure 3-1**. They embody a view of future economic growth that is reasonably optimistic: that the average growth rate in the short term is similar to that of the recent past if the economic downturn of the early 2000's is omitted, and in the medium term it approximates the long-term cumulative average growth rate for the world economy over the last 30 years.

The time horizon for these forecasts is medium term, eight years from now; it is impossible to predict timing of the economic cycles that will inevitably occur within this period. The economic growth assumptions that underpins this study may therefore be interpreted as hypothesizing that growth will continue along a path similar to that of the recent past. Although there may be both good and bad years within the forecast period, the assumption is made that there will not be a major, prolonged economic slowdown on the scale of that of the early 1990s.

GDP growth in the ESCAP region, within the forecast period, remains steadily above that of the world GDP growth rate. As shown in **Figure 3-2**, the expected GDP growth rate for the ESCAP region moves in line with that of the rest of the world with only minor convergence towards the end of the forecast period.

Growth rates amongst the OECD, high income, economies expected to be relatively low, while developing countries in Asia continue to grow strongly, as shown in **Figure 3-3**. While the largest growth is expected in the lower to middle income countries, as classified by the World Bank, growth in the high income non-OECD countries are expected to moderate after a period of particularly high growth observed between 2003 and 2007.





Growth estimates based on World Bank defined regions, as shown in **Figure 3-4**, show a similar trend to those based on income. Greatest growth is expected in South Asia as well as the developing nations of East Asia and the Pacific.

The forecast average annual GDP growth rates for each MPPM modelling region over the 2005-2015 period are presented in **Figure 3-5**. It can be seen from the **Figure** that the highest level of growth is in the developing Asia nations, the Commonwealth of Independent States Central Africa, and Eastern South America. Lowest growth is expected in the more developed countries.

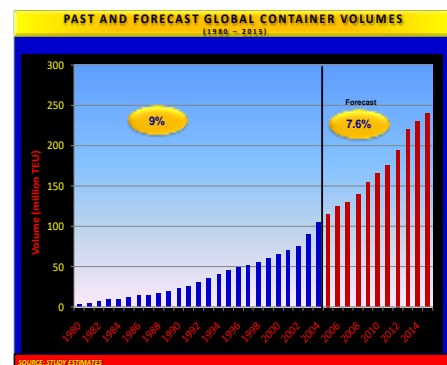


**Global container forecasts**

The next step of the forecasting process is the conversion of economic growth rates to projected full container volumes. Imports and export volumes were estimated from independent equations for individual countries.

**Figure 3-6** shows the global container forecasts that resulted from this process. The volumes shown in the **Figure** are full origin-destination containers only: that is, empty containers are not included, and each container is counted only once during its entire journey, regardless of how many times it may be handled.

The total number of full containers shipped internationally is expected to grow to 235.7 million TEU by 2015, up from 113.6 million TEU in 2005 (the base year for the cargo forecasts). The compound growth rate during the period 2005-2015 is 7.6 per cent per annum, decreasing from 9.0 per cent per annum in the period 1980 to 2005.



Comparison of model forecasts with those provided by private consulting firms suggest that these global level estimates lie within the range of expert opinions, but slightly towards the more conservative end of that range.

**Estimated and Forecast Growth Rates for Full Container Trade (1980-2015)**

Past and predicted future global container volumes are summarised in **Table 3-1**. The **Table** shows that growth over the 2000-2005 periods had been unexpectedly strong. (For consistency with the early years, the value shown in the **Table** for the 2005 base year for both Drewry Shipping Consultants – the source of the estimates for 1980 through to 2000 – and the MPPM database, which is used as the base **Figure** for global container flow forecasts).

ESTIMATED AND FORECAST GROWTH RATES FOR FULL CONTAINER TRADE (1980-2015)		
Year	Container volumes (million TEU)	Compound average growth rate over period
1980	13.5	-
1990	28.7	7.8 per cent
2000	68.7	9.1 per cent
2005	116.6*/113.6	11.2 per cent
2015	235.7	7.6 per cent

Source: UNCTAD 2006, \*Drewry 2007 study estimates

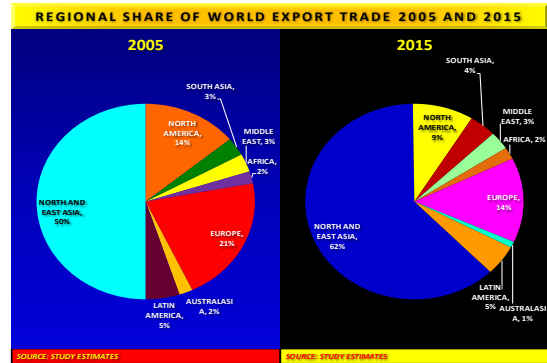
It should be noted that these forecasts depend critically on the assumptions that are made about future world economic growth. Analysis conducted during the course of the study



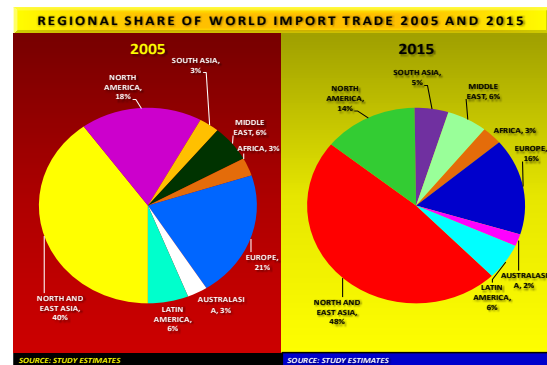
suggests that, for every 1 per cent per annum increase or decrease in estimated global economic growth, the rate of growth in container volumes will change by approximately 1.5 per cent per annum.

### Geographical distribution of container volumes

Figure 3-7 and Figure 3-8 show the estimated contribution made to total global full container flows by each major geographical region in the year 2005. Figure 3-7 shows that North and East Africa is the most significant driver of global container trade generating 50 per cent of world export trade, with Europe and North America contributing another 35 per cent. By 2015 the geographical distribution of export trade is expected to change with North and East Asia increasing its world export share by 12 percentage points, with a further increase of 1 percentage point to South Asia. On the other hand both of the two other largest markets, North America and Europe are expected to lose export market share by 5 and 7 percentage points respectively.



As shown in Figure 3-8, regional share of world imports shows a similar trend, with the majority of the market attributable to North and East Asia, and considerable market share to Europe and North America. It is expected in 2015, that East and North Asia will dominate import growth, increasing by 8 percentage points to 48 percent, while North America and Europe will drop to 14 and 16 per cent respectively of the world import market.



The volumes of imports and exports in 2005 and 2015 for each of the modelled regions are presented in Figure 3-9 and Figure 3-10. The resulting spatial representation of trade volumes shows the dramatic increase in China's trade; however, it also shows significant growth for Kazakhstan and India.



### ESCAP trade

Study estimates for the ESCAP region show an average annual increase of 9.5 per cent through to 2015, reaching 146.8 million TEU of trade. As a result, the share of ESCAP economies in world container exports, as shown in Figure 3-11, is expected to rise from 57 per cent to 68 percent by 2015, mainly as a result of the increase expected in East Asia. Similarly, world market share of imports for ESCAP nations is expected to increase from 47 per cent in 2005 to 56 per cent in 2015.



Within the ESCAP region, the balance of exports and imports is expected to change. As shown in **Figure 3-12**, exports are dominated by East Asia accounting for 58 per cent of the ESCAP market. This is expected to increase by 11 per cent in 2015 to 69 per cent, with corresponding reduction in the share South-East Asia and North Asia in the ESCAP market. Imports are expected to show a similar trend, with East Asia increasing its market share of ESCAP imports to 55 per cent, with South-East Asia and North Asia losing 3 per cent and 6 per cent respectively.



Within the ESCAP region, the highest concentration of 2005 trade activity is in China, with high trade volume also seen in Japan and the Republic of Korea. Study estimates show significant trade growth in South Asia, with Pakistan increasing at 14.6 per cent and India at 12.2 per cent to reach 12.7 million TEU of import and export trade in 2015. In the eastern areas of Asia, China and Viet Nam are estimated to grow at 13.5 per cent and 13.2 per cent respectively, with China reaching 155.3 million TEU in 2015. However, trade growth for Taiwan Province of China and Japan is expected to be low, at less than 4 per cent per annum.

Trade growth is expected to be modest for ESCAP nations in the Australasia and the Pacific region, growing at less than the world average, with Fiji and Papua New Guinea registering growth of only 3.0 per cent per annum.

## 2. THE LOCAL CONTEXT

### 2.1 Economy

Mauritius is one of the most remarkable and successful economy with the highest per capita income in Africa. This success was not achieved overnight. The economy had to shift from different economic models during the past decades. Indeed, after having benefitted from guaranteed and preferential markets for both sugar and textile, the Mauritian economy showed its tremendous resilience to develop and adjust to a new economic model with new sectors and markets such as tourism, real estate, ICT, BPO and financial services. Furthermore, the economy sustained a growth rate of above 5% during the period 2006 to 2008, whilst the world was facing one of its biggest historical economic crises. However, the impact of the global crisis and euro crisis touched the Mauritian economy in 2009 which triggered several policy measures such as the





stimulus package and major restructuring of tax and incentive systems. The global crisis has reduced the volumes of trade and services, the inflows of FDI and the tourism receipts. The latter has in turn slowed down the growth of the Mauritian economy.

The Economy grew at an accelerated rate of 4.3% in 2010 compared to the growth rate of 3.1% in 2009. The main drivers of the economy were mainly from the tertiary sector such as tourism, real estate, financial services and trade. Indeed, the tourism sector, characterised by hotels and restaurants, increased by 6% in 2010 after a sharp decline of 5.9% in 2009.

Tourism receipts amounting to nearly Rs 40 billion were generated by the 934,827 tourists who visited the island in 2010. The real estate sector improved slightly from the 6.1% growth rate achieved in 2009 to reach 6.5% in 2010. Trade services, comprising wholesale and retail trade, contributed significantly to the economy with a growth rate of 4.1%. Growths generated by insurance companies and banks helped the financial services sector to grow by 4.3% in 2010 compared to 3.8% in 2009.

On the other hand, investment rate fell by less than 1% in 2010 after an impressive growth rate of 8.9% in 2009. The average inflation rate was low at 2.9%, although it accelerated to 6.1% at end-year. Unemployment increased marginally to 7.5%, reflecting slower growth in labour-intensive industries. Imports of goods and services picked up to reach Rs 191 billion representing growth rate of 7.1% after a decline of 9.1%. On the other hand, exports of goods and services grew by 16.3% in 2010 to reach Rs 157 billion after a decline of 3.5% in 2009.

At the national level, the UN forecast a slightly lower GDP growth rate of 4.2% for 2011 (as compared to 4.3% in 2010). This figure is higher than the 3.1% world average forecast.

Mauritius is ranked 33<sup>rd</sup> among 155 countries in terms of international shipment score, according to the Logistics Performance Index (LPI). It indicates that the local port logistics and infrastructure is rated among the best in the region.

Based on the global and local economic outlook, the world economy will take some time to come back to its pre-global crisis level. This will allow **MPA** to make the necessary investment to reinforce its logistics and infrastructure and also implement firm strategies to prepare itself for the future.

The Mauritian economy remained in a transitory phase during 2014 with a GDP growth rate of 3.5 percent, a slight improvement from its 2013 rate of 3.2 percent. While the performance is decent given the circumstances, it is still below our already low potential, which the Mauritius Chamber of Commerce and Industry (MCCI) estimated at 3.7 percent.

The relatively low actual and potential growth rates are largely reflective of a continuing fall in investment, with the investment rate falling below the 20 percent level and a continuous fall in investment in the last five years, with the exception of a pallid growth of 1.4 percent in 2011. The share of private sector investment relative to GDP decreased to 15 percent during the year as a result of a drought in large-scale projects. Public sector investment has meanwhile been unable to compensate for the fall in private investment. Despite growing by 3.1 percent in 2014, it remained at 5.0 percent of GDP. Other indicators fared comparatively better, albeit falling short of our capabilities. Final consumption expenditure experienced a growth of 3.0 percent in 2014 as compared to 2.3 percent in 2013.



The overall growth is principally the result of a significant growth of 4.6 percent in general Government expenditure rather than households spending, which increased by 2.7 percent only. The latter is reflective of the situation of weak consumer confidence and, more importantly, limited purchasing power on the part of income earners. Meanwhile, Gross Domestic Saving as a percentage of GDP fell again, reaching 11.6 percent.

This raises several concerns for the economy, in particular concerning its future productive capacity. Net exports of goods and services, though still negative, experienced an improvement, compared to 2013. The level of business confidence has remained low, with successive falls for the first three quarters being partially offset by a rise in the last quarter.

At 82.5 points by the end of 2014, the MCCI Business Confidence Indicator remains below its long-term average, and bears testimony to prevailing sentiment of uncertainty of entrepreneurs in the economy.

### Doing business 2015

Mauritius		Sub-Saharan Africa		GNI per Capita (US\$) 9,300	
<b>Ease of doing business rank (1-189)</b>	<b>28</b>	<b>Overall distance to frontier (DTF) score (0-100)</b>	<b>74.81</b>	<b>Population (m)</b>	<b>1.3</b>
<b>Starting a business (rank)</b>	<b>29</b>	<b>Registering property</b>	<b>98</b>	<b>Trading across borders (rank)</b>	<b>17</b>
<b>DTF score for starting a business (0-100)</b>	<b>92.47</b>	<b>DTF score for registering property (0-100)</b>	<b>66.00</b>	<b>DTF score for trading across borders (0-100)</b>	<b>87.74</b>
Procedures (number)	5	Procedures (number)	4	Documents to export (number)	4
Time (days)	6	Time (days)	14	Time to export (days)	10
Cost (% of income per capita)	2.1	Cost (% of property value)	106.6	Cost to export (US\$ per container)	675
Minimum capital (% of income per capita)	0.0			Document to import (number)	5
		<b>Getting credit (rank)</b>	<b>36</b>	Time to import (days)	9
<b>Dealing with construction permits (rank)</b>	<b>117</b>	<b>DTF score for getting credit (0-100)</b>	<b>65.00</b>	Cost to import (US\$ per container)	710
<b>DTF score for dealing with construction permits(0-100)</b>	<b>67.17</b>	Strength of legal rights index (0-12)	6		
Procedures (number)	13	Depth of credit information index (0-8)	7	<b>Enforcing contract (rank)</b>	<b>44</b>
Time (days)	245	Credit bureau coverage (% of adults)	0.0	<b>DTF score for enforcing contracts (0-100)</b>	<b>66.22</b>
Cost (% of warehouse value)	0.7	Credit registry coverage (% of adults)	71.9	Procedures (number)	34
				Time (days)	519
<b>Getting electricity</b>	<b>41</b>	<b>Protecting minority investors (rank)</b>	<b>28</b>	Cost (% of claim)	25.0
<b>DTF score for getting electricity (0-100)</b>	<b>83.74</b>	<b>DTF score for protecting minority investors (0-100)</b>	<b>65.00</b>		





Procedures (number)	4	Extent of conflict of interest regulation index (0-10)	7.3	<b>Resolving insolvency (rank)</b>	<b>43</b>
Time (days)	84	Extent of shareholder governance index (0-10)	5.7	<b>DTF score for resolving insolvency (0-100)</b>	<b>62.81</b>
Cost (% of income per capita)	277.0	Strength of minority investor protection index (0-10)	6.5	Time (years)	1.7
		<b>Paying taxes (rank)</b>	<b>13</b>	Cost (% of estate)	15
		<b>DTF score for paying taxes (0-100)</b>	<b>91.92</b>	Recovery rate (cents of the dollar)	67.4
		Payments (number per year)	8	Strength of insolvency framework index (0-16)	8.5
		Time (hours)	152		
		Total tax rate (% of profit)	24.5		

The economy of Mauritius has continued to oscillate around an anaemic 3 per cent growth rate for the last decade. Such a low growth rate cannot generate enough employment and improvement in living standards. At this subpar rate Mauritius will soon be overtaken by other countries. In 2014, the unemployment rate stood at 7.8 per cent, with a high concentration of jobless among the youths and women. In the later part of the 1980s, it took a growth rate of around 6.5 per cent to achieve full employment.

The recent declining trend in the petroleum prices has helped to keep inflation subdued. However, our external trade and current account deficits remain in a precarious state. We ended the year 2014 with a huge trade deficit of Rs 76.8 billion, representing 19.9 per cent of GDP. And the current account showed a deficit of Rs 39.6 billion, representing 10.3 per cent of GDP. Deficits of such magnitude on our external accounts cannot be sustained as they will undermine macroeconomic fundamentals.

The budget deficit for 2014 was 3.2 per cent of GDP, with total revenue and grants amounting to Rs 79.7 billion and total expenditure of Rs 92.2 billion.

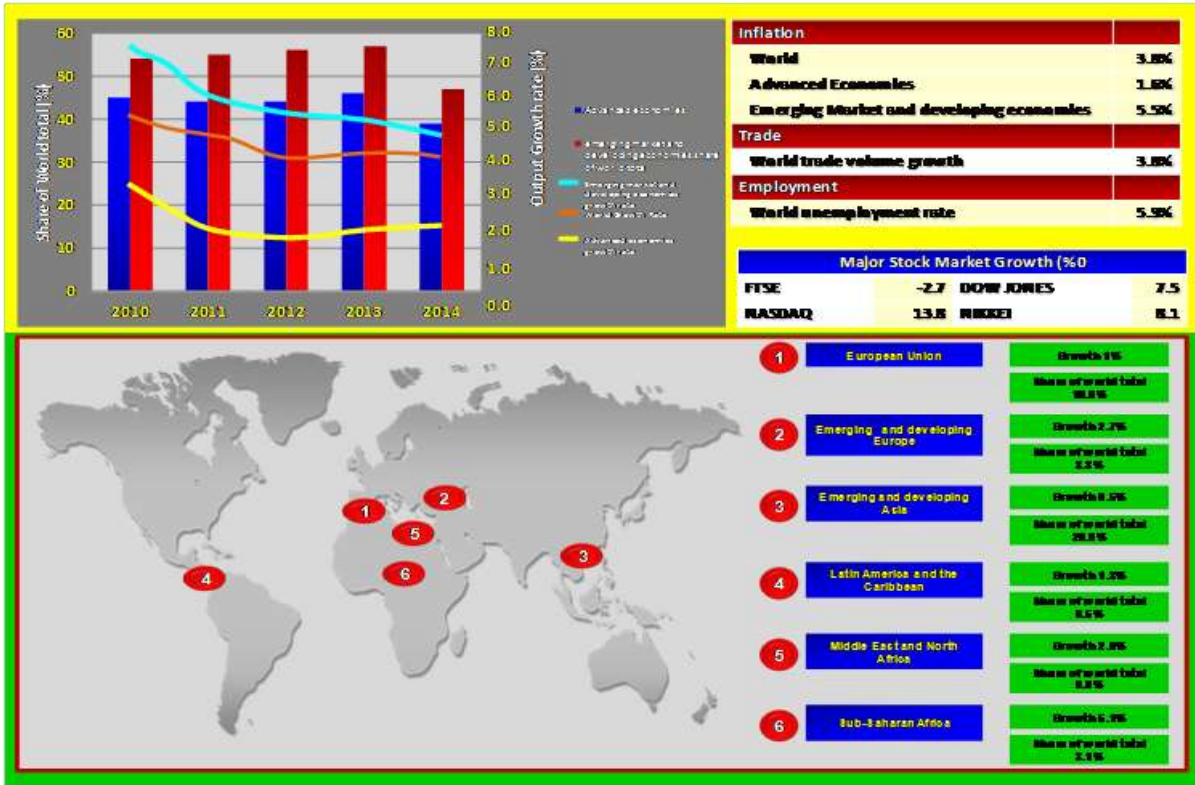
Public sector debt for the purpose of the statutory debt ceiling, increased to 54.2 per cent of GDP by end 2014. When measured using IMF definition, it has reached a level of 61 percent.

For 2015/2016, it is expected that GDP will grow to go up to 3.6 per cent and for 2016/2014 a growth rate of 5.7 per cent is targeted



### Forecast

### Economic Review – Some trends at a glance

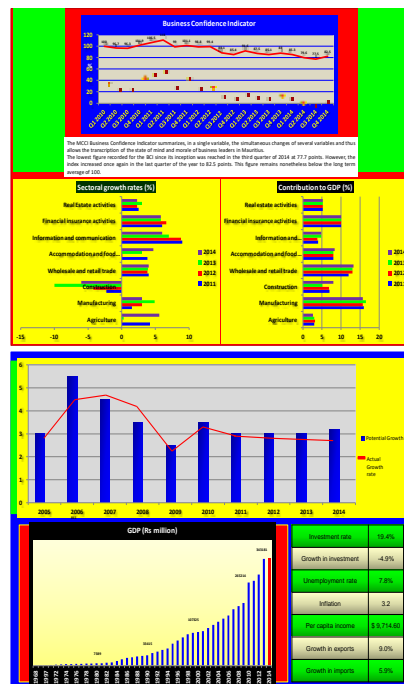


What the Mauritian economy has achieved over its 47 years of independence is indeed nothing short of a miracle.

Successively, sugarcane, manufacturing and EPZ, tourism, financial services and ICT have each written a decisive chapter in this success story.

While the growth rates have moderated during the last few years, the economy's performance still exceeds those of major advanced economies, with a resilient productive sector and a dynamic services sector.

The GDP today is over Rs 343 billion, a long way from the Rs 841 million of 1968 when we achieved independence.





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## 2.2 The Way Forward

Mauritius manages a maritime zone of 2.3 million km<sup>2</sup>. The potential for economic advancement and prosperity that this resource can generate, if developed in a sustainable way could take Mauritius to the next level – that of a high-income country, with a large geographic territory and the competencies, technologies and systems to manage this territory.

Already, the ocean territory contributes significantly to the wealth of Mauritius. The GDP share has been estimated at 10.8 percent in 2012, with a value addition of MUR 32.5 billion, of which over 90 per cent currently comes from three established sectors – coastal tourism and marine leisure, seaport-related activities and seafood-related activities where significant scope for future growth exists. In the coastal tourism cluster, business opportunities in the currently under-developed marine leisure activities could quadruple the segment's GDP contribution to MUR 5.2 billion by 2025. This would then bring its share to the tourism sector at par with global benchmarks. Seafood-related activities should also expand with a new player setting up in the fisheries sector and several aquaculture interests for the twenty identified sites around Mauritius and additional sites in Rodrigues. The Port Louis seaport, which currently brings in around 2 per cent of national GDP and has seen a noticeable 37 per cent increase in transshipment containers in 2012, would continue to witness a boost in container transshipment following infrastructure investments of some MUR 6 billion that are being engaged to upgrade port and cargo handling facilities until 2015. In addition, two emerging activities which are being encouraged in the port – cruise liners to choose Port Louis for home porting and develop the region as a cruise destination, and attracting petroleum storage and bunkering from Port Louis – would further increase value addition from this sector.

However, the real prosperity from the ocean is expected from new clusters. Among the economic activities identified as possible priority areas, the utilisation of pure, nutrient-rich and cold deep sea water to develop Deep Ocean Water Application (DOWA) projects will provide sea-water air conditioning to industrial and commercial users, reducing the dependence of Mauritius on fossil fuels, as well as create a plethora of downstream business activities for high-end aquaculture, seaweed and algal culture, cosmetics and pharmaceuticals, agrochemicals, water bottling and thalassotherapy, among others. In this respect, two firm interests for extracting this water was already being considered, one in the city and a second in the south of the island. In the same light, marine renewable energies can be in the long term considerably reducing our dependency on fossil fuels.

Another priority area is the mapping and stock-taking of our seabed for a better understanding of both the living organisms and the potential hydrocarbon and mineral resources in our waters. The discovery of hydrocarbons in our EEZ would be a potential game changer for our economy. The granitic nature of the Seychelles Islands and the discovery of a thick sedimentary sequence in the Seychelles plateau have attracted oil companies to prospect in the region. Recent geophysical surveys in the region of the Mascarene Plateau have revealed that the continental crust along the Mascarene plateau extend further southward to the Banks. Already, the discovery in 2009 of inactive hydrothermal fields by a joint Mauritian and Japanese expedition within our EEZ indicates the likelihood of mineral deposits. In fact, prospecting nations have recently requested and been allocated deep sea mining blocks by the International Seabed Authority in areas contiguous to the Mauritian EEZ.



The rich untapped living organisms in our EEZ can also bring high returns to our nascent marine biotechnology industry should we find new molecules that can be commercially exploited. Private firms are already operating in this space. With the required soft and hard infrastructure, institutional and legal framework, and the proposed development of an ocean genome, an increased emphasis on research and their commercialisation is expected.

These innovative projects lead the way to the creation of an ocean knowledge cluster in Mauritius to train local and international researchers and carry out applied ocean research by using the natural laboratory that is at our disposal. Some equipment and infrastructure are already available locally through several research institutions. An Ocean Centre of Excellence would harness these resources to position Mauritius not only on the regional scene but also for research requirements of Small Island Developing States.

The Ocean Economy can also open up new business opportunities for existing services sectors such as marine ICT and marine finance. For example, the existing local ICT capabilities could be extended to develop new applications for ecosystem and wave modelling tools, fish habitat monitoring and sustainable fisheries resource management systems, trade and maritime-transport related data, amongst others. Equally, marine finance would focus on delivery of nicher services such as ship management, yacht leasing, marine insurance and trading on carbon exchange platforms among others. Ship registration activities would also be significantly developed as part of the marine services sector, with a ripple effect on ship leasing, ship insurance, ship management and ship repairs. Significant job opportunities exist for trained technical resources for ship surveying and related activities as well as for seafarers.

Based on the above, seven clusters of activity have been identified as possible priority areas, namely Seabed Exploration for Hydrocarbon & Minerals; Fishing, Seafood Processing Aquaculture; Deep Ocean Water Applications (DOWA); Marine Services; Seaport-related Activities; Marine Renewable Energies and Ocean Knowledge.

In order to successfully capture these opportunities, it is essential that private and public institutions work together to ensure that the short, medium and long-term objectives for each cluster are met. The enablers such as regulatory and legal frameworks for sustainable development, international and regional cooperation, business development and promotions strategies, research and innovation, investment issues and incentives have been identified for each cluster and would need to be implemented in a coordinated and efficient manner, taking into account priorities and cost requirements.

It is, therefore, proposed to set up a National Public Private Taskforce which will coordinate the actions of all implementation agencies so that resources are judiciously deployed. The National Taskforce will be supported by advisory councils for each of the economic clusters, comprising public and private sector specialists and representatives of civil society. In fact, the National Taskforce will be set up as a matter of urgency in order to advise on the implementation plans and cost estimates for the identified building blocks, economic clusters and on the development of new activities. By mid-2014, half of the identified actions should be launched with the remaining actions staggered by quarter until the first quarter of 2015.

By the end of 2014, Mauritius should have a comprehensive legal and regulatory framework for the Ocean Economy. The Ocean Centre of Excellence would have been set up, with clearly defined research functions. The first Ocean Business Park should be under detailed design.



The skills development programme and the Ocean Economic Indicator would both have been launched and the implementation programme for each identified cluster would already have been put to action.

Conservative forecasts, excluding hydrocarbon or minerals projections, point towards the Ocean Economy's contribution increasing by 3 points to 14 per cent of GDP by 2015 and to 17 per cent by 2020. By 2015, some 21,000 jobs are expected in the sector, an increase of 3,000 from the current baseline. By 2020, this is expected to increase to 26,000. Cumulative private and public investments in the sector are also expected to increase considerably, by MUR 29 billion for the period ending 2015 with seaport and fisheries sector investments, and a further MUR 45 billion for 2016 to 2020 from projects in all seven identified clusters.

It is clear that the development of the Mauritian Ocean Economy is an investment in the future of generations to come. This development should be in accordance with fundamental principles of economic efficiency, equity, ecology, social partnership, safety and compliance with international instruments. Particularly, the core asset of the Mauritian Ocean Economy rests in the protection of its maritime health and the preservation of its biological diversity. In line with the Rio + 20 Declaration on the importance of the conservation and the sustainable use of the oceans and seas, the 2005 Mauritius Strategy for the further implementation of the Barbados Plan of Action and the Maurice Ile Durable Policy Strategy and Action Plan for sustainably developing the Ocean Economy, this Roadmap recommends adopting measurable goals to better monitor the sustainable development of our oceans through appropriate and recognised benchmarks. The sustainable development objectives should also be well understood and appropriated by civil society representatives on the National Taskforce and the advisory councils.

Sustainable development is often defined as meeting the needs of the present without compromising the ability of future generations to meet their own needs. It is the spirit in which this Roadmap has been drafted.

### Ocean Economy policy in an International Context

The development of ocean-related economic activities, whether in the waters, seabed and subsoil of the Ocean or onshore services or industries geared towards maritime activities, presents numerous opportunities and challenges since, for sustainability and compliance purposes, the sector should be developed within the parameters of international legal instruments which regulate the multitude of such activities. Besides, Mauritius considers its ocean ecosystem and marine biological diversity as a CORE national asset. Their exploration and development should therefore be pursued in a sustainable manner which is in line with the provisions of international ocean governance in order to prevent environmental, economic, social and cultural damage that would reduce options for future use and endanger the livelihoods of future generations.





Given our Small Island Developing State (SIDS) profile, the development of an Ocean Economy by Mauritius can be more effectively achieved through accrued, innovative and result-oriented cooperation and partnership with our bilateral as well as multilateral development partners.

Moreover, given the interconnectedness of oceanic issues, the international legal framework within the Ocean Economy has to be developed, and the need to keep ourselves informed of international developments and prospects relating to Oceans, the Government has appointed a Special Envoy on Ocean Matters.

In view thereof, a coherent and deliverable ocean-related diplomatic agenda will be developed to successfully address all regional and international dimensions, existing and emerging, of this Roadmap. This agenda will also provide for the active involvement of all our overseas missions in promoting the Ocean Economy.

### **The Principles underlying the development of the Ocean Economy**

The pursuit of our national endeavour to develop the Ocean Economy will be done in accordance with the following principles:

#### **1. Economic Efficiency**

Our ocean asset base must be developed in the most economically efficient way.

The Government will focus on its role as facilitator and will promote investment in the Ocean.

Economic both at home and abroad.

The private sector will have a key role in shaping the dynamics of the Ocean Economy.

#### **2. Equity Principles**

The benefits of the Ocean Economy must be for all and not just a few.

It must contribute to greater equity and social justice.

And it must contribute to the economic democratisation process.

#### **3. Ecological Principles**

The health of our Ocean Economy will depend on the health of the ocean.

The ocean ecosystem of Mauritius and its marine biological diversity are our core national assets that must be well managed to meet a broad range of economic and social aspirations for present and future generations.

The non-market benefits must be harnessed and protected as much as the market benefits.

#### **4. Social Partnership Principles**

The development of the Ocean Economy is not the sole responsibility of the Government.



The Government, the civil society, the private sector, development partners, national and international institutions will have to work together as social partners sharing the same vision.

## 5. Safety Principles

The use of the ocean is not without its challenges.

The safety and security of our people at sea will have to be safeguarded.

Our maritime zone and the sustainable ocean-related activities therein must also be secured.

## 6. Compliance with International Instruments

Adherence to international legal frameworks relating to the Law of the Sea, maritime transport, conservation and other ocean matters are key to the sustainable development of ocean activities.

In his speech for the launch of the Economic mission of the new Government, the Prime Minister identified 4 key focus areas that he will personally drive and monitor to ensure the economic well-being of Mauritius, in addition to a series of measures the Government has taken to redress the economy since they assumed office. These 4 key focus areas are:

1. Addressing unemployment;
2. Alleviating, if not eradicating, poverty;
3. Opening up Mauritius and new air access policies; and
4. Sustainable development and innovation.

The current Government plans to build on our existing economic set up and create new opportunities to ignite growth across all our economic sectors. The benefit of the ensuing economic buoyancy is expected to boil down to the people.

This requires both the consolidation of our existing sectors of activities as well as development of new economic avenues.

While a considerable extent of this strategy will be driven by the Government, there will also be a great reliance on the close collaboration of private sector operators in making the necessary investments.

The Government intends to review growth strategies for all the sectors of the economic activities of Mauritius to attract more investment.

The Government will also adapt new policies for Air Access.

The Economic Model the current Government have chosen for the development of Mauritius will be centred on a number of core areas to fundamentally transform the economy. These include:

### (1) A solid and sustainable manufacturing base

A revamped and dynamic manufacturing base with clearly identified focus on promoting high end, precision driven and technology enabled manufacturing in the country is deemed of critical importance for the development of Mauritius.



A sustainable manufacturing base is deemed very important for the economic progress of Mauritius. Manufacturing today accounts for about 18% of our economy and the aim is to increase its share significantly to 25% within the next three years. Some support mechanisms have been provided to attract more players in high precision engineering, food processing, pharmaceutical products, jewellery and watch making, light manufacturing and other Fast Moving Consumer Goods, amongst others.

## **(2) Development of an Ocean Economy**

The current Government intends to leverage on one of our largest asset base which is our Exclusive Maritime Economic Zone to develop our Ocean Industry. Extensive possibilities are envisaged in this field and this will impact heavily on our port, the **MPA** and the activities in Port Louis Harbour.

Our fishing industry is being given more importance. In this regards, the Government has already negotiated with major international fishing companies for the setting up of fishing companies and seafood processing facilities locally. They are also in discussion with fishing companies and port authorities for the development of fishing ports in the country to transform Mauritius into a major regional fishing centre.

It is deemed that Mauritius actually has the potential to develop as a major port for the region.

It is expected that, as our manufacturing industry grows through our market access to COMESA and SADC countries, our port will have to handle much higher cargo traffic.

In this context, the fact that Africa is fast catching the world's attention – in terms of both investments and trade, is very interesting for Mauritius as Mauritius has a natural geographic advantage by being an African country at the doorstep of the continent.

There is also the fact that about 30,000 ships are passing by Mauritius annually, out of which about 3000 call at Port Louis. The Government is actively working to attract a substantial number of these vessels for bunkering and other related services in order to transform Port Louis into a leading regional petroleum hub.

The Government plans to more than double the size of our port. Taking cognizance of the Port Master Plan, Port Louis will be developed as a modern port with state of the art facilities. This will also allow Mauritius to benefit from a number of multiplier benefits and help generate many more jobs. With a buoyant port will come the need for the whole range of support services including freight companies and logistic providers, just to mention but a few.

A number of projects are at various stages of implementation. The Government is discussing with leading port operators to reach agreements on how we can best take the port development plan ahead. Potential investors and collaborators from Dubai, China and Singapore have already shown serious interest in the sectors.

The Government concurs that if Port Louis is to become a major port in this part of the world, we inevitably need to be well connected with increased sea connectivity, especially with other Indian Ocean Islands and the Eastern and Southern African ports. In this context, the Government is discussing the need for forming a regional shipping company to serve the region in line with the Indian Ocean Commission's recommendations. With our integration in





the global economy, we will also need to improve our port performance and related services in line with international benchmarks.

The Government also intends to build on the good performance of the tourism sector of Mauritius during the last semester. The Government will give a special attention to the development of cruise traffic and cruise linked activities in Mauritius. The benefits that the Mauritian economy will reap from a fully dedicated cruise terminal are significant, especially to our tourism and port industries, with enormous multiplier effects.

### **(3) Development of our Services Sector**

The Services Sector in Mauritius will be revisited. With the aspirations that the Government has for our economy, it is now deemed crucial for Mauritius to embrace higher value added services and activities.

The Financial Services Industry will remain a key pillar to achieve the expected second economic miracle of the current Government. The creation of a new Ministry dedicated to Financial Services and Good Governance is seen as a strong signal to international investors, with a new strategic vision to develop Mauritius into a vibrant and sophisticated International Financial Services Centre of substance. The Financial Services Consultative Council has been reactivated and has since March 2015 addressed a number of burning issues, which had impeded the growth of this industry.

The Double Taxation Avoidance Treaty with South Africa has been ratified on 25 May 2015 to bring more clarity, substance and predictability to international investors using Mauritius as a hub to invest in Africa. Negotiations with India on the tax treaty will be finalised shortly, to provide certainty and substance to investors.

The National Stock Exchange of India and the Stock Exchange of Mauritius are entering into a partnership to list and trade International financial products in US dollars in Mauritius.

The Government expects its cooperation with other countries will unlock opportunities for capacity building, surveillance, enforcement and development of an 'African Index Listing' as well, as 'NIFTY' listings in Mauritius. Initiatives are underway with the Stock Exchanges of India, Johannesburg and Singapore.

Government intends to continue to pursue its expansion strategy of the capital markets to attract world class liquidity providers, international broker firms, and investment banks and fund managers to create sustainable employment in this sector.

### **(4) Development of the ICT Sector**

The Innovation, Technology and Communication sector is a key sector which is expected to graduate to the next level.

The Government intends to move towards the provision of high end activities like software and animation development, big data analytics, disaster recovery and cloud computing, amongst others.



There will be a focus on establishing a techno entrepreneurship culture in Mauritius.

It is intended that the SME sector receives all the attention it deserves from the Government to empower local entrepreneurs.

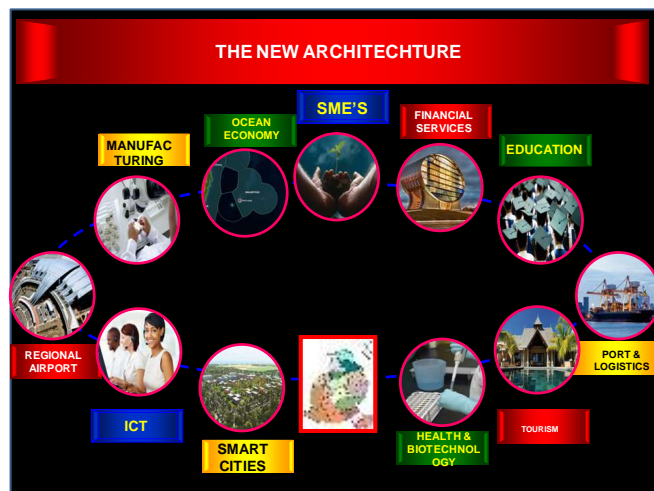
The aim of the Government is to embed the use of technology in the day to day life of every Mauritian. This would imply that government services, businesses, lifestyle as well as the physical infrastructures in Mauritius would be centred on digital infrastructure.

The Government will take initiatives so that Mauritius embarks on mega projects involving Smart Cities and new Cyber Cities that will include techno parks.

It is planned that these will be designed with 4 key focus objectives, namely ecological sustainability, economic competitiveness, digital connectivity, with an improved quality of life within the 'Live, Work and Play' concept.

Another sector of focus in which the Government sees a great future for Mauritius is the field of Life Sciences and Research and Development.

The Government will also focus on making Mauritius a regional hub for healthcare and medical services as well as a medical education centre of excellence for Africa. The Government intends to address all issues, including regulatory ones that are impeding the progress of these sectors and are very optimistic that Mauritius will be able to attract key, branded and global names.



It is expected that the higher education sector can indeed emerge as a strong pillar with robust growth.

Fashion, Entertainment and Cinema Industry in Mauritius will also be an area of focus for the Government.

The current Government also intends to make Mauritius to emerge as a truly competitive economic partner for Africa. Currently, more than 80 Mauritian companies have already invested across the continent. In a bid to further expand our economic space and ultimately our Gross National Product, the Government encourages Mauritian firms to expand their footprints across the continent, in order to generate more value for Mauritius.

The Government will put in place an Africa Strategy that it will adopt to make Mauritius become the regional platform for trade, investment and services.

For the effectiveness of our strategy, the Government will review our air access policy with regards to new hubs in Africa as well.

The possibility of setting up a regional airline company in Mauritius to connect Mauritius to mainland Africa is being explored.



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## 5. NATURE OF PORTS AND ROLE OF PORT INFRASTRUCTURE

### 5.1 The role of port infrastructure and logistics in global networks

Shipping and ports are essential components of the international trade and goods movement.

Ports are critical infrastructure of resources and serve a key role in the transport of freight and people. With more than 80% international trade by volume being carried by sea, ports are vital for seaborne trade and international commerce. Ports are the critical nodal interfaces where maritime transport connects with other modes of transport and where trading, distribution and logistics activities can take place. Efficient port operations significantly lower maritime and trade costs whereas delays in port impose costs on logistics and supply chains through the cost of warehousing and inventory. Ports also serve as economic catalysts for the markets and regions they serve, where the aggregation of port services and activities generates socio-economic wealth and benefits.

It has been estimated that around 90 per cent of the world's merchandize and commodity trade is transported by ship. This percentage of the world's merchandize and commodity trade that is transported by ship has remained fairly constant over the last century. The volumes have increased enormously in the last two decades. This rise in global shipping volumes resulted from the 'disintegration of production and the integration of world trade'. As international barriers to trade have effectively been lifted by the GATT/WTO-agreements since the 1980s, global manufacturers have vertically disintegrated their Fordist production systems into geographically dispersed and flexibly organised supply chain systems. The international trade regime allowed manufacturers to re-locate their production and assembly plants to more cost-efficient locations in developing economies, in turn generating a new spatial division of labour. Vertical disintegration allowed manufacturers to specialize and optimize by taking full advantage of ICT in the coordination of the disintegrated production chain, thus creating economies of scope through the reduction of inventory costs and by means of outsourcing those parts of the chain with the lowest profit margins. The geographical extension and dispersion of manufacturing have been conceptualized by development economists as the rise of Global Value Chains, by economic geographers as Global Production Networks and what transport economists would call Global Supply Chains. Regardless of the conceptualization, it can be stated that this generic process of economic globalisation has increased the demand for global transport services enormously.

The principles of logistics and supply chain management are built around just-in-time delivery, the reduction of inventory costs and an optimal coordination between the different suppliers of components in the final assembly and distribution to consumer markets. Flexibility and reliability are crucial. Logistics heavily relies upon ICT, but ultimately also upon actual physical transportation. An integral element of these supply chain systems is thus the actual physical or material transportation of goods carried out by ocean carriers and by land-based haulage of road and barge. While economies of scope are the state-of-play in global logistics and supply chain management, global transportation and port infrastructure is far-more driven by economies of scale.

In order to remain cost effective, ocean carriers have increased the size of their vessels. Current sizes are well beyond Panamax (the maximum size of a ship to pass through the



Panama Canal). The largest vessels are over 45 meters long and 18 meters deep with the capacity to carry over 10,000 TEUs (twenty-foot equivalent unit, the standard size of a container). The introduction of these giants has consequences for shipping routes.

The introduction of these giant vessels has consequences for seaport infrastructure. Not every port has the capacity to handle these giant ships in terms of navigable port channels and quay wall sizes. Port infrastructure is characterized by huge investments and large sunk costs, often reflecting investment decisions in the past and leading to sub-optimal locations in the present. Many ports are thus spatially and environmentally constrained to accommodate infrastructure upgrading and expansion.

Aside from these spatial and physical issues, ports are faced with organisational changes in the transport and logistics industry. Over the last decade the industry underwent a process of horizontal and vertical integration in order to reduce costs, optimise services and, above all, capture more value. Ocean carriers have been engaged in both takeovers and formalized cooperation in the form of alliances. In addition, some carriers have been setting up their own terminal divisions (such as Maersk's Line sister company APM Terminals) or arranged dedicated terminal agreements (often in joint venture) with terminal operators. Likewise, the terminal operating industry underwent a process of integration and globalisation. Since the late 1990s, local stevedoring (loading and unloading) services in major ports across the world have rapidly been taken over by a small group of multinationals, the so-called global terminal operators (GTO). These GTOs not only have 'deep pockets' to acquire the lease concessions to operate terminals and to make the necessary investments in cranes and straddle carriers, they also have the knowledge to manage large volumes of cargo and the latest technologies. As such they are able to increase the productivity of ports and the efficiency of the flows that move through them. The largest terminals operating companies are now Hutchison Port Holdings based in Hong Kong, PSA Corporation based in Singapore and DP World from Dubai. Together with APM Terminals these four companies now handle the majority of containers shipped across the globe. In contrast, the majority of land-based logistics service providers remain local or national in their operations.

### **Logistics Performance and Economic Development**

In the light of these structural changes, the importance of logistics and trade infrastructure should not be underestimated. Countries that have invested heavily in trade infrastructure, that have reformed port management and that have opened up the logistics services market to foreign investors have been able to capture the benefits of global trade. China is the most obvious example of how manufacturing growth and foreign direct investment went hand in hand with large scale transport infrastructure investments, and in doing so it followed the successful strategy of Singapore, Korea, Japan and Taiwan. More recently, major infrastructure investments are taking place, often in combination with liberalization and governance reforms, in countries such as Vietnam, Turkey, Indonesia and Brazil in order to facilitate their export-orientated growth.

Yet the upgrading of the logistics performance of a country should not be reduced to mere investment in physical infrastructure and application of ICT, but also to regulatory and procedural issues regarding global shipping and international trade and to the management of ports and related infrastructure. Since 2007 the World Bank has produced an annual Logistics Performance Index, an international benchmark which includes variables such as



the average time of a shipping container to be cleared by customs, the number of inspections and the quality of local logistics services such as brokerage. Not surprisingly, the countries that rank highest in this index are advanced economies, e.g. Germany, Netherlands, Sweden, Singapore and Japan. The countries that score lowest are mostly conflict affected (and often landlocked) countries in under-developed economies. However, the World Bank does observe differences between logistics under-performers when compared with the average income level of a country. Better logistics performance can create benefits in terms of trade expansion, economic diversification and the attraction of foreign direct investment. According to the World Bank, those countries with the best logistics performance experience 1 per cent growth in GDP and 2 per cent in trade as a result. Low income countries are of course disadvantaged due to the lack of financial means to invest in infrastructure and the lack of competence in regulatory procedures. However, less capital intensive policies (e.g. liberalized logistics services and port/terminal management; improved customs procedures) can make the difference.

Ports are the bedrock of the economic development of a country as they are the gateways for the country's trade. A port acts as a centre for exchange of culture, language and as a bridge among the nations in the world by facilitating economic cooperation. It also acts as a stimulant for solving food scarcity and assists in poverty eradication. It is a catalyst for growth and facilitates increase in foreign exchange earnings.

The port remains a pillar of the domestic and regional economies, providing critical connectivity to global markets for the manufacturing sectors, and bringing in a wide range of goods needed by the economy and the population.

The landlord port type turns out to be the dominant type at present. In such system, one of the few trump cards left to port authorities is their concession policy. Concessions are, in economic terms, a very efficient way of dealing with natural monopolies such as port infrastructures. The conceding entity needs, however, to introduce some rules in order to regulate the market properly and to introduce competition whenever possible. Port authorities can differentiate themselves through various concession characteristics: services covered, duration, ownership, price, payment terms, throughput, value added and investment requirements, award criteria, renegotiation terms, exclusiveness, etc.

At the same time, concessions are increasingly considered to be cost or revenue elements. From the terminal operator's side, they appear to be important selection criteria when deciding to locate a terminal at a certain location in a specific port. From the port's side, concessions are an increasing source of income, especially as further liberalization forces port authorities to be financially self-sustaining, and as other sources of income are under pressure.

As a matter of fact, concessions are commonly used in the port sector today, since they relieve governments of substantial operational risks and financial burdens and simultaneously allow governments to keep ultimate ownership of the port land and the responsibility for licensing port operations and construction activities. On this account, governments remain in a position where they can safeguard public interests.

### **Role of a Port Authority**

Ports usually have a governing body referred to as the port authority, port management, or port administration. Port authority is used widely to indicate any of these three terms.



The term port authority has been defined in various ways.

The United Nations Conference on Trade and Development (UNCTAD) Handbook for Port Planners in Developing Countries lists the statutory powers of a national port authority as follows (on the assumption that operational decisions will be taken locally):

- *Investment:* Power to approve proposals for port investments in amounts above a certain figure. The criterion for approval would be that the proposal was broadly in accordance with a national plan, which the authority would maintain.
- *Financial policy:* Power to set common financial objectives for ports (for examples, required return on investment defined on a common basis), with a common policy on what infrastructure will be funded centrally versus locally, and the government on loan applications.
- *Tariff policy:* Power to regulate rates and charges as required to protect the public interest.
- *Labour policy:* Power to set common recruitment standards, a common wage structure, and common qualifications for promotion; and the power to approve common labour union procedures.
- *Licensing:* When appropriate, power to establish principles for licensing of port employee or agents.
- *Information and research:* Power to collect, collate, analyze, and disseminate statistical information on port activity for general use, and to sponsor research into port matters as required.
- *Legal:* Power to act as legal advisor to local port authorities

Increasingly, central governments implement seaport policies through the allocation of resources rather than through the exercise of wide-ranging regulatory powers.

While central governments should pursue macroeconomic objectives through an active seaport policy, port authority objectives should be more narrowly focused on port finances and operations.

## Role of Government

In a market-oriented economic system, the government typically performs a variety of functions at a national level. With respect to coastline and port issues, the main tasks responsibilities of the government can be summarized as follows:

- *Policy making:* The ministry develops transport and port policies related to:
  - Planning and development of a basic maritime infrastructure, including coastline defences (shore protection), port entrances, lighthouses and aids to navigation, and navigable sea routers and canals.
  - Planning and development of existing and new port areas (location, function, or type of management).
  - Planning and development of Port hinterland connections (roads, railways, territorial waterways, and pipelines).



- *Legislation:* The ministry drafts and implements transport and port laws, national regulations and decrees. It is responsible for incorporating relevant elements of international convention.
- *International relations:* Specialized departments of the government represent the country in bilateral and multilateral port and shipping forums.
- *Financial and economic affairs:* A ministerial department is usually responsible for planning and financing national projects.
- *Auditing:* These functions should be performed independently from the affected line organization and are usually included in a staff office. The auditors should report directly to the minister.

## Port Functions

Within the port system, one or more organizations fill the following roles:

Landlord for private entities offering a variety of services.

- Regulator of economic activity and operations.
- Regulator of marine safety, security, and environmental control.
- Planning for future operations and capital investments.
- Operator of nautical services and facilities.
- Marketer and promoter of port services and economic development.
- Cargo handler and storer.
- Provider of ancillary activities.

Port authorities often have broad regulatory powers relating to both shipping and port operations. The authority is responsible for applying conventions, laws, rules and regulations. Generally, as a public organisation it is responsible for observance of conventions and laws regarding public safety and security, environment, navigation, and health care. Port authorities also issue port by laws, comprising many rules and regulations with respect to the behaviour of vessels in port, use of port areas, and other issues.

## 5.2 Competitive Ports and Ports Services

Within the globalised economy, the port and maritime industry is typically a highly competitive sector. This is due to the many different players, the large volumes for transportation, and the long distances to be covered because of the considerable spatial separation of production and consumption. The nature of this competitive playing field has, moreover, changed quite substantially in recent years. Whereas in the past shipping companies and ports primarily vied among each other, competition is now increasingly unfolding between entire logistics chains. The success of market players no longer depends entirely on their own competitive strength, but rather on that of the chain to which they belong.

It is within this new competitive context that there will be increasingly concerted efforts by those market players to tighten their grip on the maritime logistics chain, be it horizontally (e.g. through alliances between shipping companies or port authorities) or vertically (e.g. through



partial or complete takeovers of terminal operating companies (TOCs) by shipping companies).

In general, competition is good for society resulting in lower prices, more output and better services. However, in the presence of economies of scale and scope, production by a single firm will lead to lower average costs than production by many, smaller companies. This natural monopoly can result in an abuse of market power because the monopolist can generate additional profits by raising the price and reducing the output. To avoid this abuse of market power, a regulator can intervene by designing mechanisms which will prevent the monopolist to take advantage of his dominance.

Regulation makes sense in the case of market failure, when there is a natural monopoly, and when it can improve sector performance. This implies that the consumer surplus will go up, production will be more cost-efficient, the range of services offered will be wider, prices will reflect the equilibrium between supply and demand, quality will improve, the rate of innovation will go up, etc. As a consequence, it might become easier to attract capital to the sector and boost investments.

### **The Port Setting**

To understand the nature of competition in the port sector, it is necessary to start with a correct positioning of a port. This will help to delimit the different types of port activities and their relevant markets.

The new transportation service that is offered to customers in the port and maritime industry is referred to generically as the “maritime logistics chain”. As this name suggests, competition is no longer unfolding at the level of individual ports or ship-owners but rather at that of logistics chains connecting origins and destinations.

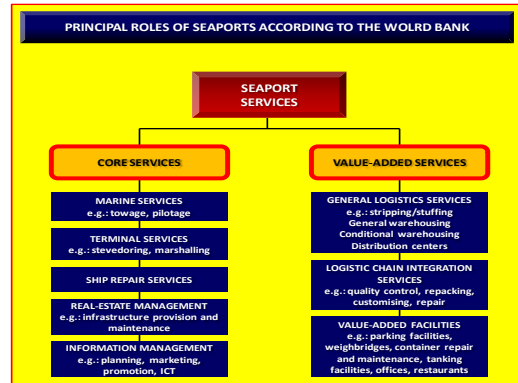
Successful maritime logistic chains are like well-oiled machines in which every nut and bolt is perfectly attuned. Consider the case of seaports. Modern seaports are crucially important nodes in international supply chains and their associated networks. The success of the logistics chain as a whole depends on the competitive strength of the seaports it encompasses, while the success of seaports hinges crucially on the competitive strength of the logistics chains running through them. A similar reasoning applies to the other maritime transport players, including ship-owners, port undertakings and hinterland transport providers. Clearly, then, the competitive strength of a port or any other maritime player does not depend exclusively on their infrastructure and organisation; it is also affected by a variety of other market forces.





Roughly speaking, a maritime logistics chain consists of three large sections: the purely maritime activities, goods handling in the port and hinterland transport services. The formation of chains depends on three important elements: the maritime connections, the goods-handling operations (usually involving large volumes) and the distribution towards the hinterland.

Seaports, as an integral part of the maritime supply chain, are themselves made up of various links. These are often managed and operated by different factors, but may also display a degree of integration. A port encompasses more than the port authority as the governing body, the shipping companies as its principal customer, and TOCs as the main suppliers of throughput services.



There are numerous other small players involved in port activities as shown in the opposite diagram.

Modern seaports are important nodes in the logistics chain and therefore the focus has shifted to so-called value-added activities, an indication that the perception of seaports is becoming more and more complex. This has led to the involvement of a large amount of factors which interact in a variety of ways and for whom the coordination of their activities is crucial to guarantee a smooth and efficient flow of goods and documents.

### Globalisation of Terminal Operations

Port authorities are increasingly confronted with the globalisation of terminal operations. During the 1990s, a number of terminal operators and major shipping lines merged to invest in and take control of a large number of terminals all over the world. This trend has far reaching consequences for the strategic position of port management to some of their major clients.

This trend toward globalisation has affected mainly containerized operations. Today, a handful of major carrier alliances and independent terminal operators increasingly dominate the major global container trades.

The container shipping market is still much commoditized compared to other industries (energy, rail, and the like) with global market shares of the largest carrier not exceeding 18 and 19 per cent (2005). However, the carrier industry as well as the terminal operator industry is moving toward greater consolidation and larger global players and operators are emerging.

Competition between ports and carriers fall into three broad categories:

- First are ports that face strong interport competition in the container handling sector. Container line, therefore, are dominated by this client. If the dominant line were to abandon the port, 80 to 90 per cent of the traffic could be lost. Examples of such ports are Algeciras and Salalah.
- Second are ports where, although no single shipping may dominate the port's traffic volume, there is a possibility for that line to pressure the port authority into accepting a dedicated terminal because of competition for transit traffic in the larger region. An example of this type of Port is Miami, which is a hub for the Caribbean and Central and South America. Competitors include Kingston (Jamaica) and Freeport (the Bahamas).



As the competitive positions of these ports improve, carrier may increase pressure on Miami to grant dedicated terminals.

- Third are major world ports such as Shanghai, Hong Kong, Singapore, and Rotterdam. Such ports have a very well developed container sector. Initially, these ports resisted pressures from shipping line to accept dedicated terminals. However, in Rotterdam, the large Europe Container Terminal (ECT) has been acquired by Hutchison Port Holdings (HPH), which was obliged by the European commission to sell ECT a 33 percent share in the Maersk Delta Terminal. Also at Masssvlakte (Rotterdam), P&O Nedlloyd started the construction of its Euromax Terminal, which is expected to be operational in 2008. Thus the Port of Rotterdam currently accommodates a mix of dedicated and common user terminals. In Antwerp, developments are similar.

The Port of Singapore did not meet the request of Maersk Line, which resulted in the carrier initiating the development of the nearby Malaysian Port of Tanjung Pelepas with its affiliate A.O. Moller Terminals, which conducts business under the name APM Terminals.

## 6 PORT OWNERSHIP MODELS

### 6.1 Port Administration Models

A number of factors influence the way ports are organized, structured, and managed, including:

- The socioeconomic structure of a country (market economy, open borders).
- Historical developments (for example, former colonial structure).
- Location of the port (urban area or in isolated regions).
- Types of cargoes handled (liquid and dry bulk, general cargo, or containers).

According to the World Bank, the ports have emerged on the basis of ownership structure in four types of model over a period of time. These four types of port structure models and the transformation of port structure in globalised economies are:

1. Public Service Port
2. Tool Port
3. Land Lord Port
4. Fully Privatised Port

These models are distinguished by how they differ with respect to such characteristics as:

- Public, private, or mixed provision of service.
- Local, regional, or global orientation.
- Ownership of infrastructure (including Portland).
- Ownership of superstructure and equipment (particularly ship-to-shore handling equipment, sheds, and warehouses).
- Status of dock labour and management.



Service and tool ports mainly focus on the realization of public interests. Landlord ports have a mixed character and aim to strike a balance between public (port authority) and private (port industry) interests. Fully privatized ports focus on private (shareholder) interests.

### **1. Public Service Port**

Public Service Port has a predominantly public character. The infrastructure and superstructure are owned by the public authorities – may be central or local government in some countries. Services are provided by the government institutions under the bureaucratic control.

The main functions of the ports are cargo-handling services, pilotage and tug services, sometimes agency and forwarding services, operated either by the same company or a separate government owned company. Ports are to be considered as strategic assets of a country and operated by a public authority. Many ports are still managed under this model in many developing countries like India, Sri Lanka etc.

The number of service ports is declining. Many former service ports are in transition toward a landlord port structure, such as Colombo (Sri Lanka), Nhava Sheva (India), and Dar es Salaam (Tanzania). However some ports in developing countries are still managed according to the service model.

In some developing country ports like Mauritius, the cargo handling activities are executed public entity, often referred to as the cargo handling company. Such public companies usually report the same ministry as the port authority. To have public entities with different and sometimes conflicting interests reporting to the same ministry, and forced to cooperate in the same operational environment, constitutes a serious management challenge. For this reason, the port authorities and cargo handling companies of Mombasa, Kenya, and Tema and Takoradi, Ghana, were merged into one single entity.

### **2. Tool Port**

Under this model, the Port authority owns, develops and maintains the port infrastructure and superstructure while the cargo handling services are carried by private companies. But the problem in this model is the conflict of interests of the port authority and cargo-handling companies who do not own fixed assets. The model minimizes the risk of cargo handling company because it has only variable cost with negligible fixed cost. Port Autonomes in France is an example of a container terminal managed and operated as a tool part.

### **3. Land Lord Port**

The landlord port is characterized by its mixed public-private orientation. Under this model, the port authority acts as regulatory body and as landlord, while port operations (especially cargo handling) are carried out by private companies.

This model is known as Public Private Partnership (PPP). Under this model the port authority acts as a regulatory body of port operations. The Port authority leases the infrastructure to the



port operating companies or industries. The lease to be paid is a fixed amount of money based on time and area to port authority. The private port operating company maintains its own superstructure, including equipments and machinery required to operate the port and terminals. In this model labour is also employed by the private terminal operator. Examples of the landlord port model are Rotterdam, Antwerp and New York. Today most of the medium and large size ports are operated under this model.

#### **4. Private Service Port**

All assets of ports including land, infrastructure, superstructure and services are owned and operated by private companies. They are operated on the commercial basis with the aim to maximise profits. Government only acts as monitoring agency to control the interests of public welfare in this model. Since they are self regulating there is high risk of converting the land use of port area to non-port activities. This kind of model can be seen in UK and New Zealand.

Fully privatized ports (which often take the form of a private service port) are few in number, and can be found mainly in the United Kingdom (U.K) and New Zealand. Full privatization is considered by many as an extreme form of port reform. It suggests that the state no longer has any meaningful involvement or public policy interest in the port sector. In fully, privatized ports, ports land is privately owned, unlike the situation in other port management models. This requires the transfer of ownership of such land from the public to the private sector.

The U.K. decided to move to full privatization for three main reasons:

- To modernize institution and installations, both of which often dated back to the early years of the industrial revolution, to make them more responsive to the needs and wishes of the users.
- To achieve financial stability and financial targets, with an increasing proportion of the finance coming from private sources.
- To achieve labour stability and a degree of rationalization, followed by a greater degree of labour participation in the new port enterprise.

## **7 PORT RELATED DEVELOPMENTS**

Port development is an essential process for any country wishing to successfully engage in international trade. Ports are the gateway to access global trading partners and shipping is one of the most cost-effective means of transport over long distances. Historically, ports have been regarded as critical assets as, in addition to being the gateway to a country, they are also where taxes on imports and excise duties are collected. However, the port's role is continuing to evolve and there exists a difference between developing and developed countries. In many developing countries, tax collection at the port accounts for a major share of all government revenue.

Thus, port development and port reform are essential components of a country's financial well-being.

#### **Other port-related developments**



During 2013, container weights became a critical issue for container terminals around the world. Mandatory container weight checks were to be introduced following an agreement at the IMO. Verification of container weights as a condition for loading packed export containers aboard ships became part of a revision to the Safety of Life at Sea Convention that is due to enter into force in July 2016. These weight restrictions are to be adhered to by packers and shippers, but will most probably be verified in the port. Weigh bridges and twist-lock load sensors on cranes will probably be the two favoured means to verify weight. These regulations come following recent high-profile incidents such as the MSC Napoli grounding in 2007.

Terminal operating systems, an enterprise resource planning tool, are common place within port terminals. There exist various bespoke systems, their design usually stemming from large ports such as Singapore; the PSA Computer Integrated Terminal Operations System is a bespoke system that was designed to meet the port's needs. However, the market leader is Navis, a division of Cargotec Corporation and a dedicated software producer. Its latest generation terminal operating system, SPARCS N4, allows customers to run multiple operations spanning numerous geographic locations from one central location and is thus popular for global terminal operators with large international portfolios. SPARCS N4 is present in 107 sites in 47 countries, 63 of which are currently live (Navis, 2014)

### **Larger vessels and cargo concentration**

One of the major challenges for container ports today is the upgrading of facilities to cater for the increase in vessel size and the corresponding pressures these places upon the spatial and time aspects of cargo handling. Larger ships mean investment is needed in bigger cranes that can reach out to collect the furthest container from the berth. Traditionally, container cranes were designed to serve vessels 13 containers wide, and since ship-owners began to order Post-panamax vessels in 1998, cranes with greater reach – up to 18 containers – were needed on major routes. The latest generation of vessels requires even greater reach (22– 23 containers), and ports are hard-pressed by shipping lines to invest in this shore-side equipment or be excluded from major East–West trade lanes. With the arrival of larger vessels, the previously largest vessels are being redeployed from the voluminous East–West routes with advanced ports to smaller less voluminous ports on the North–South routes. The North–South routes tend to serve developing countries' ports that are hard pressed to invest in cranes of even greater outreach but risk relegation to feeder port status if they do not follow.

Investors in infrastructure often need to “future proof” their constructions to cater for the needs of future developments not yet conceived. Thus, the challenge for port planners is to understand how the market from their customers' perspective may change. Economies of scale and the use of the logistics chain as part of the production cycle are increasing trends. Technology, through better inventory management and reliability of ships, may enable the ship to be used as a floating warehouse. The next generation of container vessels will be bigger and plans have even been conceptualized for vessels of 22,800 TEU and 24,000 TEU. These vessels will have a width of around 64 metres and a length of 487 metres. Ship length, according to industry experts, is likely to be limited to around 400–450 metres, primarily due to the increased costs associated with making ships longer. Shorter and wider ships are more stable and have shallower draft, enabling them to better serve ports in developing countries that cannot afford dredging costs. In addition, wider ships require less ballast water than narrower ships and thus contribute less to the harmful invasion of foreign microbes in non-indigenous waters, which can cause major environmental pollution in some fragile regions



(Lloyd's List Containerisation International, 2013). Thus, ports need not necessarily build longer berths, unless they want to cater for multiple ships simultaneously, but must construct deeper access channels, wider turning basins, more pilotage facilities, strengthened quays, larger storage areas and more sophisticated terminal operating systems within the port. Thus, the real limitation is not just financial but spatial too. Outside the port, the highways, inland waterways and rail networks need to be able to cater for increased cargo volumes. In addition, the number of freight vehicles, railway wagons, barges or trucks needs to be increased. Given land transporters' preferences for road haulage (due to the greater predictability and reliability brought about by ownership) this invariably means higher carbon emissions and increases in other associated externalities. Choosing a new greenfield site for the container terminal may solve some of the problems, but it creates additional ones too.

Larger cranes are also invariably taller, and they increase exposure of both the crane and the driver to greater instability brought about by higher wind forces. These may lead to slower overall performance and greater increases in human errors. Ports such as Felixstowe and Dubai already have Super Postpanamax ship-to-shore container gantry cranes with an outreach of 69.5 metres. In addition to being practical, there is also a marketing advantage to being able to claim that any size of container ship can be handled, and hence there is a premium to be gained from future-proofing. Where the most uncertainty occurs is in ports that are the main gateways for their country and the region, and that face a choice of catering for vessels of around 5,000 TEU (present Panamax vessels) to 13,500 TEU (the 2015 Panamax vessels). Here, the choice of buying cranes to cater for future demand is more of a gamble. The purchase of larger gantry cranes is not in itself a panacea and not the only cost a port must meet to service larger vessels. In Jebel Ali terminal, Dubai, the purchase of 19 ship-to-shore quay cranes accompanied an order of 50 automated rail-mounted gantry cranes, four of which were recently delivered. At almost 50 metres wide and 32 metres high, these gantry cranes can twin-lift containers in stacks of up to 10 containers wide and 6 high (Seatrade, 2014).

### **Environmental Concerns**

Like most industrial sectors, ports are under increased pressure to reduce the impact they have upon the environment. In 2015, the United Nations is expected to adopt sustainable development goals to build upon the Millennium Development Goals. Currently under discussion through a series of dialogues at the Open Working Group, these goals are expected to be finalized for adoption at the United Nations General Assembly in New York in September 2015. The new goals will build upon the Rio+20 outcome document "The Future We Want" by addressing a multitude of issues on sustainable development, not least how to achieve development with the least impact upon the environment.

Ports affect the environment in a number of ways. For example, their initial construction at green-field sites may displace indigenous wildlife. The wake of vessels may also disturb natural wildlife and make certain areas no longer habitable. The construction of ports close to cities may affect the health of humans living and working close by. The use of construction materials like cement has a well-documented impact upon the environment at all stages of its use from quarry to utilization. The need to dredge channels and berths has an impact upon the area being dredged and where the extracted material is then placed. Sometimes this material can be laden with toxins from vehicles or cargo contaminants that enter the sea as rainwater run-off from the quays.



During the operation of a port there may be GHG emissions from inefficient diesel engines belonging to cranes, reach stackers and other port vehicles. These are not usually submitted to the often rigorous inspections applied to the vehicles of, for example, visitors or in some cases the three shifts of port workers who provide the 24-hour services needed in a modern port. The on-dock buildings for workers will also be using energy for heating and cooling to keep operations at temperatures appropriate for the workers. The cargo itself may also pollute through excessive noise or dust during its handling or storage. Some cargo are particularly problematic; for example cement, china clay, coal and iron ore are prone to dust pollution. Other dry-bulk cargo such as fertilizers and animal feed have high concentrations of organic material and/or nutrients and any resulting spillage into the sea may cause localized nutrient enrichment and oxygen depletion, which can destroy marine life.

The risk of pollution through accidental spillage is a real possibility for ports. Because the cargo and carrying vehicles (for example, truck, reach stacker or straddle carrier) are all manoeuvred in a restricted space, accidents are bound to happen at some point. Therefore, a risk assessment with plans drawn up for rapid response and mitigation measures is a necessary element in port strategic planning.

In addition, it's not just the port itself that may be polluting but also the ancillary services it attracts to settle nearby, for example, ship/container repair yards or supply factories. Perhaps because of poor hinterland connections, other industries also often decide to locate near a port so that the site becomes a magnet for other industries and part of a chain of pollution. In the case of some cargo, such as iron ore, it is more lucrative to export as a refined ingot; however, refining is very energy intensive and often takes place close to the port. The refineries are often supplied by coal-fired power stations and the issue thus becomes of concern to the municipality as well as the port.

Solutions to tackle port pollution typically centre around the enforcement of standards and regulations through a mixture of financial incentives and penalties.

Container-port throughput continues to grow at an annual rate of 5–6 per cent. This offers an excellent opportunity for exporters to seize the opportunities of utilizing empty containers in order to find new markets for existing products. Notwithstanding the operational issues of how to publicize and organize the availability of empty containers, there nevertheless exists potential for many developing countries to integrate further into global value chains through organizational planning. For ports, the challenge of how to cater for the growing demand, and deal with the issues of increased cargo concentration, and reduces their carbon footprints and other pollution, is not insurmountable, but requires careful monitoring and planning. The improved performance of individual port terminals bodes well for the future organization and planning of all ports. Just as the container became a universal standard, the same is being seen in the development of terminal operating systems. Information technology systems that can integrate into other global systems will also be a key feature of the future. As larger ships cascade down to developing-country markets, these countries' ports will need to embrace the new technology. This will also make it easier for other parties, such as larger ports or customers, to provide assistance to make efficiency gains. Port collaboration will be a sign of the future and gradually the differences in port performance will narrow down around the world.



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## 8 PORTS OF SMALL ISLAND DEVELOPING STATES (SIDS)

### 8.1 Maritime Transport in Small Island Developing States

Small island developing States are small in area, in population and in economy. Smallness is a factor of vulnerability in different ways. It very often implies a small domestic market and a narrow resource base for export opportunities, with limited agricultural or mineral production or manufactures, leading to a high share of imports in GDP. Transport costs of SIDS trade are comparatively high because small volumes of trade have to travel long and indirect routes to reach distant markets. As open and small economies, SIDS are also vulnerable economic and financial shocks. Furthermore, most SIDS are vulnerable to natural hazards, because they are located unfavourably in relation to global weather systems and in areas prone to strong weather events, including those associated with the foreseeable impacts of climate change.

Small Island developing States regroup a collection of countries that are diverse in many aspects, including in terms of their geographical location and respective levels of development. They have in common to be small in land and population, to be sea locked, to be developing countries, and to be independent States.

Despite some differences in the profile, structure and flows of their trade, SIDS share a number of common features from an international transport perspective: geographic remoteness from their main trade partners; limited volumes of trade; trade imbalances stemming from a heavy reliance on imports; and low volumes of exports highly concentrated in a few products. For many of them, their vast territorial waters add to the difficulty and complexities of their domestic inter-island transport systems.

As highly open economies, most SIDS are particularly dependent on their foreign trade and suffer from a strong exposure to external variations, including global or regional financial and economic crises. Also, due to their geographical location in areas of strong weather and seismic events, many SIDS find themselves amongst the vulnerable territories in terms of exposure to natural hazards and foreseeable impacts of climate change. Both economic and environmental risks have significant bearings on their transport systems in terms of reliability and costly operation.

#### Remoteness from global shipping networks

Remoteness from the main trade routes constitutes a major disadvantage in terms of cost and time to access international markets. Spread across different regions, SIDS, grouped here as the Caribbean, the Indian Ocean, the West African and the Pacific regions, lie outside the major East-West maritime trade routes. These routes connect the three economic regions of Asia (Far East, Western Asia and South Asia), Europe (Northern Europe and the Mediterranean) and North America. Many SIDS, which are highly dependent on containerized imports, are nevertheless in no position to share in the gains that may be generated along a maritime belt or a corridor carrying around 85 per cent of global containerized trade flows exclusively through the northern hemisphere and which excludes countries located in the Southern hemisphere.





At no time does the belt or corridor enter the Southern hemisphere where many SIDS are located; when it crosses the Pacific and Atlantic Oceans it reaches relatively high northerly latitudes.

While SIDS are not at the centre stage of these East-West trade patterns, it is, however, this same belt of shipping services that determines the maritime transport connectivity and costs of SIDS. They may in a way benefit from container service operators' strategies such as hub-and-spoke feeding, interlining and relay services, with hub-and-spoke being the most prevalent. The hub-and-spoke strategy, in particular, has led to the emergence of a number of regions where feeder ships carry containers to and from larger hub ports. The main trading regions include North Europe, the Mediterranean, Western and South Asia, South-East Asia, Central-East Asia, North-East Asia and the Caribbean.

The relay strategy is most often used to connect the East-West services on the belt to North-South services to Africa, Australia and South America. The principal ports acting as relay ports are Algeciras, Tanger Med and Las Palmas at the eastern end of the Mediterranean (for South America and West and South Africa); Salalah (for East and South Africa as well as the Indian Ocean islands); Singapore (for Africa, South America, Australia and the Pacific islands); Hong Kong (China) and Kaohsiung (for the Philippines and the northern Pacific islands); Busan (for the Pacific islands); and Manzanillo and Lazaro Cardenas (Mexico), Panama (East and West Coast), Kingston (Jamaica) and Freeport (Bahamas) (for South America).

### **Shipping services of small island developing states**

Each regional group of SIDS keeps different spatial links with the main East-West container flows. The Caribbean SIDS are advantaged by their location at the cross point between the East-West routes, while SIDS in the Pacific and Indian Oceans are located outside the belt. In the Indian Ocean, Mauritius is relatively better positioned as it is located at the crossroads between the Asia-Africa/South America route and the Europe-Australia route. The Pacific islands are remote from the East-West belt. The West African island of Cape Verde is relatively close to Las Palmas, a Global trans-shipment port, while Sao Tome and Principe is off the beaten track.

Consequently, in addition to any prevailing economic differences, variations in their geographical positions and relative distance from the main East-West containerized maritime routes should be borne in mind when addressing transport and trade logistics challenges of SIDS.

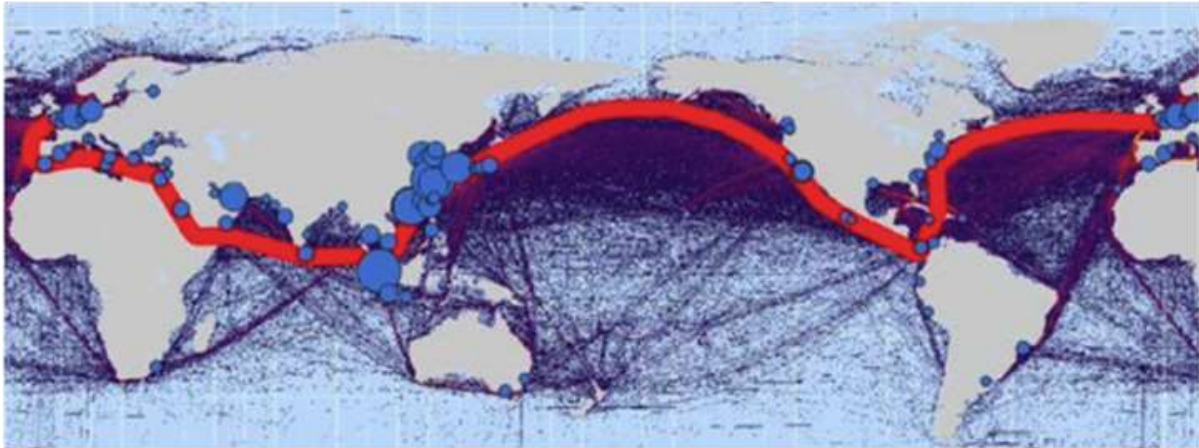
### **Indian Ocean Islands**

Apart from Maldives, and while outside the global East-West mainlanes, Indian Ocean SIDS are nevertheless located on, or close to, a number of North-South routes including: Europe to Australia; East Asia to East Africa; East Asia to South Africa; East Asia to West Africa as well as East Asia to the East Coast of South America. At the same time, these islands are at the intersection between the North-South route linking South and East Africa to Western Asia and South Asia.

Current shipping services include:



- (a) SIDS in the Indian Ocean connecting to Asia (North, Central-East, and South-East Asia),
- (b) the Mediterranean and Australia,
- (c) North-South services between South and East Africa (including the Indian Ocean islands) to Western Asia and South Asia, and
- (d) feeder services linking SIDS within the Indian Ocean area.



### Transport costs in small island developing states

#### *Data on international transport costs in small island developing States*

Empirically, most SIDS pay higher freight costs for the transport of their imports than the world average. UNCTAD estimates for the 10-year average of selected SIDS expenditures on international transport costs as a share of the value of their imports (2004-2013 average). The average SIDS have paid 2 per cent more than the world average of 8.1 per cent during the period. The highest values are estimated for the Comoros (20.2 per cent), followed by Seychelles (17.9 per cent), Solomon Islands (17.4 per cent) and Grenada (17.0 per cent).

#### *Determinants of small island developing States freight costs*

Empirically, determinants of international transport costs can be grouped into six main categories (UNCTAD, 2012; Micco et al., 2003; Sourdin, 2012; UNCTAD, 2008) notably economies of scale, trade imbalances, the type and value of the traded goods, geographical distance, the level of competition among transport service providers and the characteristics of the sea-and airports as regards their infrastructure, operation and management. These different determinants are linked to each other; low trade volumes, for example, may lead to diseconomies of scale and at the same time also reduce the level of competition. The impact of each determinant may vary over time; for example, if price of fuel increases, the impact of a longer distance on freight costs will be felt stronger. The following section discusses the situation of SIDS as regards these determinants on maritime transport, the most relevant mode for overseas trade of SIDS.

The following section discusses the situation of SIDS as regards these determinants on maritime transport, the most relevant mode for overseas trade of SIDS.

#### *Economies of scale*



Lower volumes of trade will empirically lead to higher freight costs. Smaller vessels are less fuel efficient per unit carried, smaller ports have higher operating costs per ton of cargo, and investments in infrastructure take longer to pay off for smaller volumes of business. Some SIDS have successfully managed to become attractive trans-shipment centres. Ports in Bahamas, Jamaica and Mauritius, for example, are providing trans-shipment services to container lines. Concentrating cargo in their country made it economically viable for larger container ships to call at these countries' ports, while the ports invested in necessary dredging and container handling equipment.

### ***Trade imbalances***

If ships are not fully loaded on the export leg because the country has a merchandise trade deficit, the importer by de facto also have to pay for the return journey of the empty vessel or container. Most SIDS are confronted with huge trade imbalances, and consequently for most SIDS import freight costs are higher than export freights.

To reduce imbalances, traders may aim at broadening the regional cargo base. One country's surplus in a given commodity can be combined with another country's deficit, so that on average the trade with overseas trading partners becomes more balanced. Spare export capacity and lower export freight rates for containerized trade can be seen as an opportunity even for cargo not commonly containerized to be exported via liner shipping services.

### ***Distance***

A location away from the main shipping routes and overseas markets is a major challenge in particular for SIDS in the Indian Ocean and in the Pacific. Caribbean SIDS are closer to the North American market and benefit from lying relatively close to the main East– West and North–South shipping routes that make use of the Panama Canal. But, in general, if fuel costs rise, and if recent trends in liner shipping networks and fleet deployment continue, the geographical disadvantage for SIDS may in fact worsen. Closer markets would become a better option.

### ***Competition***

As ship sizes increase and shipping companies and networks grow in size, carriers require ever more cargo to maintain a commercially viable service. The average container carrying capacity per company or per service continues to grow. Opening up national or regional cabotage markets allowing international liner companies and regional carriers to combine international and national traffic may provide shippers with alternative options and higher frequencies. It may also help carriers to reduce the number of empty returns. As long as some level of competition exists, some of these cost savings will be passed on to the client through lower freight costs.

### ***Port characteristics***

The costs of shipping depend also on the efficiency of the ports of call. Seaports need to be dredged to accommodate ever larger ships and to have their own ship-to-shore container cranes, given that ever fewer new vessels are today built with their own. Long waiting times for ships, or lengthy customs clearance procedures also empirically lead to higher maritime freight costs.

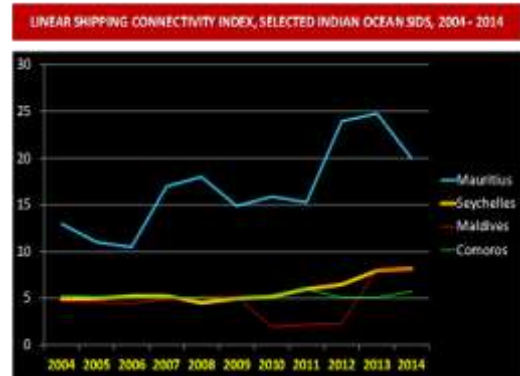


**Liner shipping connectivity**

**Data on liner shipping connectivity in small island developing States**

A country’s participation in global trade also depends on its effective access to frequent and reliable transport services, that is, its shipping connectivity. The available data suggest that SIDS are confronted with serious challenges concerning their connectivity.

From the 2014 UNCTAD LSCI, it can be seen that most SIDS are among the least-connected economies covered by the index (UNCTADstat, 2014). Looking in more detail at the components from which the LSCI is generated, it can be seen that practically all SIDS are served by fewer container shipping companies, providing fewer services, with fewer and smaller ships than the world average. As regards to vessel sizes, for example, several SIDS accommodate ships with less than 1,000 TEUs of container carrying capacity, far below the 7,076-TEU average.



**Container-ship fleet deployment for selected islands economies, May 2014**

Country	Number of ships	TEU carrying capacity	Largest ship (TEU)	Number of companies	Number of services
Antigua and Barbuda	11	6880	1250	3	6
Bahamas	44	271936	9178	4	10
Barbados	15	10504	1250	6	9
Cape Verde	4	4027	1325	3	5
Comoros	11	16219	2210	3	16
Dominica	5	1494	430	2	3
Dominican Republic	122	397375	6750	21	55
Fiji	23	42993	2758	8	18
Grenada	10	6182	1284	5	6
Haiti	16	13582	1296	7	11
Iceland	9	8099	1457	2	6
Jamaica	109	355837	6750	15	41
Kiribati	4	3760	970	1	7
Maldives	5	12871	2764	3	2
Marshall Islands	7	4997	970	1	9
Mauritius	40	124005	6712	7	12
Micronesia, Federated States	3	1237	418	1	1
Palau	3	1237	418	1	1
Papua New Guinea	29	34646	2546	8	21
Saint Kitts and Nevis	5	2864	660	3	3
Saint Lucia	14	10188	1284	5	7
Saint Vincent and the Grenadines	9	4988	1122	4	6
Samoa	7	7229	1304	4	11
Sao Tome and Principe	5	6757	2169	2	2
Seychelles	10	21723	2764	3	8
Solomon Islands	22	25165	2082	6	3



<b>Tonga</b>	6	5049	1043	3	12
<b>Trinidad and Tobago</b>	52	110424	5089	13	25
<b>Vanuatu</b>	11	12143	2082	4	8
<b>American Samoa</b>	7	7229	1304	4	11
<b>Aruba</b>	7	8676	2008	4	7
<b>Bermuda</b>	3	1002	362	3	2
<b>Cayman Islands</b>	3	798	340	1	1
<b>Curaçao</b>	9	13229	2546	6	11
<b>Faeroe Islands</b>	3	3425	1457	2	2
<b>French Polynesia</b>	19	45779	3820	8	17
<b>Guam</b>	15	24804	2781	4	8
<b>New Caledonia</b>	26	48917	2758	7	24
<b>Average rest of the world</b>	166	749001	7076	20	90

### ***Determinants of liner shipping connectivity***

The position of a country within the global liner shipping network depends largely on four factors: its geographical position, its captive cargo base, its port characteristics and the regulatory framework for the liner shipping market. These four determinants will be briefly discussed in this section.

#### ***Port characteristics***

Shipping lines will be more inclined to connect a country's ports to their global liner network if they can rely on modern infrastructure and efficient operations.

This issue is also closely linked to the determinants of transport cost discussed above. If the port is considered to be costly from the carrier's perspective, the carrier will also skip it and not call, or increase its freight charges to the shipper.

#### ***Shipping markets***

Especially for SIDS with several islands and ports, or neighbouring SIDS where different islands may be close to seaports in a neighbour's territory, it may be convenient to allow foreign countries to connect these ports and not be limited by any market restrictions. An example that proved to be successful in improving the country's global connectivity and reduce its maritime freight costs is New Zealand. By liberalizing the cabotage between the northern and the southern island, international shipping lines were able to combine international services with cabotage services. This has made it attractive to deploy more ships on more frequent services than before, when the inter-island trade was reserved for national-flagged companies.

#### ***The Way Forward***

Smallness and remoteness undermine the transport and trade logistics of SIDS. The challenge for SIDS is to avoid high transport costs that compress trade flows and reduce the overall transport connectivity. Domestic inter-island transport is an important issue for SIDS that are made up of islands spread across vast distances.

There is a need to promote forward-looking research and to seek to foster new ideas to generate the port logistics and development framework that SIDS can use. Small island developing States should seek to derive gains from operating at a small scale, making use of



local resources and catering for local needs. Relevant examples include developing niche markets, building partnerships with traders and focusing on areas where SIDS master the processes and where local resources are available.

## 9 THE MAURITIUS PORTS AUTHORITY (MPA)

### 9.1 THE MAURITIUS PORTS AUTHORITY

The **Mauritius Marine Authority**, set up in 1976, was replaced by the **Mauritius Ports Authority (MPA)** after the enactment of the Ports Act 1998 as from 1<sup>st</sup> August 1998. Under this new legal framework, the **MPA** is now established as a landlord port authority with regulating and controlling powers over port activities and services.

As a landlord port authority, the **MPA** provides the main port infrastructure and superstructure, together with related facilities. It also provides marine services and navigational aids, while it regulates and controls all port activities and environment issues within the port area.

On the other hand, the **MPA** is responsible for the development of the port in accordance with approved Master Plans. As regards land use, it is responsible for land use control, planning and leasing within the port boundaries. The port is a multidimensional entity anchored within geography, but also dependent on its operations, governance structure and embedded within supply chains. Ports are bound by the need to serve ships, and so access to navigable water has been historically the most import site consideration.

The Port plays a vital role in our Economy: As the Principal Gateway of Mauritius, it handles 99% of the island's external trade and contributes some 2% to the country's GDP. Indeed, the Port is often referred to as 'Le Poumon de l'économie'.

As the principal gateway of the country, the port plays a vital role in the national economy by handling about 99% of the total volume of the country's external trade. In this context, the port has been transformed from an old lighterage port into a modern facility, especially including the development of a new port, which has a container terminal spanning over 26 hectares and equipped with 5 post-panamax rail mounted quay cranes with modern matching yard equipment. Facilities for the handling of a wide range of cargo are also available.

Port Louis harbour stands out by the numerous advantages it offers, from competitive tariffs, organized workforce, smooth industrial relations to high security for cargo in transit and a personalized customer service. Port Louis Harbour handled some 6.8 million tonnes of cargo.

Mauritius thus depends on its port for trade. Approximately 96% of the volume of all out import/export trade enters the Mauritius through the ports. The ports industry makes a valuable contribution to the Mauritius Economy and is critical to the growth of the regions it serves. The Mauritian Industry has undergone a successful transformation.

#### Role of the Mauritius Ports Authority

As the Port Authority, the **MPA** regulates and licenses port and marine services and facilities, such as the container terminals, pilotage, towage and bunkering services. It works in



partnership with the terminal operators and marine service providers to promote the port of Mauritius and maintain its status as a premier global hub port.

It manages vessel traffic in the port, working to ensure navigational safety and the smooth movement and operations of ships. This includes conducting maintenance dredging of fairways and anchorages, providing navigational aids and charting the waters of Mauritius. It works with various enforcement agencies to put in place maritime security measures to protect the port against threats. The **MPA** is the guardian of Mauritian waters against pollution from ships.

Moreover, leveraging on the strategic location of Mauritius, the **MPA** has elaborated appropriate strategies over the last decade to position Port Louis as a regional maritime and logistics hub connecting Asia, Africa, Europe, Australia and South America.

The **MPA** has actively promoted the development of a number of business segments, by offering generous incentives, the required infrastructure and efficient service levels. This has resulted in a sustained growth in the container transshipment trade, cruise tourism activities, the seafood sector, bunkering, petroleum activities and port related services such as ship repairs, crew change, etc.

These strategies have proved to be successful, resulting in significant trade and economic benefits to the port sector in particular, and the country at large.

## The Environment

Mauritius is at the doorstep of Africa and on the main trade lanes linking Asia, South and Eastern Africa and Latin America.

There has been a shift in the global economic centre of gravity towards Asia with the rise of China and India and rapid trade growth between Asia and the emerging economies including Africa and South America.

According to the latest 2015 UNCTAD figures, the developing economies' share of world container port throughput increased by more than 70% in 2014. Asia accounted for about 70% of global container throughput.

Furthermore, according to the IMF, global economic recovery is expected to continue in the medium term driven by sustained growth in the emerging economies.

There is an opportunity for Port Louis to firmly position itself as a major regional container transshipment hub, if it provides the appropriate infrastructure and offers world class services at competitive tariffs.

The container throughput in Sub-Saharan African ports is expected to increase fourteen (14) fold in the next 25 years.

The Port Master Consultants, in their report for the **MPA**, have estimated the transshipment potential for Port Louis would be 700, 000 TEUs by 2025 and 1.4 million TEUs by 2040, as compared to the present throughput of about 300,000 TEUs.

Moreover, it is estimated that around 300,000 vessels pass near the shores of Mauritius annually. With the sustained increase in the Asia-Africa and Asia-South America trade, one



can expect this figure to grow further in the short and medium term with a corresponding increase in demand for bunkering and port related activities.

According to a report published last month by Ocean Shipping Consultants, the forecast for bunker fuels and re-export of petroleum products at Port Louis for 2025 could be between 1 to 1.5 million tonnes annually, as compared to around 290, 000 tonnes, registered annually over the last 2-3 years.

Government has already set the Agenda for the development of the port sector.

The Port is expected to be one of the drivers of economic growth in the short term. There will be unprecedented investments in this sector over the next five years.

The **MPA** strategic objective is to build a port that is well equipped, professionally managed and constantly upgraded to maintain higher productivity and performance at competitive rates



A number of projects are already at various stages of implementation financed by the **MPA**, CHCL and local investors. Major promoters from Dubai, China, India and Singapore have also expressed strong interest to invest in the port infrastructure and operations, the seafood sector, petroleum and bunkering activities.

The gradual shift from conventional break-bulk terminals to container terminals since some years brought about a fundamental change in layout of our terminals as well as site selection. The **MPA** has increasingly been impacted by global processes.

Globally, containerized transportation has substantially changed port dynamics to favour the emergence of specialized container ports. As compared to conventional break-bulk cargo ships, containerships do not have onboard cranes. Therefore, container terminal operators have to provide capital intensive crane as well as ample storage space to stack containers dockside. Containerization has consequently become a fundamental function of the port operations of Port Louis and has changed the structure and configuration of the port terminals that tend to occupy more space.

The new port development will maximize its nomenclature so that the new facilities are not constrained by:

- **Maritime Access**, which refers to the physical capacity of the site to accommodate ship operations, it includes the tidal range, which is the difference between the high and low tide.
- **Maritime interface**. Indicated the amount of space that is available to support maritime access, namely the amount of shoreline that has good maritime access.





- **Infrastructure and Equipment.** The site, to be efficiently used, must have infrastructures such as piers, basins, stacking or storage areas, warehouses, and equipment such as cranes, all of which involving high levels of capital investment.
- **Land Access.** Access from the port to industrial complexes and markets to insure its growth and importance. This requires efficient inland distribution systems.

The **MPA** has already appointed Consultants for the preparation of the new Port Master Plan which will be the road map for the land use and development of the harbour over the next 25 years. The Consultants have engaged discussions with port stakeholders and we are expecting the Preliminary Report by end of December whilst the Final Report will be submitted by June next year.

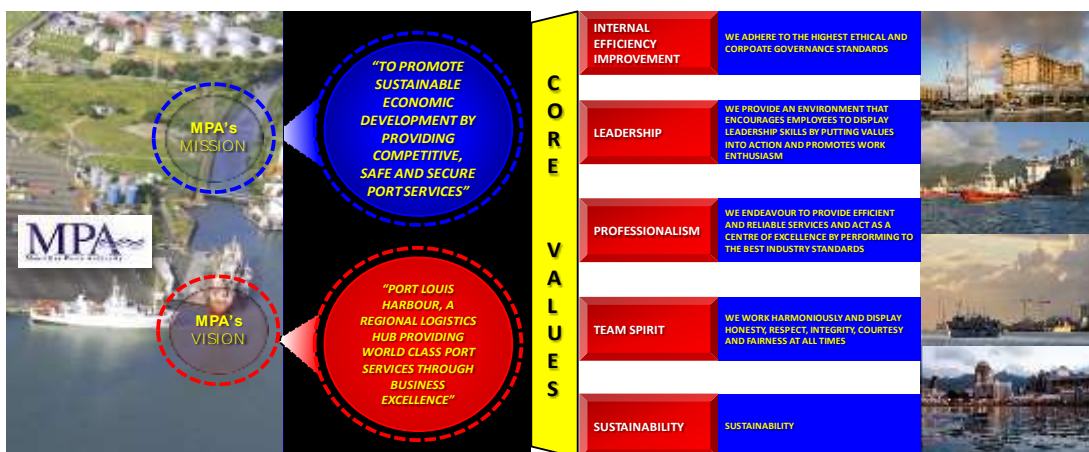
### Port Planner and Facilitator

There are many competing uses for the scarce sea space of Mauritius. As Port Planner, the **MPA** allocates the Republic’s waters for various uses without compromising on safety or security. It demarcates fairways, channels and anchorages to cater to the increasing vessel traffic calling at Mauritius, and maintain a number of public landing places. As a facilitator, it nurtures the growth and expansion of the port terminal operators and the industry through a combination of incentives and pro- business regulations.

### Port Traffic

Shipping lines, such as Maersk and MSC all utilize Port Louis for regional and international shipping activities. The reasons for utilizing the port are: low tariff cost, that the economy and infrastructure are fore more advanced than at other Sub-Saharan African ports, and that the location offers direct advantage for transshipment operations. However, Mauritius faces competition from other regional ports that also fighting for international recognition as was presented during the 6<sup>th</sup> Indian Ocean Ports and Logistics Conference held in Mauritius at the end of March 2012.

### MPA at a Glance





HANDLED SOME 6.8 MILLION TONNES OF CARGO INCLUDING 377,565 TEUS FOR THE YEAR ENDED 30 JUNE 2015

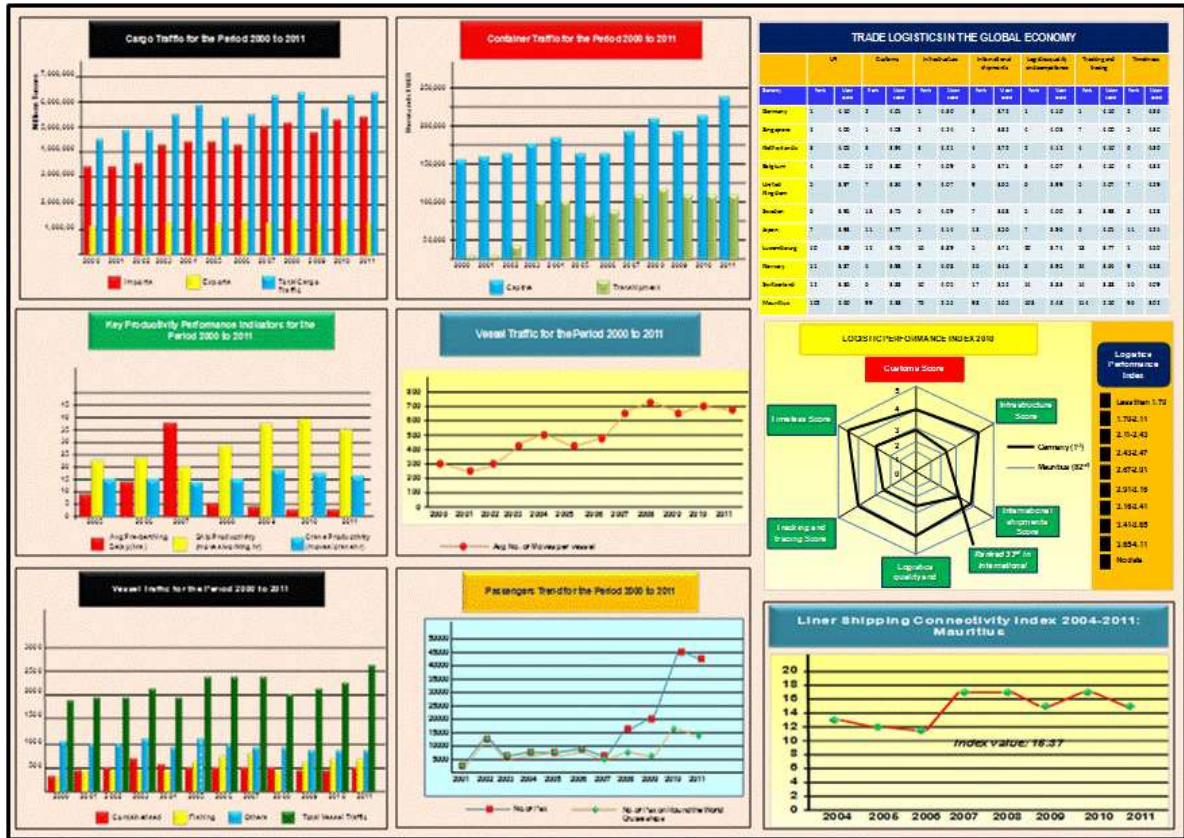
SOME 3300 VESSELS CALLED AT THE HARBOUR IN CALENDAR YEAR 2014

TOTAL TRANSSHIPMENT TRAFFIC HAS INCREASED FROM A MODEST 3,800 TEUS IN 2001 TO OVER 118,057 TEUS DURING THE LAST FINANCIAL YEAR

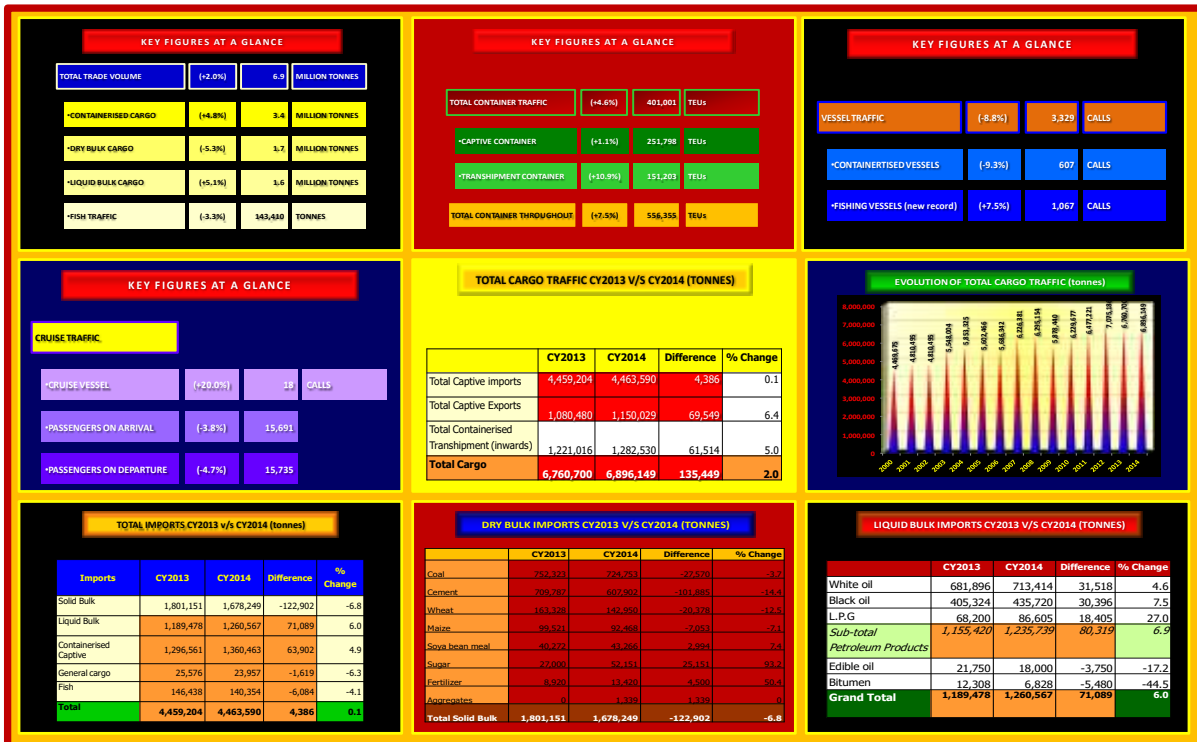
**THE FUNCTIONS AND DUTIES OF THE MPA AS A LANDLORD PORT ARE TO:**

- PROVIDE** and improve port infrastructure, superstructure, heavy equipment and related facilities
- PROVIDE** marine services and navigational aids, and assist in sea rescue
- REGULATE** and **CONTROL** shipping, navigation, dredging and other related matters in ports
- REGULATE** and **CONTROL** the entry of vessels in ports, their stay, movements or operations in, and departure from ports, the loading, unloading and storage of cargo and containers and the landing and embarkation of passengers; pollution and protection of the environment
- PROVIDE** for the welfare of employees, and of persons working or living on a vessel in a port
- ENTER** into concession contracts for the provision of port and cargo handling services by qualified and licensed operators under such general terms and conditions as the authority may determine.
- PROMOTE** the use, improvement and development of ports
- EXERCISE** licensing, regulating and controlling functions in respect of port and marine services not provided by the authority
- IMPLEMENT** government port policies and keep them under review, and advise government on all matters concerning the port sector, its facilities, services and related issues
- REGULATE AND CONTROL** the development with ports in accordance with approved port master plans, and to be the responsible authority for land use control in the port area with the power to lease land under such terms and conditions as the Authority may determine.

Key Indicators at a Glance



Port trade Performance CY2014





#### CONTAINERISED CARGO IMPORTS CY2013 V/S CY2014 (TONNES)

	CY2013	CY2014	Difference	% Change
Captive	1,287,733	1,352,150	64,417	5.0
Inter-Island imports	8,828	8,313	-515	-5.8
<b>Total</b>	<b>1,296,561</b>	<b>1,360,463</b>	<b>63,902</b>	<b>4.9</b>

#### GENERAL CARGO IMPORTS CY2013 V/S CY2014 (TONNES)

	CY2013	CY2014	Difference	% Change
Inter-island imports	941	1,173	232	24.7
Unutilised Break Bulk Imports	24,632	22,704	-1,928	-7.8
<b>Total</b>	<b>25,576</b>	<b>23,877</b>	<b>-1,699</b>	<b>-6.3</b>

#### FISH IMPORTS CY2013 V/S CY2014 (TONNES)

	CY2013	CY2014	Difference	% Change
Princes Tuna	53,325	53,256	-69	-0.1
Thon des Mascareignes	35,197	22,934	-12,263	-34.8
Sub-total Tuna Traffic	88,522	76,190	-12,332	-13.9
Local Market	2,342	2,043	-299	-12.8
Transhipment Inwards	55,574	62,121	6,547	11.8
<b>Total Fish Imports</b>	<b>146,438</b>	<b>140,354</b>	<b>-6,084</b>	<b>-4.1</b>

#### TOTAL EXPORTS CY2013 V/S CY2014 (TONNES)

	CY2013	CY2014	Difference	% Change
Total Bulk Exports	337,487	372,841	35,354	10.5
Total Containerised Exports	736,654	768,866	32,212	4.4
General Cargo Exports	4,480	5,266	786	17.5
Oil Transhipment Outwards	1,859	3,056	1,197	64.4
<b>Grand Total</b>	<b>1,080,480</b>	<b>1,150,029</b>	<b>69,549</b>	<b>6.4</b>

#### TOTAL BULK CARGO EXPORTS CY2013 V/S CY2014 (TONNES)

	CY2013	CY2014	Difference	% Change
Dry Bulk Exports (Aggregates)	-	27,989	27,989	-
Liquid Bulk Exports	337,487	344,852	7,365	2.2
<b>Total Bulk Exports</b>	<b>337,487</b>	<b>372,841</b>	<b>35,354</b>	<b>10.5</b>

#### EXPORTS OF LIQUID BULK CARGO CY2013 V/S CY2014 (TONNES)

	CY2013	CY2014	Difference	% Change
Molasses	62,773	45,564	-17,209	-27.4
White Oil	3,150	0	-3,150	-
Black Oil	2,240	0	-2,240	-
LPG	0	4,961	4,961	-
Ethanol	0	6,781	6,781	-
Total Bunker	269,324	287,546	18,222	6.8
<b>Grand Total</b>	<b>337,487</b>	<b>344,852</b>	<b>7,365</b>	<b>2.2</b>

#### TOTAL BUNKER EXPORTS - CY2013 V/S CY2014 (TONNES)

Volume in Tonnes				Vessel Calls			
	CY2013	CY2014	Difference	% Change	CY2013	CY2014	% Change
Bunker by pipeline	125,871	146,547	20,676	16.4	1,297	1447	11.6
Bunker by barge	143,453	140,999	-2,454	-1.7	558	526	-5.7
<b>Total</b>	<b>269,324</b>	<b>287,546</b>	<b>18,222</b>	<b>6.8</b>	<b>1,855</b>	<b>1,973</b>	<b>6.4</b>

#### EVOLUTION OF TOTAL BUNKER TRAFFIC (TONNES)

#### CONTAINERISED CARGO EXPORTS CY2013 V/S CY2014 (TONNES)

	CY2013	CY2014	Difference	% Change
Captive	689,860	716,551	26,691	3.9
Inter-island	46,794	52,315	5,521	11.8
<b>Total</b>	<b>736,654</b>	<b>768,866</b>	<b>32,212</b>	<b>4.4</b>

#### GENERAL CARGO EXPORTS CY2013 V/S CY2014 (TONNES)

	CY2013	CY2014	Difference	% Change
Inter-island	3,274	3,641	367	11.2
Unutilised Break Bulk	1,206	1,625	419	34.7
<b>Total</b>	<b>4,480</b>	<b>5,266</b>	<b>786</b>	<b>17.5</b>

#### FISH TRANSHIPMENT OUTWARDS CY2013 V/S CY2014 (TONNES)

	CY2013	CY2014	Difference	% Change
Fish Transhipment Outwards	1,859	3,056	1,197	64.4

#### COMPARATIVE CONTAINER TRAFFIC CY2013 V/S CY2014 (TEUS)

	CY2013	CY2014	Difference	% Change
Captive	248,948	251,798	2,850	1.1
Transhipment	136,378	151,203	14,825	10.9
<b>Total</b>	<b>385,326</b>	<b>403,001</b>	<b>17,675</b>	<b>4.6</b>

#### EVOLUTION OF TOTAL CONTAINER TRAFFIC (TEUS)

#### COMPARATIVE TRANSHIPMENT TRAFFIC CY2013 V/S CY2014 (TEUS)

	CY2013	CY2014	Difference	% Change
Laden	99,189	104,186	4,997	5.0
Empty	37,189	47,017	9,828	26.4
<b>Total</b>	<b>136,378</b>	<b>151,203</b>	<b>14,825</b>	<b>10.9</b>

#### EVOLUTION OF KPIs AT THE MAURITIUS CONTAINER TERMINAL

#### SHIP PRODUCTIVITY INDICATORS

	CY2013	CY2014
Avg. No. of Moves per Ship at berth	29.4	30.1
Avg. No. of Moves per Vessel Call	604	730

#### BERTH OCCUPANCY RATE CY2013 V/S CY2014 (%)

Berth	CY2013	CY2014
MCT 1	76.7	83.5
MCT 2	73.1	76.2

#### COMPARATIVE TRAFFIC AT MPT CY2013 V/S CY2014

	CY2013	CY2014	Difference	% Change
Container Traffic (TEUs)	10,839	11,728	889	8.2
No. of Fully Containerised Vessels	36	38	2	5.6



### BERTH OCCUPANCY RATE CY2011 V/S CY2013 (%)

Quays	CY2013	CY2014
Quay No. 1	69.5	13.7
Quay No. 2	73.2	43.6
Quay No. 3	70.4	17.4
Quay No. 4	71.2	22.9
Bulk Sugar Terminal (BST)	9.7	4.0
Quay A	83.4	25.4
Quay B	74.7	12.6
Quay C	99.4	27.3
Quay D	85.4	25.4
Quay E	74.7	12.6
Trou Fanfaron Fishing Quay 1	16	98.2
Trou Fanfaron Fishing Quay 2	99.8	1.4
Cruise Jetty	54.3	0.0
Oil Jetty	26.4	22.7
Froid des Mascareignes (FDM)	99.9	36.1
Mauritius Freeport Development (MFD)	93.7	21.4

### TRAFFIC DEPENDENCIES OF MAURITIUS FOR THE PERIOD JAN/DEC 2014

	No. of Voyages	Container Traffic (TEUs)
Trochetia	41	7822
Pride	3	241
<b>Total</b>	<b>44</b>	<b>8063</b>

### TRAFFIC INTER-ISLANDS FOR THE PERIOD JAN/ DEC 2014

	No. of Voyages	Container Traffic (TEUs)
Trochetia	19	1387
Pride	2	58
<b>Total</b>	<b>21</b>	<b>1445</b>

### COMPARATIVE VESSEL TRAFFIC CY2013 V/S CY2014

Category	CY2013	CY2014	Difference	% Change
Containerised Vessels	669	607	-62	-9.3
Tankers - Black/ White oil	26	25	-1	-3.8
Tankers - LPG	28	20	-8	-28.6
Tankers - other products	16	16	0	0
Dry Bulk carriers	61	58	-3	-4.9
Unloaded & Break Carriers	8	7	-1	-12.5
General Cargo Vessels	5	7	2	40.0
Fishing vessels (new record)	993	1067	74	7.4
Pure Car Carriers	40	37	-3	-7.5
Inter-Island (incl. 4 cruise calls)	178	69	-109	-61.1
Cruise Vessel	15	18	3	20.0
Others	1,663	1,938	265	15.9
<b>Total</b>	<b>3,652</b>	<b>3,329</b>	<b>-323</b>	<b>-8.8</b>

### NUMBER OF CALL BY VESSELS CATEGORISED AT OTHERS CALLING AT PORT LOUIS HARBOUR FOR THE VARIOUS ACTIVITIES

	CY2013	CY2014	Difference	% Change
Bunkering Only	689	721	32	4.6
Change crew	236	397	161	68.2
Change security guard	130	119	-11	-8.5
Ship stores	83	64	-19	-22.9
Repairs or inspection	32	52	20	62.5
Others	492	45	-447	-90.8
<b>Total</b>	<b>1,663</b>	<b>1,398</b>	<b>-265</b>	<b>-15.9</b>

### EVOLUTION OF TOTAL VESSEL TRAFFIC

### COMPARATIVE CRUISE TRAFFIC CY2013 V/S CY2014

	CY2013	CY2014	Difference	% Change
No. of calls by Costa	2	1	-1	-50.0
No. of calls by Round the world cruise ships	13	17	4	30.8
Total No. of cruise ships calls	15	18	3	20.0
No. of Pax arrived on Costa	2,622	827	-1,795	-68.1
No. of Pax arrived on round the world cruises	13,691	15,094	1,403	10.3
Total No. of Pax on arrival	16,313	15,921	-392	-2.4
No. of Pax departed on Costa	2,796	862	-1,934	-69.1
No. of Pax departed on round the world cruises	13,769	15,093	1,324	9.6
Total No. of Pax on departure	16,565	15,955	-610	-3.7

### EVOLUTION OF CRUISE PASSENGER TRAFFIC (arrivals)

### EVOLUTION OF CRUISE VESSELS' CALLS

### TOTAL CONTAINER TRAFFIC BY SHIPPING LINES CY2013 V/S CY2014

Shipping line	CY2013 (TEUs)	CY2014 (TEUs)	Difference (in TEUs)	% Change (in %)	% Share in CY2013	% Share in CY2014
MSC	194,700	197,526	2,826	1.5	50.5	49.0
Maersk	106,570	123,613	17,043	16.0	27.7	30.7
CMA CGM	35,521	48,469	12,948	36.3	9.3	13.5
PIA	12,617	15,107	2,490	19.7	3.3	3.7
Mitsui	12,300	9,871	-2,429	-19.7	3.2	2.4
MSCM	10,614	9,000	-1,614	-15.1	2.8	2.4
UDEL	2,226	4,243	2,017	90.6	0.6	1.1
Evergreen	3,273	663	-2,610	-80.2	0.8	0.2
Others*	5	12	7	140.0	0.0	0.0
<b>Total</b>	<b>385,326</b>	<b>403,001</b>	<b>17,675</b>	<b>4.6</b>	<b>100.0</b>	<b>100.0</b>

### TOTAL CAPTIVE (IMPORT + EXPORT) CONTAINER TRAFFIC BY SHIPPING LINE - CY2014

### TOTAL CAPTIVE CONTAINER TRAFFIC BY SHIPPING LINES - TEUS

Shipping line	CY2013	CY2014	Difference	% Change
MSC	90,845	85,281	-5,564	-6.1
Maersk	84,424	94,959	10,535	12.5
CMA CGM	28,551	32,238	3,687	12.9
PIA	11,246	15,107	3,861	34.3
Mitsui	12,029	9,871	-2,158	-18.2
MSCM	10,370	9,465	-905	-8.7
UDEL	1,928	4,193	2,265	117.5
Evergreen	9,550	662	-8,888	-93.1
Others*	5	28	23	460.0
<b>Total</b>	<b>248,948</b>	<b>251,798</b>	<b>2,850</b>	<b>1.1</b>

### TOTAL CAPTIVE (IMPORT + EXPORT) CONTAINER TRAFFIC BY SHIPPING LINE - CY2014

### TOTAL CAPTIVE CONTAINER TRAFFIC BY SHIPPING LINES - TEUS

Shipping line	CY2013	CY2014	Difference	% Change
MSC	103,855	112,245	8,390	8.1
Maersk	22,146	28,652	6,506	29.4
CMA CGM	7,971	10,231	2,260	28.4
Others*	2,406	75	-2,331	-96.9
<b>Total</b>	<b>136,378</b>	<b>151,203</b>	<b>14,825</b>	<b>10.9%</b>

### TOTAL TRANSHIPMENT (EMPTY + LADEN) TRAFFIC BY SHIPPING LINE - CY2014

### COMPARATIVE TRAFFIC SHARE IN CONTAINER TRAFFIC

	Share in CY2013	Share in CY2014
<b>MSC</b>	<b>50.5%</b>	<b>49.0%</b>
Total Container Traffic	50.5%	49.0%
Total Captive Container Traffic	36.5%	33.9%
Total Transshipment Container Traffic	76.2%	74.2%
<b>Maersk</b>	<b>27.7%</b>	<b>30.7%</b>
Total Container Traffic	27.7%	30.7%
Total Captive Container Traffic	32.9%	32.7%
Total Transshipment Container Traffic	16.2%	18.9%

### TRANSHIPMENT ACTIVITIES BY SHIPPING LINES

#### Mediterranean Shipping Company Ltd (MSC)

No. of TEUs	CY2013	CY2014	Difference	% change
Laden	79,359	82,504	3,145	4.0
Empty	24,496	29,741	5,245	21.4
<b>Total</b>	<b>103,855</b>	<b>112,245</b>	<b>8,390</b>	<b>8.1</b>

### TRANSHIPMENT ACTIVITIES BY SHIPPING LINES

#### MAERSK

No. of TEUs	CY2013	CY2014	Difference	% change
Laden	12,088	14,376	2,288	18.9
Empty	10,058	14,276	4,218	41.9
<b>Total</b>	<b>22,146</b>	<b>28,652</b>	<b>6,506</b>	<b>29.4</b>



### Shipping Services

SHIPPING LINES	SERVICE	PORTS OF CALL
<b>1. Mediterranean Shipping Company</b>	Falcon Service (SB)	Valencia, FOS, La Spezia, Napoli, Gioia Tauro, Pointe des Galets, <b>Port Louis</b> , Sydney, Melbourne, Adelaide, Fremantle
	Express Service (WB)	Nansha, Chiwan, Singapore, <b>Port Louis</b> , Tincan Island, San Pedro, Lomé, Abidjan, Coega, Colombo, Singapore, Nansha
	Service (SB + NB)	Jebel Ali, Mundra, <b>Port Louis</b> , Durban, Coega, <b>Port Louis</b> , Salalah, Jebel Ali
	Indian Ocean Islands Relay services	<b>Loop 1 : Port Louis</b> , Longoni, Majunga, <b>Port Louis</b> (10 days) <b>Loop 2 : Port Louis</b> , Tamatave, Pointe des Galets, <b>Port Louis</b> (weekly) <b>Loop 3 : Port Louis</b> , Tamatave, Diego Suarez, Majunga, <b>Port Louis</b> (10 days) <b>Loop 4 : Port Louis</b> , Ehoala, Tulear, <b>Port Louis</b> (18 days)
<b>2. Maersk</b>	M Express (VSA CMA CGM MOZEX, to Service)	Reunion, Toamasina, Maputo, Beira, Nacala, <b>Port Louis</b> , Port Klang, Tanjung Pelepas
	Safari WB (slot chartering by CMA CGM Shaka II)	Hong Kong, Shanghai, Ningbo, Yantian, Tanjung Pelepas, <b>Port Louis</b> , Durban, Port Elizabeth, Cape Town



	MISA (NB + SB)	Durban, Port Elizabeth, <b>Port Louis</b> , Jebel Ali, Salalah, Reunion, <b>Port Louis</b> , Toamasina, Durban
<b>3. CMA CGM</b>	MAX , Mascareignes Express Service	Mundra, Khor Fakkan, Pointe des Galets, <b>Port Louis</b> , Tamatave, Longoni, (Nacala), Port Victoria, Mundra
	MOZEX , to Far East Service (VSA with Maersk M Express service (3)	Port Klang, Tanjung Pelepas, Pointe des Galets, Tamatave, Maputo/ Pemba, Beira, Nacala, <b>Port Louis</b> , Port Klang
	Regional Feeder Service	<b>Port Louis</b> , Tulear, Longoni, Mutsamudu, Majunga, Nosy Be, Antsiranna, Vohemar, (Kiara+ MCP Rotterdam)
	Shaka II (slot chartering on Maersk Safari WB)	China, Tanjung Pelepas, <b>Port Louis</b> , Durban, <b>Port Louis</b> , Singapore, China
<b>4. Pacific International Lines Ltd</b>	MZX Zuid Express Service	Singapore, <b>Port Louis</b> , Point des Galets, Tamatave, Maputo, Beira Singapore
<b>5. Deutsche Afrika Linien</b>	Slot Chartering with MSC Falcon Service from to IO	Valencia, FOS, La Spezia, Napoli, Gioia Tauro, Pointe des Galets, <b>Port Louis</b> , Sydney, Melbourne, Adelaide , Fremantle
<b>6. UAFL</b>	Slot Chartering with Maersk MISA Services	Durban, Port Elizabeth, <b>Port Louis</b> , Jebel Ali, Salalah, Reunion, <b>Port Louis</b> , Toamasina, Durban
<b>7. Mauritius Shipping Corporation Ltd</b>	M.S Mauritius Trochetia	Port Louis, Rodrigues, Port Louis Port Louis, Pointe des Galets, Port Louis Agalega (Tentatively planned for End of Feb, May, August & November) –

## LPI 2010

The above chart shows that Mauritius still has some progress to make in terms of logistics and competence as well as in terms of infrastructure. Improvements in the other fields could help the Port to work towards its vision, i.e., making 00.0

## Liner Shipping Connectivity Index (LSCI)

Another index to measure the efficiency and effectiveness of ports is the Liner Shipping Connectivity Index (LSCI) developed by UNCTAD. The LSCI aims at capturing how well countries are connected to global shipping networks. The index is also included in the World Bank's database of World Development indicators 2010 (WDI).

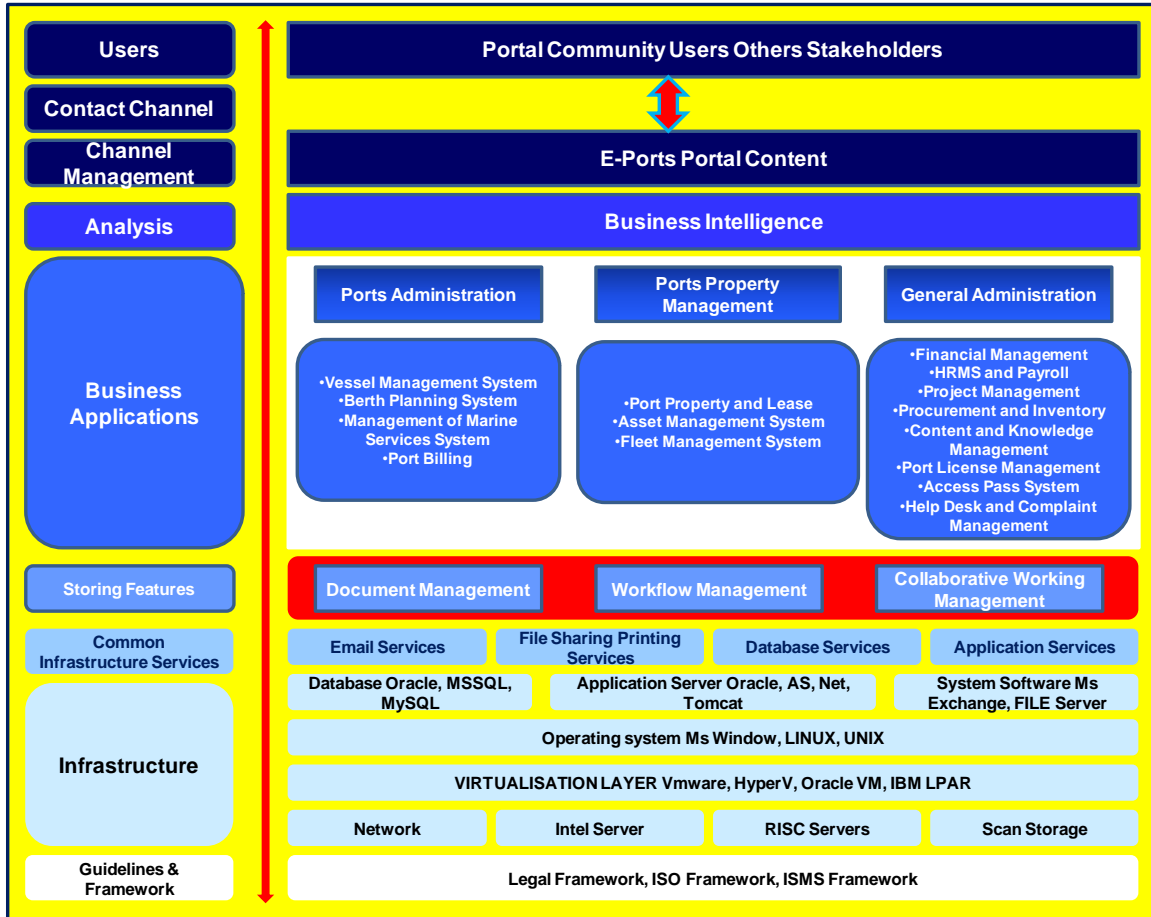
Developed in 2004, the LSCI is based on five components of container ship deployment for liner shipping services, based on data from Containerization International: the number of ships deployed, the container carrying capacity, the maximum vessel size, the number of services, and the number of companies that deploy container ships in a country's ports.

The countries which top the table in the Liner Shipping Connectivity Index 2011 are China (152.06), Singapore (115.27), Germany (105.02), Netherlands (93.32) and Korea (92.10). Mauritius registered an index of 15.37 which is about 10 times inferior to that of China. There



are about 90 countries which are ranked above Mauritius. The index shows that Mauritius is poorly connected to global shipping networks despite the fact that it operates world-class port infrastructures.

The overall components of the MPA’s ePorts system

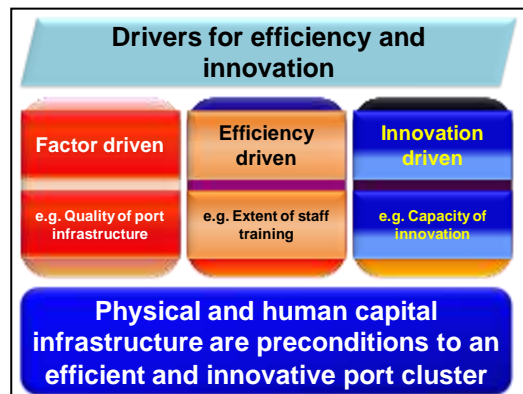


Increase of capacity, the threats of terrorism, smuggling and stringent carbon emission targets placed on ports is creating more demands on the Port than ever before. If the MPA is to meet the needs of its customers and remain a competitive port, it needs both industrial stability and a high level of investment in infrastructure, people and technology.

Port Management

The MPA’s unique experience in Port Management means that it has an unprecedented understanding of this strategic area.

The MPA is now a successful and profitable commercial entity in its own right.



Specialist training and educational establishment should help to train the port sector workers of the future.





Investing in people is a good idea in any business but in the ports sector it is absolutely vital to have well-trained personnel to perform to the best of their ability. In areas such as safety and security this can literally be a matter of life and death.

Training for the ports sector spans a wide range of disciplines. Highly-skilled machinery operators require specialist training, while management personnel require the latest business skills from human resources to marketing and financial planning.

Over the years, while the national economy has been moving into a second stage of development characterized by a skill-based and technologically more advanced economy, the port has witnessed a major transformation. Notwithstanding the fact that cargo traffic increased, commercial and industrial activities within the port area have also expanded.

**Transport infrastructure is a basic requirement**

An active marketing of the port is being undertaken with a view to promoting cruise tourism in the Indian Ocean and positioning Mauritius as a main cruise destination in the region.

**Human Capital development is an efficiency enhancer and innovation enabler**

The **MPA** is also fully alive to the need for safe port infrastructure and is currently implementing tighter security measures in line with the recommendations of the ISPS code.

### New Developments

Historically Mauritius is today a diversified economy driven by export-oriented manufacturing, tourism and financial and business services sector.

The government's objective for Mauritius is to rank among the top 15 most investment and business-friendly locations in the world. The country has the ambition to become a high income economy. In this respect the 2014 budget lays the foundations for the transformation of the Port Louis Harbour and for the new economic pillars such as the ocean economy. The vision is that the next wave of prosperity lies on our maritime economy.

**Competitiveness is the set of institutions, policies, and factors that determine the level of productivity of a country. The level of productivity, in turn, sets the level of prosperity that can be earned by an economy.**

### The Future of the MPA

The objective of the government of Mauritius is thus to transform the Port-Louis Harbour from a destination port to a hub regional hub.

In this context, there will be unprecedented high investments over the five years in the port infrastructure. The government will connect Port Louis to almost all the ports in the region and many more beyond our region. It will enable thousands of vessels to drop anchor in our harbour while supplying a wider variety of port and maritime services. Thus, the port will become a key contributor to the development of the ocean economy, creating vast opportunities for our SMEs, and thousands of new jobs for our labour force.

**People are the most valuable resource available to an economy. Leveraging on human capital is key for the demands of highly competitive economies. Source: World Economic Forum, European Centre for Development Policy Management Human Capital Report, 2013**



This ambitious project will entail developing the port on an area extending from Grand River North-west to Baie du Tom beau.

The Mauritius Ports Authority will be coming up with a new Master plan focused on making the Port Louis harbour a hub for bunkering, seafood, transshipment, cruise and petroleum. The Master plan will also include the development of a full-fledged marina.

Huge investments are already being made to expand the activities of the port, including extension of the berths at the Mauritius Container Terminal, refurbishment of the three existing quays cranes, and development of the Island Container Terminal.

Offshore bunkering activities will start before the end of this year, while the storage facilities for onshore bunkering are being expanded significantly with the participation of international petroleum companies.

The objective is to transform the Port Louis Harbour from a destination Port to a Regional Hub.

The above transformational project of the government of Mauritius, coupled with the increasing globalization of trade and high complexity of port operations requires the development and nurturing of a world class sustainable Human Capital for the **MPA**.

Clearly the Mauritius Ports Authority will be facing with unprecedented challenges in the near future.

The **MPA** has already embarked on the improvement of port infrastructure and associated facilities with a view to establishing Port Louis Harbour as a major logistics centre in the region. Moreover, the (T7) **MPA** has already started the extension and strengthening of the Mauritius Container Terminal (MCT) Quay by some 240 metres and the extension of the container yard, within the same project, the water plans will be dispensed from currently 14.5 metres to 16.5 metres, which will enable the accommodation of larger container vessels. As regard to the cruise sector, action is being taken to a modern cruise terminal.

### Present Organization

#### Board and Management

The **MPA Board** is constituted with the Chairman, the Director-General and seven independent members from either public or private sector. The administration and control of the affairs of the **MPA** are vested in the **MPA Board**.

The role and functions of the Chairman and the Chief Executive, who is the Director General are separate. The Chairman presides over the **MPA Board** and is a non-executive member. The Director-General is responsible for the day-to-day operations and also ensures implementation of all policy decisions at the level of the Board.

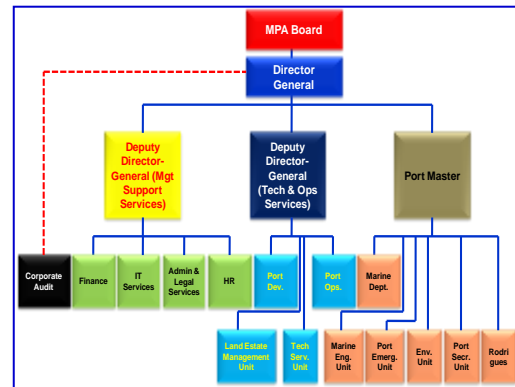




The **MPA Board**, headed by a Chairman, provides the broad strategic directions to attain its mission objectives and fulfil its roles. While the mission defines the roles and functions, the **MPA’s** Vision and Values define its ideals and working culture.

Since the year 2010, the organizational structure of the Authority provides for 8 main departments as the administration and control of the **MPA** are vested in a Board of Directors. The Chairman of the Board is appointed by the **Minister of Tourism and External Communications**. All members of the Board are also appointed by the Minister responsible for ports.

The Deputy Director-General (Management Support Services –MSS) oversees the Finance, Human Resources, Administrative & Legal Services and IT Services Departments whilst the Deputy Director General (Technical & Operational Services – TOS) is responsible for the Port Development Department, Port Operations Department, Technical Services Unit and Estate Management Unit.



The Port Master is responsible for the Marine Department, Port Environment Unit, Port Security Unit, Port Emergency Services Unit and Marine Engineering Unit. He is also required to oversee the administration of Port Mathurin, Rodrigues.

The Ports industry worldwide has been under considerable pressure these recent years with increasing demands for the improvement of external trade competitiveness through mainly the reduction in maritime transport costs and improvement in port efficiency. Shippers, exporters and importers have been expecting reduced port costs and potentially lower maritime freight rates allowing lower costs of imported goods and enhanced competitiveness for exports. As world trade continues to shift global markets, product lines incessantly make new demands on transport systems and on ports in particular.

Despite this challenging environment, the **Mauritius Ports Authority (MPA)** together with its industry partners have strived in providing modern port infrastructure and facilities and a good level of service at Port Louis Harbour which aim at satisfying customers’ needs. All these efforts deployed have enabled the port to enjoy a good trade growth over the last decade despite the global economic crisis.

The **Mauritius Ports Authority** has recorded encouraging operational and financial results from 2010 to date, despite international economic downturn and changes in the shipping and maritime industry.

The **Mauritius Ports Authority** has maintained the impetus of its modernization throughout the crisis years, to ensure that Port Louis Harbour is geared up and ready to tap new investment opportunities in the future when the global economy recovers and world trade picks up again.

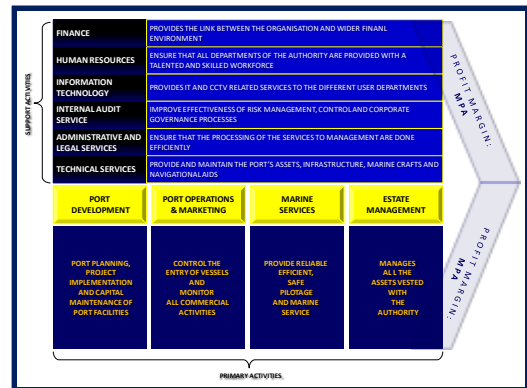
It is imperative that the **MPA** review its mission and develop new strategies so as not to be dependent on only a few business segments and to ensure that appropriate resources and skills are available to meet its new objectives and strategies. The Corporate Plan 2012-2014



have been prepared after the completion of the new Master Plan, Human Resources Development Plan and Information and Communication Strategy to reengineer a new vision and mission for the **MPA** with key performance indicators and targets which will be a road map for the next three years. The Corporate Plan will prepare the future of Port Louis Harbour in terms of port development, provision of efficient, quality and competitive services and at the same time ensure a safe and healthy working environment.

The **MPA** undertakes several activities. Like most ports, it provides services to ships (safe navigation and services at the berth), to cargo (cargo processing, storage, information processing), to users (leasing land, other resources, security) and other port activities (marketing, human resource development). Besides its main functions, the Authority also carries out activities within the organization.

According to Michael Porter, it is the activities within the organization which add value to the services and products that the organization provides. Hence, all the activities of an organization should be undertaken at optimum level and real competitive advantage by the **MPA** can be classified as either primary or support activities.



The exhibit shows the key functions and activities of the **MPA's** various departments.

### Port Mathurin Rodrigues

Following the implementation of the **HRD 2010 Report**, a Memorandum of Understanding (MOU) has been signed between the **Rodrigues Regional Assembly (RRA)** and the **Mauritius Port Authority** and consequently all the **RRA Marine Services** employees have been transferred to the **MPA** (either on establishment or on contract). The Authority assumes responsibilities for all activities regarding port operations at Port Mathurin. It also has full control over Land Management, Port Security and Safety at Port Mathurin. The Manager of Port Mathurin, Rodrigues is responsible amongst others for the general administration of the Port Terminal, Infrastructure and equipment.

## 9.2 Human Capital

Businesses are increasingly recognising the importance of human capital as a critical success factor and are therefore investing in attracting, developing and retaining talents.

To become a global competitor, the **MPA** depends on the performance of its employees, and therefore, the way in which the employees perform will ultimately determine whether the company succeeds or not.

### Workforce

The Authority has presently a workforce of 526 employees. Worldwide, and in organizations of every type, "people processes" are failing to keep pace with a business landscape.



For the **MPA**, new operating environment can be daunting. It must cope with the uneven pace of global economic growth; the explosion of local, national, and international regulations; the continuing convulsions of technological revolution; new and unpredictable sources of competition; and a geographic and skills mismatch that finds many talented workers far from the job openings that are best suited to fill.

As at 4<sup>th</sup> November 2015, the age and gender composition of the Human Capital of the **MPA** was as follows:

Age Range	No of Total Employees		% Employees	
	Male	Female	Male	Female
Below 30 Years	22	9	4.15	1.70
30 – 34 Years	32	7	6.04	1.32
35 – 39 Years	52	5	9.81	0.94
40 – 44 Years	42	7	7.92	1.32
45 – 49 Years	47	8	8.87	1.51
50 – 54 Years	95	6	17.92	1.13
55 – 59 Years	88	21	16.60	3.96
60 Years and Above	85	4	16.04	0.75
<b>Total by Gender</b>	463	67	87.36	12.64
<b>TOTAL</b>		<b>530</b>		<b>100.00</b>

Marine including Port Mathurin, Rodrigues	310
Port Operations	27
Port Development	8
Technical Services Unit	54
Estate Management Unit	2
Human Resources	6
Finance	24
Administrative & Legal Services	79
IT Services	8
Corporate Audit	8
<b>Total</b>	<b>526</b>

It is to be noted with concern that 50.56 per cent of the male human capital composition is aged above 50 Years.

### 9.3 REGIONAL POSITIONING

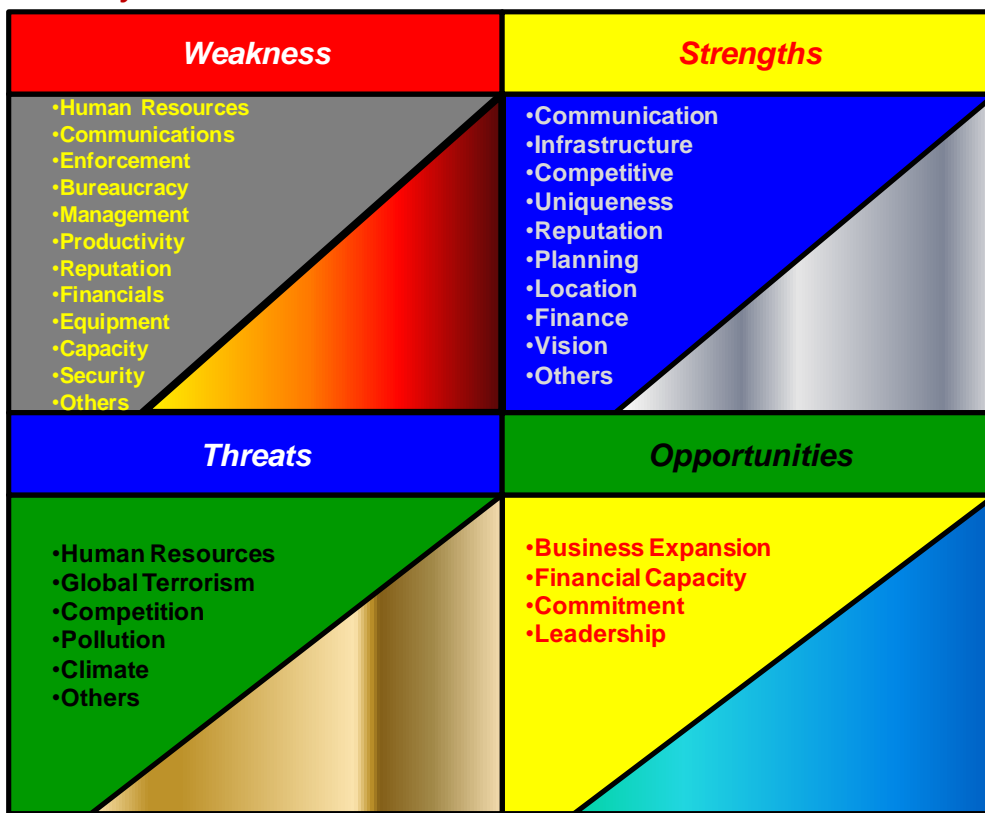
All the current international and regional trends have had a deep impact on the **MPA** and the way it operates today. The business community of today has become a global one and is going through a process of rapid transformation. Today, computer and new information technologies are creating entirely new conditions for the renewal of both material and intellectual activity. The boom in high technology, particularly information technology and in communications has had the overall effect of reducing the importance of distances. Business operations can now be located with greater freedom. This has been accompanied by the rapid development of the service sector. As the economic spotlight shifts to developing markets, the



promoting organisations need new ways to manage their strategies, people, costs and risks. The consequence of all this, for this project of reorienting and reviewing the structure of the **MPA**, is that we need to think global and act local whilst also thinking local and act global.

Many Port promotion authorities are striving to keep pace with the shift of economic activity from the developed world to fast-growing markets in Africa, Asia, and Latin America. We need an organisational model that is best for the **MPA** in handling the realities of rapid growth in emerging markets and round-the-clock global communications as well as meeting new challenges ahead. Being global brings clear strategic benefits. These immediate benefits can also create secondary ones. The **MPA** needs to be locally flexible and adaptable so as to broaden and cope with the increasing challenges, complexities and diversities.

### 9.4 SWOT Analysis



### 9.5 MPA'S PERFORMANCE – OPERATIONAL PERFORMANCE

The **MPA** continued to ensure that its business operations are aligned to its objectives of providing modern port infrastructure, higher productivity, efficient and competitive services in a safe and sustainable working environment. Notwithstanding a number of challenges experienced in particular ideas of its business as a result of an adverse global economic climate and a downturn in international trade, the **MPA** has witnessed encouraging levels in total trade volume, total container traffic and total container throughput in 2014, thus retaining its position as a leading port in this part of the world.

Despite the challenging global economic conditions, trade through Port Louis remained fairly stable in 2014. The diversity of commodities handled by the port has helped to sustain its trade



results, with total cargo volumes reaching 6.9 million tonnes in 2014, keeping an upward trend of 2% growth over 2013. In 2014, the container throughput was 556, 355 TEUs, which was 7.5% higher than last year. Container throughput exceeded the design capacity of the existing container terminal which is 550, 000 TEUs. On the other hand, container traffic registered a notable growth of 4.6% to reach 403, 000 TEUs. Transshipment container throughput, which decreased in 2013, bounced back with an increase of 13% to reach 304, 557 TEUs in 2014 and the **MPA** is looking forward to better results in 2015.

The **MPA** has spawned the growth of port services such as bunkering and attracted a wide range of ancillary service providers in the emerging segments under the Ocean Economy Initiative.

With the expansion of the Mauritius Container Terminal coming on stream and the longer-term development of our port, Port Louis Harbour is well positioned to serve the needs of our shipping and maritime industry and to support the continued growth of Mauritius and the region well into the future.

Regardless of the turbulent global economic environment, the **MPA** is gearing its business activities focusing on sound financial strategies to mitigate any debilitating impact on its finances. Its main objective is to improve and sustain productivity, which is guided by the Authority's constant reliance on proper accounting mechanisms. At the end of 2014, the financial results were indeed comfortable with operating revenue reaching a satisfactory figure of Rs 1.13 billion.

Looking ahead, the Authority will direct its strategy at optimizing its core business. In this regard, it will further its infrastructural upgrades, development programmes and container handling capacity of the Mauritius Container Terminal (MCT) to position the port as a regional hub in preparation for the post Panamax era. The vision of the **MPA** is not only to provide port capacity ahead of demand to cater for the requirements of the local economy, but also to play a major role in the region, tapping on the vast opportunities offered by the fast developing economies in Africa. Appropriate strategies are being developed to position Port Louis as a major transshipment hub to meet the target of container transshipment throughput 485, 000 TEUs by 2020 and 745, 000 TEUs by 2025 under the Ocean Economy Initiative.

Having studied the long term and future capacity demands of the MCT, the **MPA** is proceeding with the extension and strengthening of the MCT berth and associated dredging work so as to accommodate large container vessels of over 8, 000 TEUs. The contract for the Marine & Civil Works package was awarded to JV Strabag/Archirodon at the total amount of Rs 4.2 billion in August 2014. The project will be executed over a period of 27 months and is expected to be completed around early 2017.

Similar attention is also placed on boosting the reliability and operational efficiency of MCT. This is supported by the efforts of the **MPA** to engage constant discussions with the Cargo Handling Corporation Ltd in view of ensuring the provision of efficient and quality services at the MCT. New cargo handling equipment will be procured by the Cargo Handling Corporation Limited with a view to increase the port productivity and making Port Louis Harbour more attractive for container transshipment.

On the other hand, in the Roadmap for Mauritius under the Ocean Economy Initiative, seven main ocean economy clusters have been identified as priority areas to achieve the objectives



set. The **MPA** has been tasked to lead and oversee the implementation of the Seaport Related Activities. The ongoing activities under this cluster include container transshipment, cruise, petroleum hub; ship repairs/ ship building & associated services and shipping agency/freight forwarding/ship brokerage services.

The cruise segment registered an improvement during 2014 with 18 calls despite the fact that the global economy in 2014 registered in a decline in the GDP growth of advanced economies, in particular, the euro-zone countries. The parent Ministry, through the Mauritius Tourism Promotion Authority would drive the marketing campaign to promote the region as a cruise destination with Port Louis as home port. In order to support this new segment, reception facilities at Port Louis need to be further improved. In this respect, **MPA** will invest some MUR 150 million in the construction of a cruise terminal building by end of 2017. The target has now been fixed to increase the cruise passenger traffic in the short and medium term i.e. 20,000 visitors by 2015, 50,000 by 2020 and 100,000 by 2025.

Over the last two years Port Louis Harbour has also witnessed a significant increase in bunkering activities, which have also been beneficial to the country as a whole. This business activity is acting as a catalyst to the port and maritime sector and there is a scope for further growth of this buoyant business segment at Port Louis Harbour. This sector has also helped traders locally and those in the region to have recourse to reliable freight services, which is an indispensable element for smooth trading. In 2014, a total of 1973 vessels took bunker at Port Louis Harbour, out of which 721 called for bunker supply only. Mauritius is geographically well positioned to become a bunkering hub for the re-export of petroleum products. In order to take advantage of such new opportunities, the **MPA** is offering a series of incentives and has even extended the limits of the port to entice more shipping lines to use Port Louis Harbour as a bunkering station.

The main objective under the Seaport Related Activities is to develop Port Louis Harbour into a major hub in the region for container transshipment, cruise, petroleum products and port services. The **MPA** is accordingly proceeding with the preparation of a new Port Master Plan Study to take into consideration the new opportunities offered by activities, related to the Ocean Economy and address the land use requirements for future port development projects at Port Louis and Port Mathurin. The contract would be awarded around August 2015 and the Master Plan would be ready within a period of one year.

The **MPA** business principles are enshrined in its Vision and Mission. Along with the Authority's Corporate Values, they provide the foundation for strategic planning and decision-making helping to prioritise and work towards common goals. As regards to service delivery, the **MPA** continually aims at providing high standard services commensurate to the expectations of its clients and in line with its vision of making of "Port Louis Harbour, a regional logistics hub providing world class port service through business excellence". In this endeavour, the **MPA** has created a sophisticated technology-based operating framework surrounded and supported by highly motivated and trained personnel. The **MPA** is driven by a culture that reflects the core values, which includes providing a working environment that encourages and supports innovation, team work, respect and development of its employees. The **MPA** continuously strives to create a quality work environment for its staff.

Adherence to ISO processes is a reflection of the close attention **MPA** pays to quality services and the focus on continuous improvement of our procedures and systems. As part of our





commitment to continuous improvement, customer focus and compliance with regulatory and statutory requirements, the Authority's quality policy has been revamped incorporating environmental aspects that identify, manage and evaluate our key business activities, and reduce health, safety and environment risks.

The **MPA** won a special award in the category of large enterprises in the area of operations management at the 6<sup>th</sup> Edition of the Mauritius Business Excellence Award ceremony organised jointly by the Ministry of Industry, Commerce and Consumer Protection and the Ministry of Business, Enterprise and Cooperatives. The competition was geared towards nurturing quality, excellence and innovation in private and public organisations and also aims at fostering best business practices among Mauritian enterprises for sustained competitiveness in the global trading arena.

Recognising the importance to reduce or neutralize the negative impact of port operations on the environment and the surrounding community, the **MPA** is aiming at obtaining a Green Port Status in line with the Green Port Initiative adopted under the World Port Climate Initiative by the International Association of Ports and Harbours. Under this programme, the **MPA** is gearing itself along with port stakeholders to adopt a broad range of measures in strategic energy management which could make the port more energy efficient and environmentally friendly. We have no doubt that our commitment to meet the challenge of 'greening' port operations at all possible levels will touch our clientele at large as well as the whole island in the long run.

The **MPA** will continue to forge ahead to meet the next wave of challenges and opportunities. It remains committed to developing and promoting Port Louis Harbour as a transshipment hub port whilst continuing to play a pivotal role in supporting and stimulating the country's economic progress.

## 9.6 Port Projects

The current and forthcoming Port Projects are as follows:

### Extension of berth at Container Terminal

Port Louis is presently the second deepest port in the African region. With the ongoing development to deepen the port to 16.5m by 2016, Port Louis will be capable to accommodate the largest container vessels afloat.

It is reported that the fastest growth in Maritime trade is between the Far East and emerging economies of Africa and Latin America. Under the Ocean Economy initiative, it is forecasted that transshipment container traffic at Port Louis will increase to 500,000 TEUs by 2020 and 800,000 by 2025. Accordingly the total traffic (transshipment and captive) at Port Louis will increase to 800,000 TEUs by 2020 and over 1 million TEUs by 2025. In order to accommodate the increasing traffic and larger vessels calling at Port Louis, the **MPA** is proceeding with the extension and strengthening of the MCT berth. The quay extension is expected to be completed by December 2015 and the whole upgrading works to be completed by March 2017. The capacity of the terminal will increase from 550,000 TEUs to 750, 000 TEUs.

### Dredging Contract



To ensure safe manoeuvring and operations of fully laden 8000-9000 TEUs capacity vessels, there is the need to further deepen the English Channel from 14.5 metres to 16.5 metres below Chart Datum.

The deepening works would require about 1.5 million m<sup>3</sup> of material to be dredged. This would serve for land reclamation of a total area of about 39 hectares in the Fort William and Fort George regions meant essentially for future port development. In addition, the Authority will seize the opportunity to use the dredger for some maintenance dredging within the navigation channel of the old port.

Three shortlisted contractors were invited to submit their bids for the dredging works package. The bid prices received in March 2015 exceeded the estimated cost by more than 80% and the exercise has been cancelled. New bidding exercise is now being launched with a view of completing the works by 2016.

Notice for the prequalification of potential contractors has been published on 6 August 2015. The prequalification proposal will have to be submitted by 9 September 2015.

### **Bunkering**

The bunker market presently is around one million tons per annum and some 280, 000 MT is supplied at Port Louis. It is expected that the bunker volume can increase to 8 million MT in the medium term and Port Louis can capture up to one third of the market share, i.e. about 2-3 million MT per annum.

The constraint to enable increase in bunker supply is the on shore tankage capacity, which is limited to about 135,000 MT. With a view to increasing storage capacity ashore, Mauritius Molasses Company Ltd has converted its tanks for storage of petroleum products and the Oil industry are proceeding with the construction of new tanks of 25,000 MT at Mer Rouge. Some promoters, namely Mac Quarie and Group Five are proposing to mobilize at floating storage and bunker barges to position Port Louis as a bunker port between Singapore and South Africa/ South America. Detailed proposals from the Promoters are however still awaited. Both the promoters intend to handle some 1 million tons in the first year of activities.

Furthermore, firms such as Indian Oil, Horizon Terminal and Mac Quarie have shown interest to develop on shore storage facilities of about 10, 000 MT each. It is planned to accommodate these projects on the 35 ha of land to be reclaimed at Fort William by end 2016. Indian Oil Corporation has informed that they intend to submit their proposal and request for allocation of land in September 2015. All the project proposals will be examined by the Master Plan Consultants and land will be allocated in line with the recommended land use plan.

### **Port Master Plan Study**

The contract for the Port Master Plan Study has been awarded to Messrs Royal Haskoning in August 2015. The Consultants mobilized its team as from 1<sup>st</sup> of September 2015. The Preliminary Port Master Plan report will be submitted within a period of 6 months.

### **Construction of Cruise Terminal Building**

The number of cruise passengers at Port Louis Harbour reached a peak of 27, 458 pax in 2010 with 18 round the world cruise liners and 9 Costa vessels. This traffic declined to 16, 518



pax in 2014 with 18 round the world cruise vessels including 1 from Costa. Costa stopped its home porting activities at Port Louis as from 2015. It is foreseen that cruise passengers will increase to 20, 000 pax in 2015 and 50, 000 pax by 2020. **MPA** is proceeding with the construction of a passenger Terminal Building to accommodate both Cruise and inter Island passengers. It is planned to award the contract for consultancy services in October 2015 and to complete the project by end 2017.

### **Fishing Sector**

Some 1068 fishing vessels called to Port Louis in 2014 and a total of 143, 410 tons of fish were handled. The fish unloaded is used by the two industries for canning and loining and also for export.

LHF Marine Development Ltd, has submitted a proposal to construct as Fishing Port at Bain des Dames. The project would cater for about 200, 000 tons of fish and would comprise modern quays, storage facilities, processing area, seafood market and restaurant. The facility will accommodate 20 fishing vessels at any one time and will provide employment to about 3700 people in the different activities. LHF plans to link Mauritius with Qingdao in China, via Kedah in Malaysia, in order to create a fishery logistic chain from Indian Ocean to North East Asia.

The 2015 budget speech of the Minister of Finance and Economic development creates the pathway to the future development of our port and sea-related economic activities as stated hereafter.

### **Sea Change in Port Development**

The next big investment to improve connectivity for Mauritius will be the seaport. Mauritius has compelling reasons to make strategic investments in its port given the central role that it will play in the Ocean Economy.

Thus future investments include:

- The extension of the quay at the Mauritius Container Terminal;
- Deepening of the navigational channel so as to accommodate 3<sup>rd</sup> generation container vessels;
- Construction of a cruise terminal building at the Christian Decotter Terminal;
- Upgrading of the Multi-Purpose Terminal; and
- Construction of access road and other works at Fort William

Total investment in port development will amount to Rs 3.2 billion in 2014 alone and a further Rs 2.3 billion over the following two years.

The Government will facilitate the setting up of a Logistics Park to expand port facilities on some 65 hectares within the Jei fei zone. This will include space for containers depot, warehousing, light assembly and other logistics related activities.

### **Marine Services Hub**

The Government will also promote the creation of a Marine Services Platform, a second new pillar for our economy. It will be centered on growing the bunkering facilities and the various



economic activities that are linked to that trade, such as ship candling, repairs and maintenance of vessels, crew management and ship leasing.

The demand for bunkering in the region is expected to rise to around 8.36 million tonnes.

Currently, we attract bunkering traffic for only 300,000 tonnes and our aim is to triple that in the medium term.

The Government is impressed by the keen interests of international companies to invest in bunkering and oil storage. It is an opportunity that we should not miss.

To make it happen, the Government will liberalise the bunker trade which will bring a fall in the price of bunker fuel.

Thus, operators other than the STC will be able to import petroleum products including bunker fuel.

The liberalisation of bunkering will increase the number of ships calling at Port Louis leading to greater transshipment and the growth of feeder services to Africa, resulting in more competitive tariffs.

It will also bring about substantial investment in facilities, in and around the port.

The liberalisation of bunkering will give rise to additional private investment of Rs 2.5 billion and increase storage capacity from 120,000 tonnes to 270,000 tonnes by 2016.

This is a tremendous opportunity for our country to regain its place as the Star and Key of the Indian Ocean.

### **Petroleum Hub**

There are also very good prospects for developing Mauritius into a petroleum Hub. Procedures have already started for the construction of storage facilities for automotive fuel and gas oil of a capacity of 25,000 metric tonnes for re-export to the region.

But the Government wants to go beyond that and probe into the feasibility of creating a full-fledged Petroleum Terminal in Mauritius.

To this end, an exhaustive study will be done on all the aspects of such a project, with great emphasis on environmental protection.

This activity could create huge opportunities for our engineers and create well paid and high skilled jobs.

### **The Strategic Intent**

The Strategic intent is a high-level statement of the means by which the **MPA** will achieve its objectives. It is a statement of design for creating a desirable future (stated in present terms). Simply put, a strategic intent is the **MPA's** vision of what it wants to achieve in the future.

Strategy should be a stretch exercise, not a fit exercise. Expression of Strategic intent is to help individuals and organizations share the common intention to survive and continue or extend themselves through time and space.



The strategic intent of an organisation is a high-level statement of the means by which the organization will achieve its long term direction. It is a statement of design for creating a desirable future (stated in present terms). Simply put, a strategic intent in the long term.

In the field of management and organisational development, strategic intent is defined as a compelling statement about where an organization is going that succinctly conveys a sense of what that organisation wants to achieve in the long term. Strategic intent answers the question: “What exactly are we trying to accomplish?”

### **Purpose of Strategic Intent**

The logic, uniqueness and discovery that make a strategic intent come to life are vitally important for the Board, the management and the employees. They have to understand, believe and live according to it.

- ❖ A strategic intent provides a **sense of direction**, a particular point of view about the long-term market or competitive position the organisation hopes to develop and occupy.
- ❖ A Strategic intent provides a **sense of discovery** in that it holds out to the organisation’s members the promise of learning about other organisations that operate in the same market, adopting their best practices and avoiding pitfalls.
- ❖ A strategic intent can provide a **sense of destiny**, a worthwhile goal around which energies can be focused across the organisation.

The strategic intent of the **MPA** is encapsulated in its Vision, Mission and Core Values as follows:

**Vision Statement:** *“MPA – The leading Authority driving Mauritius as a preferred regional maritime gateway”*

**Mission Statement:** *“To stimulate economic growth by transforming our port into a dynamic Logistics Hub whilst providing sustainable and competitive integrated services”*

### **Core Values:**

Service Excellence – we adopt cutting edge processes and technologies to provide excellent value adding services

Innovation and Creativity – we continuously innovate in a perpetual move to ensure sustainability

Passion – we engage ourselves with determination and dedication in a results driven culture

### **Strategic Thrusts**



Corporate strategic thrusts are the primary action-oriented issues the **MPA** has to address in order to achieve the desirable strategic positioning as depicted in the economic mission statement and the Government budget speech.

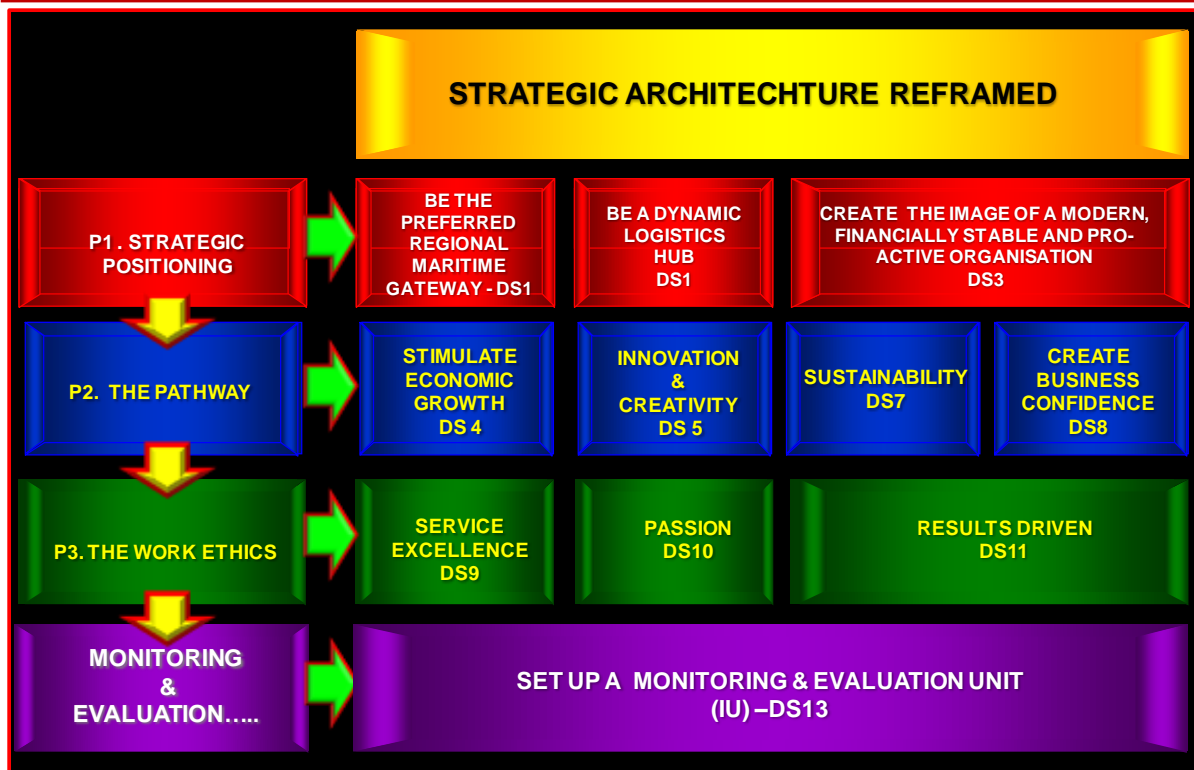
A strategic thrust is thus a broad statement of intended strategic actions. The statement provides a “compelling theme that knit together otherwise independent activities and focuses the energies of functional groups on things that matters most.” A strategic thrust is thus intended to create a broad, shared understanding of what strategic actions are intended during a 3 years’ planning horizon for the **MPA**.

Strategic thrusts are the main, high-level business focus that forms the basis for the organization’s business model and strategies. They are part of the strategic planning work.

Once the shared vision for the **MPA** has been agreed (a picture of the future or desired future state), then we need to systematically decompose that vision, mission and core values, into a set of strategic themes. They are sometimes referred to as “pillars of excellence”. The strategic themes are very broad in scope. They apply to every part of the **MPA** and define what major strategic thrusts the **MPA** will pursue to achieve its future vision.

The Strategic thrusts for the Corporate plan 2016 – 2018 for the **MPA** are as follows:





The corresponding Action Plan 2016 – 2018 for the above strategic thrusts is as follows:



## 10 ACTION PLAN



STRATEGIES	TACTICS	KPIs	DEPARTMENT
<b>Structure and Implement targeted actions so as to make of the Port the preferred Maritime gateway</b>	<b>ATTRACTING MORE VESSELS TO PORT LOUIS</b>		
	• Attract more vessels to use Port Louis for all their maritime services	▪ Increase in number of vessels	<b>Marine Department - Marine Section</b>
	• Offer International standard Pilotage service to the shipping community	▪ Number of such Pilotage Service (out of total) provided	<b>Port Emergency Services/Port Environnement</b>
	• Attract more vessels calling at outer anchorage by promoting financial incentives approved by the MPA	▪ Increase in number of vessels call	<b>Finance</b>
	• Provide land for constructing required port infrastructure that encourage vessels to call at Port Louis	▪ Amount of land provided ▪ Increase in number of vessels call	<b>Estate Management</b>
	• Encourage Promoters call to/ invest at Port Louis	▪ Increase in number of vessels ▪ Increase in investments	<b>Estate Management</b>
	• Refurbish the Jetty	▪ Refurbishment done	<b>Technical Services Department</b>
	• Carry out regular regional trade analysis and maritime services to enable the formulation of marketing and commercial policies	▪ Analysis done	<b>Port Operations</b>
	• Keep track of all commercial activities of all services providers in the Port, coupled with details of services, tariffs, contact persons	▪ Tracking effective	<b>Port Operations</b>





<b>Structure and Implement targeted actions so as to make of the Port the preferred Maritime gateway</b>	<ul style="list-style-type: none"> <li>• Improve berth allocation and berth plan by the use of ICT tools to generate the daily port situation</li> </ul>	<ul style="list-style-type: none"> <li>▪ Berth allocation improvement metrics</li> </ul>	<b>Port Operations</b>
	<ul style="list-style-type: none"> <li>• Ensure SPO is present on all working days to work out the berth planning and allocation of quays as since HRD Plan2010, SPOs do not work on Saturdays</li> </ul>	<ul style="list-style-type: none"> <li>▪ Action taken</li> </ul>	<b>Port Operations</b>
	<ul style="list-style-type: none"> <li>• Enlist the support of the stakeholders like CHCL, agents and other authorities to use the MPA IT system or MACCS for the elaboration of the daily port situation</li> </ul>	<ul style="list-style-type: none"> <li>▪ Support enlisted</li> </ul>	<b>Port Operations</b>
	<ul style="list-style-type: none"> <li>• Carry out an assessment of the realistic trend in the passenger trend in the passenger traffic passing through the port and ensuring that passenger transit in a safe and secure terminal away from the cargo handling operational areas</li> </ul>	<ul style="list-style-type: none"> <li>▪ Assessment done</li> </ul>	<b>Port Development</b>
	<ul style="list-style-type: none"> <li>• Publicize regular reports including a trend analysis, statistical information</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives implemented</li> </ul>	<b>Port Operations</b>
	<b>REINFORCING SECURITY</b>		
	<ul style="list-style-type: none"> <li>• Have a safe &amp; secured port</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives taken</li> <li>▪ A zero accident policy</li> </ul>	<b>Port Emergency Services/ Environment</b>
	<ul style="list-style-type: none"> <li>• Update Port Facility security Plan &amp; strengthen security at strategic installations, particularly those having a ship to shore interface.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives implemented</li> </ul>	<b>Marine Department - Port Security Unit</b>
	<ul style="list-style-type: none"> <li>• Implement an Access Management System to control access to MPA premises through automated barriers / turnstiles</li> </ul>	<ul style="list-style-type: none"> <li>▪ Access management system is implemented</li> </ul>	<b>Administrative &amp; Legal Services Department</b>
	<ul style="list-style-type: none"> <li>• Provide safe and secure access to port premises</li> </ul>	<ul style="list-style-type: none"> <li>▪ Access management system is implemented</li> </ul>	<b>Administrative &amp; Legal Services Department</b>
	<ul style="list-style-type: none"> <li>• Bring the port's legislation and practices in line with international safety and security standards</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of amendments made to legislation</li> </ul>	<b>Administrative &amp; Legal Services Department</b>
	<ul style="list-style-type: none"> <li>• Maintain port safety and security</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives taken</li> <li>▪ A zero accident policy</li> </ul>	<b>Administrative &amp; Legal Services Department</b>
	<ul style="list-style-type: none"> <li>• Improve Information Asset Security</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of improvements made</li> </ul>	<b>IT Services</b>
	<ul style="list-style-type: none"> <li>• Replace/Upgrade of CCTV System taking latest technological advances into consideration.</li> </ul>	<ul style="list-style-type: none"> <li>▪ CCTV system replaced</li> </ul>	<b>IT Services</b>
	<ul style="list-style-type: none"> <li>• Connect Camera system at Port Mathurin to Mauritius.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Connection made</li> </ul>	<b>IT Services</b>
<ul style="list-style-type: none"> <li>• Improve Security at Rodrigues</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives taken</li> </ul>	<b>IT Services</b>	
<ul style="list-style-type: none"> <li>• Fendering systems for Terminal I &amp; II to enhance the safety of both the quay infrastructure &amp; the vessels during berthing operations</li> </ul>	<ul style="list-style-type: none"> <li>▪ Fendering system implemented</li> </ul>	<b>Port Development</b>	



<b>Structure and Implement targeted actions so as to make of the Port the preferred Maritime gateway</b>	<ul style="list-style-type: none"> <li>Specify &amp; procure a high security fencing which could be efficiently constructed to suit the local site conditions and match the security requirements applicable for port facilities</li> </ul>	<ul style="list-style-type: none"> <li>High security fencing installed</li> </ul>	<b>Port Development</b>
	<ul style="list-style-type: none"> <li>Ensure breakwater for Safe Parking of Fishing vessels to provide parking facilities for non-working fishing vessels at buoy/anchorage</li> </ul>	<ul style="list-style-type: none"> <li>Work done</li> </ul>	<b>Port Development</b>
	<ul style="list-style-type: none"> <li>Enhance security fencing at Port Mathurin &amp; Access control to upgrade the security level along the perimeter of the port areas to consolidate compliance to ISPS</li> </ul>	<ul style="list-style-type: none"> <li>Work done</li> </ul>	<b>Port Development</b>
	<ul style="list-style-type: none"> <li>Ensure the high security fencing system is being constructed on time to ensure uniformity in the level of security at Port Louis &amp; Port Mathurin</li> </ul>	<ul style="list-style-type: none"> <li>Work done</li> </ul>	<b>Port Development</b>
	<ul style="list-style-type: none"> <li>Upgrade access control to Port Area to upgrade the access control system at the terminal gates to facilitate traffic flow at terminal gates</li> </ul>	<ul style="list-style-type: none"> <li>Number of upgrades</li> </ul>	<b>Port Development</b>
	<ul style="list-style-type: none"> <li>Ensure the safety &amp; security of goods transiting at the Port by controlling and ensuring that only authorised personnel and stakeholders have access to &amp; from the bonded areas at the terminals</li> </ul>	<ul style="list-style-type: none"> <li>Number of initiatives implemented</li> </ul>	<b>Port Development</b>
	<b>DIVERSIFICATION OF SERVICES</b>		
	<ul style="list-style-type: none"> <li>Set up of a bunkering service</li> </ul>	<ul style="list-style-type: none"> <li>Bunkering service set up</li> </ul>	<b>Port emergency services/ environment</b>
	<ul style="list-style-type: none"> <li>Conduct regular climate and customer surveys to assess the needs of the internal and external customers</li> </ul>	<ul style="list-style-type: none"> <li>Number of surveys carried out</li> </ul>	<b>Administrative &amp; Legal Services Department</b>
	<ul style="list-style-type: none"> <li>Increase the setting up of petroleum facilities in the port</li> </ul>	<ul style="list-style-type: none"> <li>Number of such facilities created</li> </ul>	<b>Estate Management Section</b>
	<b>IMPROVE CUSTOMER FOCUS</b>		
	<ul style="list-style-type: none"> <li>Ensure that there is no discrimination when dealing with customers.</li> </ul>	<ul style="list-style-type: none"> <li>Zero customer complaint</li> </ul>	<b>Administrative &amp; Legal Services Department</b>
	<ul style="list-style-type: none"> <li>Listen to the voice of the internal and external customers</li> </ul>	<ul style="list-style-type: none"> <li>Number of measures take to do so</li> </ul>	<b>Administrative &amp; Legal Services Department</b>
	<ul style="list-style-type: none"> <li>Make use of a mix of communication tools: Publicity, Public Relations, Press conferences, news releases, interviews, newspaper articles</li> </ul>	<ul style="list-style-type: none"> <li>Number of initiatives taken</li> </ul>	<b>Administrative &amp; Legal Services Department</b>
	<ul style="list-style-type: none"> <li>Ensure Lessees are compliant to conditions of their respective Lease Agreements pertaining to environment protection</li> </ul>	<ul style="list-style-type: none"> <li>Number of measures taken</li> <li>A zero tolerance policy</li> </ul>	<b>Estate Management</b>
<ul style="list-style-type: none"> <li>Implement ISO 27001</li> </ul>	<ul style="list-style-type: none"> <li>ISO 27001 implemented</li> </ul>	<b>IT Services</b>	



<b>Structure and Implement targeted actions so as to make of the Port the preferred Maritime gateway</b>	<ul style="list-style-type: none"> <li>Implement an IP based Telephony System including a voicemail, and teleconferencing facilities</li> </ul>	<ul style="list-style-type: none"> <li>IP based system implemented</li> </ul>	<b>IT Services</b>
	<ul style="list-style-type: none"> <li>Improve internal and external communications through a single converged infrastructure and provide Service Excellence</li> </ul>	<ul style="list-style-type: none"> <li>Simple converged infrastructure implemented</li> </ul>	<b>IT Services</b>
	<ul style="list-style-type: none"> <li>Offer port customers an integrated and competitive suite of quality services by a dedicated team of talented professionals</li> </ul>	<ul style="list-style-type: none"> <li>Integrated and competitive suite implemented</li> </ul>	<b>Human Resources</b>
	<ul style="list-style-type: none"> <li>Formalize modus operandi of other Port Operators by signing of SLAS with other port operators</li> </ul>	<ul style="list-style-type: none"> <li>Number of initiatives implemented</li> </ul>	<b>Port Operations</b>
	<ul style="list-style-type: none"> <li>Audit of how actual operations are being carried out in the absence of any formal agreement between the Authority and the operators</li> </ul>	<ul style="list-style-type: none"> <li>Number of initiatives implemented</li> </ul>	<b>Port Operations</b>
	<ul style="list-style-type: none"> <li>Come up with best international practices but customized to suit the local context</li> </ul>	<ul style="list-style-type: none"> <li>Number of best practices implemented</li> </ul>	<b>Port Operations</b>
	<ul style="list-style-type: none"> <li>Draft of a formal document b/w MPA and the Operators (SLAS) with specific operational clauses</li> </ul>	<ul style="list-style-type: none"> <li>Document drafted and signed</li> </ul>	<b>Port Operations</b>
	<ul style="list-style-type: none"> <li>Beef up the Unit by recruiting appropriate staff for the processing and drafting of the SLAS</li> </ul>	<ul style="list-style-type: none"> <li>Calibre and number of recruits</li> </ul>	<b>Port Operations</b>
	<b>INCENTIVISE CUSTOMERS</b>		
	<ul style="list-style-type: none"> <li>Bring amendment to the Port (Fees) Regulations 2008 at the earliest regarding incentives approved by the MPA for some categories of vessels</li> </ul>	<ul style="list-style-type: none"> <li>Number of amendments brought</li> </ul>	<b>Finance</b>
	<ul style="list-style-type: none"> <li>Grant of graduated rentals at the start of lease</li> </ul>	<ul style="list-style-type: none"> <li>Number of graduated rentals implemented</li> </ul>	<b>Estate Management</b>
	<ul style="list-style-type: none"> <li>Give incentives on market rentals applicable in the ports</li> </ul>	<ul style="list-style-type: none"> <li>Number of incentives given</li> </ul>	<b>Estate Management</b>
	<ul style="list-style-type: none"> <li>Apply market rentals in ports after consultation with the Ministry of Finance and Economic Development</li> </ul>	<ul style="list-style-type: none"> <li>Number of market rentals applied (out of total)</li> </ul>	<b>Estate Management</b>
	<ul style="list-style-type: none"> <li>Provide land on lease to Promoters on competitive terms, for developing their facilities for port related projects</li> </ul>	<ul style="list-style-type: none"> <li>Number of leases granted under these terms</li> </ul>	<b>Estate Management</b>
	<ul style="list-style-type: none"> <li>Participate in devising and implementing incentive schemes to attract more Container transshipment activities at Port Louis</li> </ul>	<ul style="list-style-type: none"> <li>Number of incentives implemented</li> </ul>	<b>Marketing</b>
	<b>INCREASE VISIBILITY OF THE MPA</b>		
	<ul style="list-style-type: none"> <li>Make the MPA and its activities more visible both locally and internationally</li> </ul>	<ul style="list-style-type: none"> <li>Number of initiatives taken</li> </ul>	<b>Administrative &amp; Legal Services Department</b>
	<ul style="list-style-type: none"> <li>Produce a high quality video film to promote the Authority effectively when participating in overseas seminars and exhibitions. This video</li> </ul>	<ul style="list-style-type: none"> <li>Video film produced</li> </ul>	<b>Administrative &amp; Legal Services Department</b>



<b>Structure and Implement targeted actions so as to make of the Port the preferred Maritime gateway</b>	<ul style="list-style-type: none"> <li>film could also be presented to visitors, clients, stakeholders, etc. visiting MPA.</li> </ul>		
	<ul style="list-style-type: none"> <li>Write articles on port development in international port magazines.</li> </ul>	<ul style="list-style-type: none"> <li>Number of articles appearing in such magazines</li> </ul>	Administrative & Legal Services Department
	<ul style="list-style-type: none"> <li>Review the MPA website on a regular basis, making the design more attractive and making it a more effective tool</li> </ul>	<ul style="list-style-type: none"> <li>Web site reviewed</li> </ul>	Administrative & Legal Services Department
	<b>IMPROVE PORT ACCESS &amp; PORT ENVIRONMENT</b>		
	<ul style="list-style-type: none"> <li>Train the staff (R&amp;D of the expectation of our customers)</li> </ul>	<ul style="list-style-type: none"> <li>Number of training done</li> </ul>	Marine department - marine section
	<ul style="list-style-type: none"> <li>Reinforce the Emergency unit to be able to operate within and outside of the port at anchorage</li> </ul>	<ul style="list-style-type: none"> <li>Number of such initiatives undertaken</li> </ul>	Port emergency services/ Environment
	<ul style="list-style-type: none"> <li>Earmark land in the ports for use as common area and green spaces</li> </ul>	<ul style="list-style-type: none"> <li>Area of land allocated</li> </ul>	Estate Management
	<ul style="list-style-type: none"> <li>Enhance the port environment</li> </ul>	<ul style="list-style-type: none"> <li>Number of initiatives undertaken</li> </ul>	Estate Management
	<ul style="list-style-type: none"> <li>Ensure the Safety and reliability of facilities/assets with the Port</li> </ul>	<ul style="list-style-type: none"> <li>Number of initiatives implemented</li> </ul>	Technical Services Department
	<ul style="list-style-type: none"> <li>Ensure that the Masterplan study provides the road map for the port development strategy to meet the short &amp; medium requirements for port facilities and identify the land use requirements for the long term</li> </ul>	<ul style="list-style-type: none"> <li>Land use requirements identified</li> </ul>	Port Development
	<ul style="list-style-type: none"> <li>Carry out a thorough assessment of the present land use plan and assess all the demands for further facilities meet the operational requirements</li> </ul>	<ul style="list-style-type: none"> <li>Assessment done</li> <li>Operational requirements met</li> </ul>	Port Development
	<ul style="list-style-type: none"> <li>Optimise the present land use planning and identify the needs for additional facilities and earmark resources for such development accordingly.</li> </ul>	<ul style="list-style-type: none"> <li>Land use optimised</li> </ul>	Port Development
	<b>OTHERS</b>		
	<ul style="list-style-type: none"> <li>Recruit personnel with appropriate skills and knowhow</li> </ul>	<ul style="list-style-type: none"> <li>Number of such recruitments made</li> </ul>	Port emergency services/ Environment
	<ul style="list-style-type: none"> <li>Strengthen port administration</li> </ul>	<ul style="list-style-type: none"> <li>Number of measures taken</li> </ul>	Administrative & Legal Services Department
	<ul style="list-style-type: none"> <li>Provide an integrated legislative, regulatory and institutional framework to support the sustainability of port management and operations.</li> </ul>	<ul style="list-style-type: none"> <li>Number of such amendments to the legal framework</li> </ul>	Administrative & Legal Services Department
<ul style="list-style-type: none"> <li>Protect the legitimate rights and interests of the MPA - its stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Number of initiatives taken</li> </ul>	Administrative & Legal Services Department	



<b>Structure and Implement targeted actions so as to make of the Port the preferred Maritime gateway</b>	<ul style="list-style-type: none"><li>• Promote the sustainability of port management and operations</li></ul>	<ul style="list-style-type: none"><li>▪ Number of measures taken</li></ul>	<b>Administrative &amp; Legal Services Department</b>
	<ul style="list-style-type: none"><li>▪ Provide services for repairs and maintenance of transport vehicles, generator sets, fire fighting equipment, mechanical facilities at the Oil Jetty (pumps, QRMH, Fire Monitors etc.), Mobile Cranes (Agalega and Port Mathurin)</li></ul>	<ul style="list-style-type: none"><li>▪ A zero defect policy</li></ul>	<b>Technical Services Department</b>
	<ul style="list-style-type: none"><li>▪ Complement a formal planned maintenance system which may be computer based and cover all items site/facility/asset. The maintenance and inspection programmes are to be based on regulatory requirements, technical procedures, manufacturer's recommendations and recognized industry practices. Maintenance and inspection programmes would be conducted by competent personnel. Records will be kept of all planned maintenance, tests and inspections, as well as defects and remedial maintenance.</li></ul>	<ul style="list-style-type: none"><li>▪ Maintenance plan implemented</li></ul>	<b>Technical Services Department</b>



STRATEGIES	TACTICS	KPIs	DEPARTMENT
Develop a targeted marketing and service efficient set of actions so as to make of the Port a dynamic logistics hub	<b>MARKETING INITIATIVES</b>		
	<ul style="list-style-type: none"> <li>Promote the port as a container transshipment hub to shipping lines, like Maersk, CMA/CGM etc. not actually using Port Louis for major transshipment activities</li> </ul>	<ul style="list-style-type: none"> <li>Number of marketing companies</li> <li>Increase in transshipment</li> </ul>	<b>Marketing</b>
	<ul style="list-style-type: none"> <li>Promote the additional infrastructure being created through the Upgrading and Extension of Berths at the MCT</li> </ul>	<ul style="list-style-type: none"> <li>Number of initiatives</li> <li>Increase in traffic</li> </ul>	<b>Estate Management Section</b>
	<ul style="list-style-type: none"> <li>Design and implement a marketing strategy for MPA</li> </ul>	<ul style="list-style-type: none"> <li>Strategy implemented</li> </ul>	<b>Port Operations</b>
	<ul style="list-style-type: none"> <li>Keep and update of a proper register of details of liner services, shipping routes, frequency, Ports of call, freight rates, local agents,...</li> </ul>	<ul style="list-style-type: none"> <li>Register kept</li> </ul>	<b>Port Operations</b>
	<b>IMPROVE PORT AREA MANAGEMENT / PORT AREA USAGE</b>		
	<ul style="list-style-type: none"> <li>Finalize the lease Agreement of LFH Marine Development Ltd for the setting up of a fishing port at Fort William, after the Company having complied with all the pre-requisite conditions of the Authority</li> </ul>	<ul style="list-style-type: none"> <li>Lease finalized</li> </ul>	<b>Estate Management Section</b>
	<ul style="list-style-type: none"> <li>Increase the setting of cold storage facilities for the fishing sector</li> </ul>	<ul style="list-style-type: none"> <li>Capacity of storage created</li> </ul>	<b>Estate Management Section</b>
	<ul style="list-style-type: none"> <li>Allocate other leases as per the new Land Use Plan to be recommended by the forthcoming Port Master Plan</li> </ul>	<ul style="list-style-type: none"> <li>Number of leases allocated</li> </ul>	<b>Estate Management Section</b>
	<ul style="list-style-type: none"> <li>Increase the land availability for setting of Freeport warehousing facilities</li> </ul>	<ul style="list-style-type: none"> <li>Area made available</li> </ul>	<b>Estate Management Section</b>



Develop a targeted marketing and service efficient set of actions so as to make of the Port a dynamic logistics hub	<ul style="list-style-type: none"> <li>Assist in the issue of MPA's no-objection under the Ports Act to private owners (including United Docks Ltd) to undertake developments as per the Land Use Plan to be recommended by the forthcoming Port Master Plan</li> </ul>	<ul style="list-style-type: none"> <li>Number of initiatives</li> </ul>	Estate Management Section
	<ul style="list-style-type: none"> <li>Revisit land availability in the port area for setting up storage facility for petroleum products</li> </ul>	<ul style="list-style-type: none"> <li>Land availability revisited</li> </ul>	Estate Management Section
	<ul style="list-style-type: none"> <li>Design our Port facilities to world class standard and incorporate latest features to ensure service delivery is in line with industry benchmarks</li> </ul>	<ul style="list-style-type: none"> <li>Designed done</li> </ul>	Technical Services Department
	<ul style="list-style-type: none"> <li>Dredge works at MCT &amp; do Land Reclamation works to achieve the target published depth of 16.5 metres and allow calls by bigger forecasted size container vessels</li> </ul>	<ul style="list-style-type: none"> <li>Works done to 16.5 metres depth</li> <li>Number of calls</li> </ul>	Port Development
	<ul style="list-style-type: none"> <li>Ensure a proper monitoring of the procurement process and the subsequent works contract which is co-funded under loan from AFD</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring done</li> </ul>	Port Development
	<ul style="list-style-type: none"> <li>Complete the extension of the MCT Berth by 240 metres to meet demand for port facility to accommodate the forecasted growth in container trade</li> </ul>	<ul style="list-style-type: none"> <li>Extension completed</li> </ul>	Port Development
	<ul style="list-style-type: none"> <li>Procure on-going works contract following an exercise for the prequalification of bidders</li> </ul>	<ul style="list-style-type: none"> <li>Procurement done</li> </ul>	Port Development
	<ul style="list-style-type: none"> <li>Ensure proper monitoring of the construction works which are co-funded under loan from AFD</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring done</li> </ul>	Port Development
	<ul style="list-style-type: none"> <li>Strengthen of existing MCT Berth Works to follow upon completion of Extension Works</li> </ul>	<ul style="list-style-type: none"> <li>Berth works strengthened</li> </ul>	Port Development
	<ul style="list-style-type: none"> <li>Ensure Island Terminal study to access the feasibility of an island Terminal at Mer Rouge with the twin objectives of reducing downtime at MCT due to swell/wave actions in the aftermath of cyclones/anticyclones and concurrently allow for land reclamation</li> </ul>	<ul style="list-style-type: none"> <li>Feasibility done</li> </ul>	Port Development
	<ul style="list-style-type: none"> <li>Identify the most appropriate specialist firm with extensive past experience in works of a similar nature which can be retained for the provision of consultancy services</li> </ul>	<ul style="list-style-type: none"> <li>Specialist firm identified</li> </ul>	Port Development and Procurement services
<b>IMPROVE SERVICE EFFICIENCY</b>			
<ul style="list-style-type: none"> <li>Review and Improve efficiency levels in managing the fleet handling efficiency in the harbour</li> </ul>	<ul style="list-style-type: none"> <li>Improvements in fleet handling efficiency</li> </ul>	Marine	
<ul style="list-style-type: none"> <li>Provide efficient Port Services</li> </ul>	<ul style="list-style-type: none"> <li>Improvements in service efficiency</li> </ul>	Marine	
<b>OTHERS</b>			



P1 DS3	<ul style="list-style-type: none"> <li>• Convert part of the ex-Jin Fei site into a logistics park for Freeport activities</li> </ul>	<ul style="list-style-type: none"> <li>▪ Conversion done</li> </ul>	<b>Estate Management Section</b>
	<ul style="list-style-type: none"> <li>• Link the ex-Jin Fei site to the Port by a road</li> </ul>	<ul style="list-style-type: none"> <li>▪ Road linked</li> </ul>	<b>Estate Management Section</b>
	<ul style="list-style-type: none"> <li>• Engage audit team to undertake assessment of processes in line with audit procedures</li> </ul>	<ul style="list-style-type: none"> <li>▪ Process assessments realised</li> </ul>	<b>Audit &amp; Risk Management</b>
	<ul style="list-style-type: none"> <li>• Understand fully and ensure adherence to all operational activities of the new strategic plan of all departments that aim at transforming our Port into a dynamic logistic hub</li> </ul>	<ul style="list-style-type: none"> <li>▪ Adherence ensured</li> </ul>	<b>Audit &amp; Risk Management</b>



STRATEGIES	TACTICS	KPIs	DEPARTMENT
<b>Protrude the image of a modern, permanently stable and proactive organization</b>	<b>PORTRAY THE IMAGE OF A MODERN PORT</b>		
	<ul style="list-style-type: none"> <li>• Deploy modern techniques for land management services</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of modern Techniques deployed</li> </ul>	<b>Estate Management Section</b>
	<ul style="list-style-type: none"> <li>• Allow broad land uses in the port, as to be recommended in the forthcoming Port Master Plan</li> </ul>	<ul style="list-style-type: none"> <li>▪ Broad land uses realised</li> </ul>	<b>Estate Management Section</b>
	<ul style="list-style-type: none"> <li>• Design and Implementation of a new IT architecture based on real user needs</li> </ul>	<ul style="list-style-type: none"> <li>▪ New architecture implemented</li> </ul>	<b>IT Services</b>
	<ul style="list-style-type: none"> <li>• Ensure all heads of departments refocus on their core businesses and benchmark their services</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of benchmarked departments</li> </ul>	<b>All Departments</b>
	<ul style="list-style-type: none"> <li>• Implement a modern interactive IT system that provides up-to-date information on a real-time basis</li> </ul>	<ul style="list-style-type: none"> <li>▪ IT system implemented</li> </ul>	<b>Audit &amp; Risk Management</b>
	<ul style="list-style-type: none"> <li>• Put in place effective policies, efficient administrative processes and ensure the availability of appropriate human capital</li> </ul>	<ul style="list-style-type: none"> <li>▪ Policies in place</li> </ul>	<b>Human Resources</b>





<b>with broad service range</b>	<ul style="list-style-type: none"> <li>• A well designed performance management system that will enable employees to understand expectations and goals and measure the performance towards those goals</li> </ul>	<ul style="list-style-type: none"> <li>▪ PMS Implement</li> </ul>	<b>Human Resources</b>
	<ul style="list-style-type: none"> <li>• Ensure all departmental processes and methods comply with local regulations</li> </ul>	<ul style="list-style-type: none"> <li>▪ Initiatives taken</li> </ul>	<b>Technical Services Department</b>
	<ul style="list-style-type: none"> <li>• Ensure that employees excel in their capabilities by determining the right person for the right job so that they can be more proactive and demarcate themselves both in terms of personality and performance</li> </ul>	<ul style="list-style-type: none"> <li>▪ Initiatives implemented</li> </ul>	<b>Human Resources</b>
	<ul style="list-style-type: none"> <li>• Promote MPA as an Employer of choice for shipping companies where all business partners work together towards common goals</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of promotion</li> <li>▪ Initiatives realised</li> </ul>	<b>Human Resources</b>
	<ul style="list-style-type: none"> <li>• Ensure reliability of power supply – installation of new gensets</li> </ul>	<ul style="list-style-type: none"> <li>▪ Zero-defect policy</li> </ul>	<b>Technical Services Department</b>
	<ul style="list-style-type: none"> <li>• Reduce power/ energy consumption</li> </ul>	<ul style="list-style-type: none"> <li>▪ Corresponding metrics</li> </ul>	<b>Technical Services Department</b>
	<ul style="list-style-type: none"> <li>• Implement energy efficiency measures such as replacement of sodium vapour lamps (street lights) by LED lights, installation of VRF AC system HRB, etc</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives taken</li> </ul>	<b>Technical Services Department</b>
	<ul style="list-style-type: none"> <li>• Install the Power Logger at Capitainerie &amp; HRB including a Mobile Power Logger Monitoring</li> </ul>	<ul style="list-style-type: none"> <li>▪ Installation done</li> </ul>	<b>Technical Services Department</b>
	<ul style="list-style-type: none"> <li>• Promote renewable energy such as Solar PV Panels</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives taken</li> </ul>	<b>Technical Services Department</b>
	<ul style="list-style-type: none"> <li>• Promote Green Port</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives taken</li> </ul>	<b>Technical Services Department</b>
<b>Protrude the image of a modern, permanently stable and proactive organization with broad service range</b>	<ul style="list-style-type: none"> <li>• Ensure awareness creation among port stakeholders on the need to become Green</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives taken</li> </ul>	<b>Technical Services Department</b>
	<ul style="list-style-type: none"> <li>• Procure successfully and retain an experienced prequalified dredging contractor to undertake the dredging activities to meet forecasted demand for deeper draft through a level playing procurement exercise under the aegis of the CPB</li> </ul>	<ul style="list-style-type: none"> <li>▪ Contractor retained</li> <li>▪ Work done</li> </ul>	<b>Port Development</b>
	<ul style="list-style-type: none"> <li>• Renewal of the existing fendering system which has outlived its economic life a view to sustaining the serviceability of the existing quay infrastructure within approved budget Contract Awarded for Supply is in progress. Installation of Fenders to be procured under AOB.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Fendering system renewed</li> </ul>	<b>Port Development</b>
	<ul style="list-style-type: none"> <li>• Review of dept. structure / manning following changes at CHCL (DPW) through a Workforce Transition Plan</li> </ul>	<ul style="list-style-type: none"> <li>▪ Review done</li> <li>▪ Decisions taken</li> </ul>	<b>Port Operations</b>



<b>Protrude the image of a modern, permanently stable and proactive organization with broad service range</b>	<ul style="list-style-type: none"> <li>• Ensure POS are made aware of any change regarding the licensed port operator – CHCL</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives implemented</li> </ul>	<b>Port Operations</b>
	<b>IMPROVE FINANCIAL RESILIENCE &amp; FINANCIAL MANAGEMENT</b>		
	<ul style="list-style-type: none"> <li>• Request financial institutions and commercial banks, interested in financing port projects, to submit their interests and determine any grant available so as to reduce the effective cost of capital</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of grants received</li> <li>▪ Account of cost of capital reduction</li> </ul>	<b>Finance</b>
	<ul style="list-style-type: none"> <li>• Ensure efficient financial management of the resources of MPA</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives taken</li> </ul>	<b>Finance</b>
	<ul style="list-style-type: none"> <li>• Report on controllable adverse variances</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of reports submitted</li> </ul>	<b>Audit &amp; Risk Management</b>
	<ul style="list-style-type: none"> <li>• Keep Cost of capital to the minimum and ascertain the cheapest source of financing from financial institutions and commercial banks to meet any cash deficit.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Reduction in cost of capital</li> </ul>	<b>Audit &amp; Risk Management</b>
	<ul style="list-style-type: none"> <li>• Consider leasing options</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of leasing options</li> </ul>	<b>Finance</b>
	<ul style="list-style-type: none"> <li>• Build financial resilience</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives taken</li> </ul>	<b>Audit &amp; Risk Management</b>
	<ul style="list-style-type: none"> <li>• Ensure proper control of financial administration, financial reporting and accounting processes as basic requirement for the reliability of financial reporting</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives taken</li> </ul>	<b>Audit &amp; Risk Management</b>
	<ul style="list-style-type: none"> <li>• Monitor reliability of financial reporting and ensuring sound financial management of all Authority's business</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives taken</li> </ul>	<b>Audit &amp; Risk Management</b>
	<ul style="list-style-type: none"> <li>• Ensure protection of MPA assets through the existence and review of a comprehensive insurance liability portfolio</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives taken</li> </ul>	<b>Audit &amp; Risk Management</b>
	<b>OTHERS</b>		
	<ul style="list-style-type: none"> <li>• Develop a cohesive unified team that speaks and acts with one and the same mindset of dynamism, proactiveness and results driven culture</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives taken</li> </ul>	<b>All Departments</b>
	<ul style="list-style-type: none"> <li>• Develop a proactive management culture</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives taken</li> </ul>	<b>Audit &amp; Risk Management</b>
	<ul style="list-style-type: none"> <li>• Implement a team bases customer (Internal &amp; External) centric approach</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives taken</li> </ul>	<b>Audit &amp; Risk Management</b>
	<ul style="list-style-type: none"> <li>• Ensure Unfettered access to all information on infrastructure and assets to carry out audit obligations</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives taken</li> </ul>	<b>Audit &amp; Risk Management</b>
	<ul style="list-style-type: none"> <li>• To monitor progress against targets ensuring that results are achieved as economically and efficiently as possible</li> </ul>	<ul style="list-style-type: none"> <li>▪ Monitoring Plan implemented</li> </ul>	<b>Audit &amp; Risk Management</b>
	<ul style="list-style-type: none"> <li>• To continuously improve on audit of assets to deliver best recommendations in line with audit standards</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of audit measures implemented</li> </ul>	<b>Audit &amp; Risk Management</b>



**THE PATHWAY  
P2**



STRATEGIES	TACTICS	KPIs	DEPARTMENT
	<b>IMPROVE FINANCIAL MANAGEMENT, COMPETITIVENESS AND VALUE ADDED</b>		
	<ul style="list-style-type: none"> <li>• Claim rentals at the start of leases</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of such rentals claimed and received</li> </ul>	<b>Estate management section</b>
	<ul style="list-style-type: none"> <li>• Reinstate the services of Government Valuation Office for rental assessment in the ports</li> </ul>	<ul style="list-style-type: none"> <li>▪ Services reinstated</li> </ul>	<b>Estate management section</b>
	<ul style="list-style-type: none"> <li>• Consider possible amicable settlements, prior to initiating legal action per se, including review of existing rentals to market rates</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of settlements agreed</li> </ul>	<b>Estate management section</b>
	<ul style="list-style-type: none"> <li>• Ensure that the market rentals applicable in the ports are attractive to investors</li> </ul>	<ul style="list-style-type: none"> <li>▪ Comparative results</li> </ul>	<b>Estate management section</b>



Develop a structured and complementary set of initiatives to stimulate economic growth	<ul style="list-style-type: none"> <li>Minimise the risk of legal claims from Promoters</li> </ul>	<ul style="list-style-type: none"> <li>Zero claim policy &amp; initiatives implemented</li> </ul>	Estate management section
	<ul style="list-style-type: none"> <li>Advise on the Implementation of strategies recommended by the financial consultants engaged by the MPA, taking into consideration risk and return factors</li> </ul>	<ul style="list-style-type: none"> <li>Number of advices given</li> </ul>	Finance
	<ul style="list-style-type: none"> <li>Engage in the assessment and optimisation of all MPA assets, ensuring safeguard, and their effective usage.</li> </ul>	<ul style="list-style-type: none"> <li>Number of initiatives implemented</li> </ul>	Audit & Risk Management
	<ul style="list-style-type: none"> <li>Achieve an operating surplus margin above 20% over the 3 years (After net finance income)</li> </ul>	<ul style="list-style-type: none"> <li>Above 20% margin achieved</li> </ul>	Audit & Risk Management
	<ul style="list-style-type: none"> <li>Earn adequate return on investment of surplus cash in short term and medium term investments</li> </ul>	<ul style="list-style-type: none"> <li>Investment analysis and resulting reports</li> </ul>	Audit & Risk Management
	<ul style="list-style-type: none"> <li>Ascertain most appropriate investment opportunities for investment of surplus cash</li> </ul>	<ul style="list-style-type: none"> <li>Initiatives implemented</li> </ul>	Audit & Risk Management
	<ul style="list-style-type: none"> <li>Ensure adequate return on MPA investment portfolio of shares</li> </ul>	<ul style="list-style-type: none"> <li>Comparative analyses of return of investments</li> </ul>	Audit & Risk Management
	<ul style="list-style-type: none"> <li>Perform comparative financial analysis to ascertain higher return by weighing risk against return</li> </ul>	<ul style="list-style-type: none"> <li>Comparative analyses of return of investments</li> </ul>	Audit & Risk Management
	<ul style="list-style-type: none"> <li>Ensure smooth functioning of the Authority's investment policies</li> </ul>	<ul style="list-style-type: none"> <li>Number of initiatives implemented</li> </ul>	Audit & Risk Management
	<ul style="list-style-type: none"> <li>Segregate into those for captive traffic and activities carried out on a commercial basis</li> </ul>	<ul style="list-style-type: none"> <li>Segregation done</li> </ul>	Audit & Risk Management
	<ul style="list-style-type: none"> <li>Monitor all existing and new policies on investment portfolio</li> </ul>	<ul style="list-style-type: none"> <li>Number of monitoring initiatives implemented</li> </ul>	Audit & Risk Management
	<ul style="list-style-type: none"> <li>Appoint a consultant to carry out a SWOT analysis and thereafter determine to what extent MPA tariff may be increased</li> </ul>	<ul style="list-style-type: none"> <li>Consultant appointed</li> <li>Study done</li> </ul>	Audit & Risk Management
	Develop a structured and complementary set of initiatives to stimulate	<ul style="list-style-type: none"> <li>Keep records of basic data of reference including performance, detail of Port traffic by commodity, trade pattern, container traffic, berth occupancy, country of origin and destination, etc</li> </ul>	<ul style="list-style-type: none"> <li>The metrics</li> <li>The decisions taken</li> </ul>
<ul style="list-style-type: none"> <li>Make of the MPA an organisation that focuses on creating and sustaining a culture of service excellence</li> </ul>		<ul style="list-style-type: none"> <li>Number of initiatives implemented</li> </ul>	Human Resources
<ul style="list-style-type: none"> <li>Develop a frame work for streamlining processes and procedures with a view to improving customer satisfaction</li> </ul>		<ul style="list-style-type: none"> <li>Number of initiatives implemented</li> </ul>	Human Resources
<ul style="list-style-type: none"> <li>Train, encourage and use incentives for employees to deliver service</li> </ul>		<ul style="list-style-type: none"> <li>Number of training done</li> </ul>	Human Resources
<ul style="list-style-type: none"> <li>Develop and implement leadership development programmes by inspiring, leading and motivating employees to achieve greater goals towards employee performance and service experience</li> </ul>		<ul style="list-style-type: none"> <li>Number of programmes implemented</li> </ul>	Human Resources



<b>economic growth</b>	• Create and provide quality services for the welfare and well-being of employees	▪ Number of initiatives implemented	<b>Human Resources</b>
	• Develop a systematic approach to leverage technology, streamline HR processes and eliminate paper using innovative technologies	▪ Number of initiatives implemented	<b>Human Resources</b>
	• Deliver HR services, programs and communications that add value for prospective employees, current employees and retired employees	▪ Number of initiatives implemented	<b>Human Resources</b>
	• Implement employee self service directly related to benefits	▪ Number of initiatives implemented	<b>Human Resources</b>
<b>IMPROVE LAND AREA MANAGEMENT</b>			
<b>Develop a structured and complementary set of initiatives to stimulate economic growth</b>	• Review of the land allocation process in line with the forthcoming new procedures of the Ministry of Housing and Lands	▪ Reviews done	<b>Estate management section</b>
	• Minimise the number of existing leases that can be subjugate	▪ Initiatives & step taken	<b>Estate management section</b>
	• Review of the land allocation process in the ports for rendering the process more transparent, accountable and performing, so as to be able to attract more and better investors	▪ Process reviewed ▪ New process implemented	<b>Estate management section</b>
	• Optimise the availability of land in the ports for allocation to Promoters	▪ Optimisation initiatives	<b>Estate management section</b>
	• Introduce the concept of entering a Service Level Agreement with Promoters prior to granting them Lease Agreements	▪ Service Level Agreement signed	<b>Estate management section</b>
	• Reinforce the present due diligence exercise on applicants for land allocation	▪ Reinforcement measures implemented	<b>Estate management section</b>
	• Adopt the 3 tiers process of MHL, Letter of Reservation, Letter of Intent and grant of Lease Agreement	▪ 3-tiers process adopted	<b>Estate management section</b>
	• Introduce further safeguarding clauses in present Letter of Rerservation	▪ Safeguarding clauses introduced	<b>Estate management section</b>
	• Allocate new leases as per new Land Use Plan of the forthcoming Port Master Plan	▪ New leases allocated	<b>Estate management section</b>
	• Terminate land leases where the land portions are either under-utilised or their uses would mismatch the new Land Use Plan of the forthcoming Port Master Plan	▪ Number of termination	<b>Estate management section</b>
	• Relocate of Freeport activities from the port area to the proposed logistics park at the ex-Jin Fei site of Riche Terre as to be advised by the State Law Office and the Land Lease Management Committee	▪ Activities relocated	<b>Estate management section</b>
	• Consider projects on fast track basis	▪ Gain in processing time	<b>Estate management section</b>



<b>Develop a structured and complementary set of initiatives to stimulate economic growth</b>	<ul style="list-style-type: none"> <li>Allow swapping of sites between Lessees, as may be recommended in the new Land Use Plan of the forthcoming Port Master Plan</li> </ul>	<ul style="list-style-type: none"> <li>Number of swaps</li> </ul>	<b>Marine Department - Port Security Unit</b>
	<ul style="list-style-type: none"> <li>Train staff on cost management and analysis with a view to adopting cutting edge processes and technologies</li> </ul>	<ul style="list-style-type: none"> <li>Number of training done</li> <li>Number of cutting edge processes implemented</li> <li>Number of cutting edge technology adopted</li> </ul>	<b>Finance</b>
	<ul style="list-style-type: none"> <li>Analyse investment proposals made by consultants engaged by the MPA on creation of a balanced portfolio</li> </ul>	<ul style="list-style-type: none"> <li>Number of analysis made</li> <li>Number of recommendations made</li> </ul>	<b>Finance</b>
	<ul style="list-style-type: none"> <li>Monitor performance of investments in portfolio both in terms of dividend and share appreciation constantly</li> </ul>	<ul style="list-style-type: none"> <li>Trend and comparative analysis of results</li> </ul>	<b>Finance</b>
	<ul style="list-style-type: none"> <li>Review, update and Upgrade Productivity Indicators</li> </ul>	<ul style="list-style-type: none"> <li>Number of Productivity Indicators reviewed and updated</li> </ul>	<b>Finance &amp; Operations</b>
	<ul style="list-style-type: none"> <li>Ensure that CHCL is performing in accordance to all parameters set as per the agreed concession contract</li> </ul>	<ul style="list-style-type: none"> <li>Number of reports therein</li> </ul>	<b>Audit &amp; Risk Management</b>
	<b>HUMAN CAPITAL DEVELOPMENT</b>		
	<ul style="list-style-type: none"> <li>Ensure proper provision of service for repairs and maintenance of fencing, roads, gatehouses, commercial buildings (Capitainerie, MCT, H R Building, transit sheds etc.) and services (water supply, electricity and drainage)</li> </ul>	<ul style="list-style-type: none"> <li>Services in place</li> </ul>	<b>Technical Services Department</b>
	<ul style="list-style-type: none"> <li>Ensure Provision of service for repairs and maintenance of electrical networks in the Port, reefer, sub-station, air conditioning systems, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Services in place</li> </ul>	<b>Technical Services Department</b>
	<ul style="list-style-type: none"> <li>Ensure Cruise Terminal Building services the passenger traffic generated by the homeporting cruise business, the round the world cruise vessels' calls as well as the inter-island passenger traffic</li> </ul>	<ul style="list-style-type: none"> <li>Number of initiatives taken</li> </ul>	<b>Port Development</b>
	<ul style="list-style-type: none"> <li>Position Port Louis as the regional cruise hub</li> </ul>	<ul style="list-style-type: none"> <li>number of initiatives taken</li> </ul>	<b>Port Development</b>
	<ul style="list-style-type: none"> <li>Establish a fish landing quay in the creek at Pointe Monier and construct an integrated fishing port facility at Ponte L'herbe</li> </ul>	<ul style="list-style-type: none"> <li>Fish landing quay established</li> </ul>	<b>Port Development</b>
	<ul style="list-style-type: none"> <li>Enable MPA for building its economic foundations and grow businesses by investing in its human capital so as to acquire the needed entrepreneurial, marketing and management skills</li> </ul>	<ul style="list-style-type: none"> <li>Number of initiatives implemented</li> </ul>	<b>Human Resources</b>
	<ul style="list-style-type: none"> <li>Engage a diverse, skilled and qualified workforce that meets the demands of the economy at both national and regional levels</li> </ul>	<ul style="list-style-type: none"> <li>Number of initiatives implemented</li> </ul>	<b>Human Resources</b>
<ul style="list-style-type: none"> <li>Provide advanced training in all areas</li> </ul>	<ul style="list-style-type: none"> <li>Number of training done</li> </ul>	<b>Technical Services Department</b>	



<p><b>Develop a structured and complementary set of initiatives to stimulate economic growth</b></p>	<ul style="list-style-type: none"> <li>• Ensure continuous professional development for professions that are licensed</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives implemented</li> </ul>	<b>Technical Services Department</b>
	<ul style="list-style-type: none"> <li>• Retain and engage the workforce by instilling a creative and innovative approach to the implementation of Human Resources Management strategy</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives implemented</li> </ul>	<b>Human Resources</b>
	<ul style="list-style-type: none"> <li>• Improve employee retention by leading efforts for adoption of strategies which create a vibrant work climate</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives implemented</li> </ul>	<b>Human Resources</b>
	<ul style="list-style-type: none"> <li>• Launch a new career portal with one-stop access to career planning and development information including sample career roadmaps and learning roadmaps</li> </ul>	<ul style="list-style-type: none"> <li>▪ Career portal launched</li> </ul>	<b>Human Resources</b>
	<ul style="list-style-type: none"> <li>• Deepen and strengthen consultative relationship with senior leaders and HR partners to support change initiatives</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives implemented</li> </ul>	<b>Human Resources</b>
	<ul style="list-style-type: none"> <li>• Focus on succession planning through talent management, learning and development, performance management and the integration of competencies</li> </ul>	<ul style="list-style-type: none"> <li>▪ Implementation initiatives</li> </ul>	<b>Human Resources</b>
	<ul style="list-style-type: none"> <li>• Enable the MPA to have a competitive edge by fostering sustainable human resources development</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives taken</li> </ul>	<b>Human Resources</b>
	<ul style="list-style-type: none"> <li>• Recruit the best talents for tomorrow</li> </ul>	<ul style="list-style-type: none"> <li>▪ Such recruitments done</li> </ul>	<b>Human Resources</b>
	<ul style="list-style-type: none"> <li>• Compete for top talents with effective recruitment strategy, efficient recruitment processes and an attractive remuneration package to position MPA as an employer of choice</li> </ul>	<ul style="list-style-type: none"> <li>▪ Such recruitments done</li> </ul>	<b>Human Resources</b>
	<ul style="list-style-type: none"> <li>• Have recourse to effective and efficient options for hiring</li> </ul>	<ul style="list-style-type: none"> <li>▪ Such recruitments done</li> </ul>	<b>Human Resources</b>
	<ul style="list-style-type: none"> <li>• Implement a recruitment plan for the hiring process</li> </ul>	<ul style="list-style-type: none"> <li>▪ Such recruitments done</li> </ul>	<b>Human Resources</b>
	<ul style="list-style-type: none"> <li>• Continue to promote MPA as great place to work and a great place to live</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives implemented</li> </ul>	<b>Human Resources</b>
	<ul style="list-style-type: none"> <li>• Identify and recommend opportunities for improving the overall total rewards package for employees</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of recommendations made</li> </ul>	<b>Human Resources</b>
	<ul style="list-style-type: none"> <li>• Redesign the MPA Website specifically in the areas of employment and career development</li> </ul>	<ul style="list-style-type: none"> <li>▪ Website redesigned</li> </ul>	<b>Human Resources</b>
	<ul style="list-style-type: none"> <li>• Modernize our staff processes and policies</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of recommendations made</li> </ul>	<b>Human Resources</b>
	<ul style="list-style-type: none"> <li>• Recruit the appropriate manpower with Statistics background so that analysis of the data, the trends, forecasts, etc, can be carried out</li> </ul>	<ul style="list-style-type: none"> <li>▪ Recruitment done</li> <li>▪ Analysis done</li> </ul>	<b>Port Operations</b>
<ul style="list-style-type: none"> <li>• Train the personnel of the Stats Unit as regards using of special programmes like COGNOS, Oracle, ... with the implementation of the new IT system</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of training done</li> </ul>	<b>Port Operations</b>	



<b>Develop a structured and complementary set of initiatives to stimulate economic growth</b>	<ul style="list-style-type: none"> <li>Continuously enhance the skills of employees</li> </ul>	<ul style="list-style-type: none"> <li>Number of initiatives implemented</li> </ul>	<b>Technical Services Department</b>	
	<ul style="list-style-type: none"> <li>Ensure the establishment of a capacity based, talented and motivated workforce through stimulation of passion and intrinsic rewards</li> </ul>	<ul style="list-style-type: none"> <li>Number of initiatives implemented</li> </ul>	<b>Human Resources</b>	
	<ul style="list-style-type: none"> <li>Grow and strengthen our leadership capacity by supporting the talent development of our employees through professional and career development</li> </ul>	<ul style="list-style-type: none"> <li>Number of initiatives implemented</li> </ul>	<b>Human Resources</b>	
	<ul style="list-style-type: none"> <li>Create a 360 Middle Manager Assessment tool based on the core Middle Manager competencies to guide mid level managers and professionals in their development</li> </ul>	<ul style="list-style-type: none"> <li>Assessment tool created</li> </ul>	<b>Human Resources</b>	
	<ul style="list-style-type: none"> <li>Develop "Is Management for me?" workshop for employees considering management as a future career option. Pilot workshops to be organized in 2016</li> </ul>	<ul style="list-style-type: none"> <li>Workshop held</li> </ul>	<b>Human Resources</b>	
	<ul style="list-style-type: none"> <li>Develop on Emerging Leaders Programme to be implemented in 2016-2018 targeted to high potential, high performing individuals in mid level manager and professional positions to accelerate the leadership development through action learning</li> </ul>	<ul style="list-style-type: none"> <li>Programme implemented</li> </ul>	<b>Human Resources</b>	
	<ul style="list-style-type: none"> <li>Implement a Train-the-Trainers certification Programme to expand professional development expertise</li> </ul>	<ul style="list-style-type: none"> <li>Training done</li> </ul>	<b>Human Resources</b>	
	<ul style="list-style-type: none"> <li>Develop comprehensive communications plan to market professional development opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Communication plan developed</li> </ul>	<b>Human Resources</b>	
	<ul style="list-style-type: none"> <li>Review and development of a new leadership competency model</li> </ul>	<ul style="list-style-type: none"> <li>Model developed</li> </ul>	<b>Human Resources</b>	
	<b>OTHERS</b>			
	<ul style="list-style-type: none"> <li>Dedicate staff to supervise the work being performed by private security operating within the port area</li> </ul>	<ul style="list-style-type: none"> <li>Measures implemented</li> <li>Improvements noted</li> </ul>	<b>Estate management section</b>	
	<ul style="list-style-type: none"> <li>Market the port as a container transshipment hub</li> </ul>	<ul style="list-style-type: none"> <li>Number of marketing companies</li> <li>Increase in transshipment</li> </ul>	<b>Finance</b>	
	<ul style="list-style-type: none"> <li>Ensure the safeguarding of all MPA assets</li> </ul>	<ul style="list-style-type: none"> <li>Measures taken</li> </ul>	<b>Finance</b>	
	<ul style="list-style-type: none"> <li>Design terms and conditions of leases that would render projects more bankable, while protecting the interests of the Authority</li> </ul>	<ul style="list-style-type: none"> <li>Number of such leases designed</li> </ul>	<b>Audit &amp; Risk Management</b>	
	<ul style="list-style-type: none"> <li>Minimise the time frame for finalizing of leases</li> </ul>	<ul style="list-style-type: none"> <li>Reduction in processing time</li> </ul>	<b>Audit &amp; Risk Management</b>	
	<ul style="list-style-type: none"> <li>Maintain a safe port operational area</li> </ul>	<ul style="list-style-type: none"> <li>Number of initiatives recommended</li> </ul>	<b>Audit &amp; Risk Management</b>	
<ul style="list-style-type: none"> <li>Ensure Tariff increases and at the same time ensure that MPA remains competitive compared to other regional ports</li> </ul>	<ul style="list-style-type: none"> <li>Number of initiatives recommended</li> </ul>	<b>Audit &amp; Risk Management</b>		





	<ul style="list-style-type: none"> <li>• Carry out a tariff study exercise</li> </ul>	<ul style="list-style-type: none"> <li>▪ Tariff study done</li> </ul>	<b>Audit &amp; Risk Management</b>
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STRATEGIES	TACTICS	KPIs	DEPARTMENT
	<b>SECURITY IMPROVEMENTS</b>		
	<ul style="list-style-type: none"> <li>• Replace/Upgrade CCTV System taking latest technological advances into consideration</li> </ul>	<ul style="list-style-type: none"> <li>▪ Measure implemented</li> </ul>	<b>IT services</b>
	<ul style="list-style-type: none"> <li>• Improve CCTV Surveillance system</li> </ul>	<ul style="list-style-type: none"> <li>▪ Improvements done</li> </ul>	<b>Administrative &amp; legal services</b>
	<ul style="list-style-type: none"> <li>• Recruit a high caliber officer for implementation of security aspect</li> </ul>	<ul style="list-style-type: none"> <li>▪ Recruitment done</li> </ul>	<b>Marine department - port security unit</b>
	<b>IMPROVING WORK ENVIRONMENT METHODS AND PRACTICES</b>		
<ul style="list-style-type: none"> <li>• Look for and adopt new and better work methods.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of works methods improved</li> </ul>	<b>Administrative &amp; legal services</b>	



<b>Promote a culture of Innovation and Creativity</b>	<ul style="list-style-type: none"> <li>• Reduce paper flow among Departments and improving inter-departmental communication</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives implemented</li> <li>▪ Gain in processing time</li> </ul>	<b>Administrative &amp; legal services</b>
	<ul style="list-style-type: none"> <li>• Create a positive work environment and provide a safe workplace</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives implemented</li> </ul>	<b>Administrative &amp; legal services</b>
	<ul style="list-style-type: none"> <li>• Continually search for new methods of work and best practices through work-related training</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of new methods of work implemented</li> <li>▪ Number of new Best Practices Implemented</li> </ul>	<b>Administrative &amp; legal services</b>
	<ul style="list-style-type: none"> <li>• Do a work study exercise for the department, using the Office and Methods (O&amp;M) technique.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Study done</li> </ul>	<b>Administrative &amp; legal services</b>
	<ul style="list-style-type: none"> <li>• Provide all the necessary resources (hardware and software, ergonomically designed workplace) to officers of the department.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Resources provided</li> </ul>	<b>Administrative &amp; legal services</b>
	<ul style="list-style-type: none"> <li>• Assess the context within which work is being carried out in the department by establishing a standard of excellence and stimulate quality improvement programmes as well as appreciating the worth of each employee in the organisation</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of standards of excellence implemented</li> </ul>	<b>Administrative &amp; legal services</b>
	<ul style="list-style-type: none"> <li>• Identify hazards and potential hazards which can lead to occupational injury</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of hazards identified</li> <li>▪ Initiatives taken</li> </ul>	<b>Administrative &amp; legal services</b>
	<ul style="list-style-type: none"> <li>• Implementation of a Land Information System (LIS), based on a Cadastre model</li> </ul>	<ul style="list-style-type: none"> <li>▪ LIS implemented</li> </ul>	<b>Administrative &amp; legal services</b>
	<ul style="list-style-type: none"> <li>• Create a modern interactive business intelligence system by the replacement of the existing manual system by a computerized system of the Stats Unit</li> </ul>	<ul style="list-style-type: none"> <li>▪ System in place</li> </ul>	<b>Port Operations</b>
	<ul style="list-style-type: none"> <li>• Set up of a “Tableau de Bord” for management decision making process</li> </ul>	<ul style="list-style-type: none"> <li>▪ “Tableau de Bord” up and running</li> </ul>	<b>Port Operations</b>
<b>INVEST IN TECHNOLOGY</b>			
<b>Promote a culture of</b>	<ul style="list-style-type: none"> <li>• Connect Head Office and MPA Offices with a modern electronic link</li> </ul>	<ul style="list-style-type: none"> <li>▪ Electronic connection implemented</li> </ul>	<b>Administrative &amp; legal services</b>
	<ul style="list-style-type: none"> <li>• Install a groupware program on the server.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Groupware installed</li> </ul>	<b>Administrative &amp; legal services</b>
	<ul style="list-style-type: none"> <li>• Train users on groupware methods and Implement electronic discussions forums</li> </ul>	<ul style="list-style-type: none"> <li>▪ System up and running</li> <li>▪ Training delivered</li> </ul>	<b>Administrative &amp; legal services</b>
	<ul style="list-style-type: none"> <li>• Install electronic quality manual and Install other groupware applications</li> </ul>	<ul style="list-style-type: none"> <li>▪ Quality manual installed</li> </ul>	<b>Administrative &amp; legal services</b>
	<ul style="list-style-type: none"> <li>• Provide of hydrographic information for the purposes of development/operation at sea</li> </ul>	<ul style="list-style-type: none"> <li>▪ Hydrographic Information provided</li> </ul>	<b>Estate management section</b>



<b>Innovation and Creativity</b>	<ul style="list-style-type: none"> <li>• Set up of a modern Traffic Management System</li> </ul>	<ul style="list-style-type: none"> <li>▪ Traffic Management System set up</li> </ul>	<b>Estate management section</b>
	<ul style="list-style-type: none"> <li>• Upgrade/Renew the VTS (Vessel Traffic System) equipment with latest technology which will enable the use of a single platform to communicate with stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>▪ VTS upgraded/reviewed</li> </ul>	<b>Harbour radio</b>
	<ul style="list-style-type: none"> <li>• Set up of a platform connected with an international approved/reliable Database that will allow screening of ships calling at Port Louis</li> </ul>	<ul style="list-style-type: none"> <li>▪ Platform set up</li> <li>▪ Minutes of screening done</li> </ul>	<b>Harbour radio</b>
	<ul style="list-style-type: none"> <li>• Use IT system for on-line application and monitoring of movements of DG cargo</li> </ul>	<ul style="list-style-type: none"> <li>▪ IT system set up</li> <li>▪ Usage metrics compiled and shared</li> </ul>	<b>Port emergency services / environment unit</b>
	<ul style="list-style-type: none"> <li>• Link IT with the Police Crime Office</li> </ul>	<ul style="list-style-type: none"> <li>▪ Linked realised</li> <li>▪ Number of crimes identified</li> </ul>	<b>Marine department - port security unit</b>
<b>IMPROVE WORK CULTURE AND TEAM BUILDING</b>			
<b>Promote a culture of</b>	<ul style="list-style-type: none"> <li>• Develop an innovative culture in the departments</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of Innovation realised</li> </ul>	<b>Administrative &amp; legal services</b>
	<ul style="list-style-type: none"> <li>• Encourage the acquisition and sharing of knowledge</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of staff sharing knowledge</li> </ul>	<b>Administrative &amp; legal services</b>
	<ul style="list-style-type: none"> <li>• Ensure appropriate resources are available.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Metrics on resources</li> <li>▪ Metrics on productivity</li> </ul>	<b>Administrative &amp; legal services</b>
	<ul style="list-style-type: none"> <li>• Create an appropriate organisational climate, through communication and welfare activities</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of communication channels</li> <li>▪ Set and usage</li> <li>▪ Number of welfare activities organised</li> </ul>	<b>Administrative &amp; legal services</b>
	<ul style="list-style-type: none"> <li>• Attract commitment and energise people by generating enthusiasm about the course that MPA intends them to follow and increase the commitment of people towards achieving the Authority's vision and mission</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives realised</li> </ul>	<b>Administrative &amp; legal services</b>
	<ul style="list-style-type: none"> <li>• Organise social outings and team building exercise</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of outings realised</li> <li>▪ Number of Team Building activities realised</li> </ul>	<b>Administrative &amp; legal services</b>
	<ul style="list-style-type: none"> <li>• Have a dedicated well trained workforce</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of training done</li> <li>▪ Employee Engagement Survey metrics</li> </ul>	<b>Administrative &amp; legal services</b>
	<ul style="list-style-type: none"> <li>• Encourage staff to come with new ideas and a reward system may be envisaged in case that these will bring savings or bring additional revenues</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of new ideas received</li> <li>▪ Number of new ideas implemented</li> </ul>	<b>Finance</b>



<b>Innovation and Creativity</b>		<ul style="list-style-type: none"> <li>▪ Amount of savings realised</li> </ul>	
	<ul style="list-style-type: none"> <li>• Encourage innovation and creativity through people</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives</li> <li>▪ Number of new creative ideas implemented</li> </ul>	<b>Finance</b>
	<ul style="list-style-type: none"> <li>• Do more research and Development</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of Research and Development done</li> </ul>	<b>Technical Services Department</b>
	<b>IMPLEMENT VALUE ADDING INITIATIVES</b>		
	<ul style="list-style-type: none"> <li>• Setting up a Hydrographic Unit</li> </ul>	<ul style="list-style-type: none"> <li>▪ Hydrographic Unit set up</li> </ul>	<b>Estate management section</b>
	<ul style="list-style-type: none"> <li>• Facilitate the decision making on land issues</li> </ul>	<ul style="list-style-type: none"> <li>▪ Process improvements realised</li> </ul>	<b>Estate management section</b>
	<ul style="list-style-type: none"> <li>• Monitor ships call in port &amp; at anchorage</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of monitoring mechanisms implemented</li> </ul>	<b>Harbour radio</b>
	<ul style="list-style-type: none"> <li>• Enter into an agreement with shipping lines calling at Port Louis to have trainee officers on board for sea service</li> </ul>	<ul style="list-style-type: none"> <li>▪ Agreements signed number of people trained</li> </ul>	<b>Marine department - marine section</b>
	<ul style="list-style-type: none"> <li>• Set up of a Marine Workshop with the assistance of the present Workshop</li> </ul>	<ul style="list-style-type: none"> <li>▪ Marine workshop up and running efficiently</li> </ul>	<b>Marine department - marine section</b>
	<ul style="list-style-type: none"> <li>• Prepare technical specifications &amp; tender documents and Review Marine Crafts</li> </ul>	<ul style="list-style-type: none"> <li>▪ Technical documents prepared</li> <li>▪ Number of reviews</li> </ul>	<b>Marine department</b>
	<ul style="list-style-type: none"> <li>• Better Manage Dangerous Cargo with the Port Area</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiative</li> <li>▪ Results metrics</li> </ul>	<b>Marine department</b>
	<ul style="list-style-type: none"> <li>• Support technicians of the dept administratively</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of support initiatives</li> </ul>	<b>Marine department - marine section</b>
	<ul style="list-style-type: none"> <li>• Develop an Environment Management System in line with international norms as well as a legal frame work and Implement the Green Port Project</li> </ul>	<ul style="list-style-type: none"> <li>▪ EMS set</li> <li>▪ Legal framework set</li> <li>▪ Green project metrics</li> </ul>	<b>Port emergency services / environment unit</b>
	<ul style="list-style-type: none"> <li>• Assess all sources of pollution in the Port</li> </ul>	<ul style="list-style-type: none"> <li>▪ Assessment done</li> <li>▪ Corrective measures taken</li> </ul>	<b>Port emergency services / environment nit</b>
<ul style="list-style-type: none"> <li>• Provide logistics/equipment to mitigate Hazmat Incident</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives</li> </ul>	<b>Port emergency services / environment unit</b>	
<b>Promote a culture of Innovation and Creativity</b>	<ul style="list-style-type: none"> <li>• Use proximity cards for access control to all sensitive areas around the port and Make use if IT system for processing and monitoring movements</li> </ul>	<ul style="list-style-type: none"> <li>▪ Use of Proximity cards</li> </ul>	<b>Marine department - port security unit</b>
	<b>OTHERS</b>		
	<ul style="list-style-type: none"> <li>• Ensure that each employee secures a clear position in the department that positively suits him or her.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Employee surveys results</li> </ul>	<b>Administrative &amp; legal services</b>



	<ul style="list-style-type: none"> <li>• Provide adequate training in VTS and ships communication</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of training held</li> </ul>	<b>Harbour radio</b>
	<ul style="list-style-type: none"> <li>• Set up of a training program for junior officers (Deck &amp; engine) to serve at the Marine Section</li> <li>• Maintain tugs efficiently unit</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of training held</li> </ul>	<b>Marine department - marine section</b>
	<ul style="list-style-type: none"> <li>• Create an HR &amp; administration desks at the Marine Dept</li> </ul>	<ul style="list-style-type: none"> <li>▪ Desk created</li> <li>▪ Improvement metrics</li> </ul>	<b>Marine department - marine section</b>
	<ul style="list-style-type: none"> <li>• Provide Financial incentives to industries and vessels operating in the port</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of incentives provided</li> </ul>	<b>Port emergency services / environment unit</b>
	<ul style="list-style-type: none"> <li>• Train personnel in oil Spill, HAZMAT, Fire Fighting and any related incident.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Training realised</li> </ul>	<b>Port emergency services / environment unit</b>
	<ul style="list-style-type: none"> <li>• Monitor the issue of access passes to port operators and Improve security</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives implemented</li> </ul>	<b>Marine department - port security unit</b>



STRATEGIES	TACTICS	KPIs	DEPARTMENT
	<b>IMPROVE IT AND MANAGEMENT INFORMATION SYSTEM</b>		
	<ul style="list-style-type: none"> <li>• Implement DR Plan and Ensure continuity of key operations</li> </ul>	<ul style="list-style-type: none"> <li>▪ Plan implemented</li> <li>▪ Metrics</li> </ul>	<b>IT services</b>
	<ul style="list-style-type: none"> <li>• Implement a Document Management System</li> </ul>	<ul style="list-style-type: none"> <li>▪ DMS implemented</li> </ul>	<b>IT services</b>
	<ul style="list-style-type: none"> <li>• Implement Oracle E-Services</li> </ul>	<ul style="list-style-type: none"> <li>▪ Oracle E-Services implemented</li> </ul>	<b>IT services</b>
	<ul style="list-style-type: none"> <li>• Adopt systems which are ECO compliant – Go Green</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of systems implemented</li> </ul>	<b>IT services</b>
	<ul style="list-style-type: none"> <li>• Sensitise personnel on paper utilization and its impact on the environment, through training and communication campaigns and</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiative</li> <li>▪ Corresponding improvement metrics</li> </ul>	<b>Administrative &amp; legal services department</b>



<b>Ensure that the MPA becomes a sustainable organisation</b>	Eliminate the fear of loss of data, through the crashing of the system		
	<ul style="list-style-type: none"> <li>• Make the MPA a paperless organization and Develop the e-culture at the MPA</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiative</li> <li>▪ Corresponding improvement metrics</li> </ul>	<b>Administrative &amp; legal services department</b>
	<ul style="list-style-type: none"> <li>• Adopt a policy of storing records and emails on the system and keeping hard copies only if required for legal purposes</li> </ul>	<ul style="list-style-type: none"> <li>▪ Storage system implemented</li> </ul>	<b>Administrative &amp; legal services department</b>
	<ul style="list-style-type: none"> <li>• Inform staff on the effectiveness of the back-up system and removing this fear</li> </ul>	<ul style="list-style-type: none"> <li>▪ Training offered</li> </ul>	<b>Administrative &amp; legal services department</b>
<b>IMPLEMENT NEW SYSTEMS &amp; PROCEDURES</b>			
<b>Ensure that the MPA becomes a sustainable organisation</b>	<ul style="list-style-type: none"> <li>• Implement Information Security Management System, supported by an efficient and effective information back-up system</li> </ul>	<ul style="list-style-type: none"> <li>▪ ISMS implemented</li> </ul>	<b>Administrative &amp; legal services department</b>
	<ul style="list-style-type: none"> <li>• Develop the culture of sharing work-related information through the system in real-time and acting upon them, without waiting for hard copies</li> </ul>	<ul style="list-style-type: none"> <li>▪ Sharing information platform implemented</li> <li>▪ User metrics</li> </ul>	<b>Administrative &amp; legal services department</b>
	<ul style="list-style-type: none"> <li>• Enforce efficient related Procedures</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of efficient procedures implemented</li> </ul>	<b>Port Environment Unit</b>
	<ul style="list-style-type: none"> <li>• Avoid oil pollution</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives implemented</li> </ul>	<b>Marine department - marine section</b>
	<ul style="list-style-type: none"> <li>• Ensure appropriate preventive and curative mechanisms and measures are in place.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives implemented</li> </ul>	<b>Port emergency services/environment unit</b>
	<ul style="list-style-type: none"> <li>• Have the port free from Oil Spill, Cargo accident, Fire Incident</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives implemented</li> </ul>	<b>Port emergency services/environment unit</b>
	<ul style="list-style-type: none"> <li>• Control Overtime and other costs on repairs and maintenance etc. and Implement Cost control strategies</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives implemented</li> <li>▪ Cost of metrics</li> </ul>	<b>Finance</b>
	<ul style="list-style-type: none"> <li>• Improve the cost accounting to assess return on MPA assets and that same is being met, except for those that benefit the country as a whole, but not bringing the required return for the MPA</li> </ul>	<ul style="list-style-type: none"> <li>▪ ROI metrics</li> </ul>	<b>Finance</b>
	<ul style="list-style-type: none"> <li>• Improve the cost allocation and cost absorption system to allocate costs to difference cost units</li> </ul>	<ul style="list-style-type: none"> <li>▪ Management accounting metrics</li> </ul>	<b>Finance</b>
	<ul style="list-style-type: none"> <li>• Analyse stock levels of items and ensure that they are procured at the reorder level. Ensure that quantities of stock items are not</li> </ul>	<ul style="list-style-type: none"> <li>▪ Management accounting metrics</li> </ul>	<b>Finance</b>



Ensure that the MPA	below minimum and also does not exceed maximum levels. Analyse ageing stocks		
	<ul style="list-style-type: none"> <li>Ensure that obsolete stocks are identified with a view to dispose of them. This would assist in the cost control strategies</li> </ul>	<ul style="list-style-type: none"> <li>Initiatives taken</li> <li>Ratio of obsolete stock to non-obsolete stock</li> </ul>	Finance
	<ul style="list-style-type: none"> <li>Ensure that stock items are kept at the most appropriate level so as to ensure availability at any time</li> </ul>	<ul style="list-style-type: none"> <li>Stock management metrics</li> </ul>	Finance
	<ul style="list-style-type: none"> <li>Actualise the Audit and Risk department independence and authority</li> </ul>	<ul style="list-style-type: none"> <li>Number of staff education campaigns on the matter</li> </ul>	Audit & Risk Management
	<ul style="list-style-type: none"> <li>Execute risk assessments with available staff resources' relevance to key activities</li> </ul>	<ul style="list-style-type: none"> <li>Risk assessment done</li> </ul>	Audit & Risk Management
	<ul style="list-style-type: none"> <li>Engage in training relevant to audit, governance and risk management</li> </ul>	<ul style="list-style-type: none"> <li>Training given</li> </ul>	Audit & Risk Management
	<ul style="list-style-type: none"> <li>Establish the framework and procedures for the assessment and management of risks in line with Corporate Governance</li> </ul>	<ul style="list-style-type: none"> <li>Risk framework and procedures established</li> </ul>	Audit & Risk Management
	<ul style="list-style-type: none"> <li>Monitor full compliance with all terms and conditions of contract and the continuing validity of management control systems, and their effective functioning and compliance</li> </ul>	<ul style="list-style-type: none"> <li>Number of compliance monitoring initiatives</li> </ul>	Audit & Risk Management
	<b>DIVERSIFICATION</b>		
	<ul style="list-style-type: none"> <li>Recruit high caliber professional from the industry</li> </ul>	<ul style="list-style-type: none"> <li>Recruitment done</li> </ul>	Marine department - marine section
	<ul style="list-style-type: none"> <li>Implement of PV projects, wind farm, etc</li> </ul>	<ul style="list-style-type: none"> <li>Projects implemented</li> </ul>	Port emergency services/environment unit
	<ul style="list-style-type: none"> <li>Adopt tree planting policy on all bare lands located within the port</li> </ul>	<ul style="list-style-type: none"> <li>Projects implemented</li> </ul>	Port emergency services/environment unit
	<ul style="list-style-type: none"> <li>Advise the Director General in the selection of Port Development Projects based on their financial feasibility and Ensure adequate return on Port Development Projects</li> </ul>	<ul style="list-style-type: none"> <li>Number of advices given</li> </ul>	Finance
	<ul style="list-style-type: none"> <li>Assess projects through investment appraisal techniques, like payback, Net Present Values etc</li> </ul>	<ul style="list-style-type: none"> <li>Number of projects assessed</li> </ul>	Finance
	<ul style="list-style-type: none"> <li>Identify projects that are not meeting MPA objectives in terms of required return and take necessary action to address issues</li> </ul>	<ul style="list-style-type: none"> <li>Number of projects assessed</li> </ul>	Finance
	<b>CAPACITY BUILDING</b>		



<b>becomes a sustainable organisation</b>	<ul style="list-style-type: none"> <li>• Provide appropriate training at all levels</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of training provided</li> </ul>	<b>Port emergency services/environment unit</b>
	<ul style="list-style-type: none"> <li>• Identify the most appropriate training adapted to the situation and Train Technical adequately</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of training provided</li> </ul>	<b>Port emergency services/environment unit</b>
	<ul style="list-style-type: none"> <li>• Appoint a competent and dynamic “meneur d’homme” in each Watch so that the Unit could be marshalled round the clock</li> </ul>	<ul style="list-style-type: none"> <li>▪ Appointments done</li> </ul>	<b>Port emergency services/environment unit</b>
	<ul style="list-style-type: none"> <li>• Employ Additional man power , Maintain the ISPS standard and Build Capacity through training</li> </ul>	<ul style="list-style-type: none"> <li>▪ Appointments done</li> </ul>	<b>Marine department - port security unit</b>
<b>IMPLEMENT NEW WORK PRACTICE</b>			
<b>Ensure that the MPA becomes a sustainable organisation</b>	<ul style="list-style-type: none"> <li>• Ensure that appropriate environmental conditions are incorporated in the leases to be granted to Promoters</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of leases including the conditions</li> </ul>	<b>Port Environment Unit</b>
	<ul style="list-style-type: none"> <li>• Carry out of regular site visits together with representatives of the Port Environment Unit</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of visits carried out</li> </ul>	<b>Estate Management Section</b>
	<ul style="list-style-type: none"> <li>• Ensure that the existing Lessees are compliant with the respective conditions of their Lease Agreements pertaining to the protection of environment</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of lessees compliant v/s non compliant</li> </ul>	<b>Estate Management Section</b>
	<ul style="list-style-type: none"> <li>• Enroll additional staff and Review the structure of the Unit</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of staff employed</li> <li>▪ New structure in place</li> </ul>	<b>Harbour Radio</b>
	<ul style="list-style-type: none"> <li>• Enact/Revisit the legal parameters of the Port Act &amp; Regulations</li> </ul>	<ul style="list-style-type: none"> <li>▪ Parameters erected</li> </ul>	<b>Port emergency services/environment unit</b>
	<ul style="list-style-type: none"> <li>• Procure high sea booms, dispersant, sorbents, workboat and ancillary equipments and Train the staff</li> </ul>	<ul style="list-style-type: none"> <li>▪ Sea booms, dispersant, sorbents, workboat and ancillary equipments provided</li> <li>▪ Training provided</li> </ul>	<b>Port emergency services/environment unit</b>
	<ul style="list-style-type: none"> <li>• Carry out technical audits of industries operating within the port area</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of audits carried out</li> </ul>	<b>Port emergency services/environment unit</b>
	<ul style="list-style-type: none"> <li>• Re-engineer the PES/Environment Unit in terms of (a)Strengthening manpower</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives realised</li> </ul>	<b>Port emergency services/environment unit</b>
	<ul style="list-style-type: none"> <li>• Dedicate fire station and Warehouse to store Firefighting and Oil Pollution combat equipment</li> </ul>	<ul style="list-style-type: none"> <li>▪ Equipment installed</li> </ul>	<b>Port emergency services/environment unit</b>





	<ul style="list-style-type: none"> <li>Reduce Electricity and Water consumption and Use hybrid vehicles, tugs, LED lights</li> </ul>	<ul style="list-style-type: none"> <li>Number of initiatives</li> <li>Electricity consumption &amp; cost metrics</li> </ul>	Port emergency services/environment unit
	<b>IMPROVE SECURITY IN THE PORT AREA</b>		
	<ul style="list-style-type: none"> <li>Carry out a security audit of the whole port area</li> </ul>	<ul style="list-style-type: none"> <li>Audit carried out</li> </ul>	Marine department - port security unit
	<ul style="list-style-type: none"> <li>Review other equipments such as, CCTV system, Fences, gates, arm barriers, Intruder Alarm</li> </ul>	<ul style="list-style-type: none"> <li>Equipment reviewed</li> </ul>	Marine department - port security unit
	<ul style="list-style-type: none"> <li>Revisit the regulations and Review Port Security Regulations</li> </ul>	<ul style="list-style-type: none"> <li>Regulations revisited</li> <li>Amendments realised</li> </ul>	Marine department - port security unit



STRATEGIES	TACTICS	KPIs	DEPARTMENT
	<b>PROMOTE TRANSPARENCY</b>		
	<ul style="list-style-type: none"> <li>Review the present land allocation process to render it more transparent and accountable</li> </ul>	<ul style="list-style-type: none"> <li>Process reviews</li> </ul>	Estate Management Section



Promote and sustain business confidence throughout all our initiatives	<ul style="list-style-type: none"> <li>• Provide equal treatment to Promoters</li> </ul>	<ul style="list-style-type: none"> <li>▪ Initiatives realised</li> </ul>	Estate Management Section
	<ul style="list-style-type: none"> <li>• Demonstrate transparency and accountability to MPA's Stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>▪ Initiatives realised</li> </ul>	Audit & Risk Management
	<ul style="list-style-type: none"> <li>• Conduct assessment/ analysis to provide overall opinion on the organisation's governance and control processes</li> </ul>	<ul style="list-style-type: none"> <li>▪ Assessment &amp; analysis realised</li> </ul>	Audit & Risk Management
	<ul style="list-style-type: none"> <li>• Obtain sufficient appropriate audit evidence on all contracts to draw reasonable conclusions/opinions</li> </ul>	<ul style="list-style-type: none"> <li>▪ Amount of evidence supporting audit opinions</li> </ul>	Audit & Risk Management
	<ul style="list-style-type: none"> <li>• Establish formal reporting relationship on WIP with the ARC on a quarterly basis</li> </ul>	<ul style="list-style-type: none"> <li>▪ Formal reporting relationship established</li> </ul>	Audit & Risk Management
	<ul style="list-style-type: none"> <li>• Report on the Authority's performance in quarterly financial statements analysis to the Audit &amp; Risk Committee</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of reports</li> <li>▪ Number of corrective measures</li> </ul>	Audit & Risk Management
	<ul style="list-style-type: none"> <li>• Establish the financial tracking system for an effective audit trail</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of tracking systems implemented</li> <li>▪ Number of tracks realised</li> </ul>	Audit & Risk Management
	<ul style="list-style-type: none"> <li>• Assess the effectiveness/efficiency of processes through performance of system audits and value for money audits</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of VFM audits carried out</li> </ul>	Audit & Risk Management
	<ul style="list-style-type: none"> <li>• Monitor compliance with set procedures and regulations as regards MPA's activities</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiative realised</li> </ul>	Audit & Risk Management
	<ul style="list-style-type: none"> <li>• Design a business community support system to respond to customers' needs</li> </ul>	<ul style="list-style-type: none"> <li>▪ System designed an in use</li> </ul>	Port Operations
	<b>IMPROVE WORK PRACTICES AND INCREASE VALUE ADDED</b>		
	<ul style="list-style-type: none"> <li>• Carry out audit of conformity and adherence to policies/ procedures that governs all processes/ systems that are subject to audit</li> </ul>	<ul style="list-style-type: none"> <li>▪ Audit done</li> </ul>	Audit & Risk Management
	<ul style="list-style-type: none"> <li>• Align audit plan and performance monitoring with the new corporate plan and to update the audit procedures manual with new activities/ processes</li> </ul>	<ul style="list-style-type: none"> <li>▪ Alignment done</li> </ul>	Audit & Risk Management
	<ul style="list-style-type: none"> <li>• Work with updated documented audit programmes and procedures</li> </ul>	<ul style="list-style-type: none"> <li>▪ Updated programs &amp; Procedures implemented</li> </ul>	Audit & Risk Management
	<ul style="list-style-type: none"> <li>• Complement the audit charter with the risk charter to express a wider opinion on risk management functions to be subsequently approved by the ARC</li> </ul>	<ul style="list-style-type: none"> <li>▪ Charters Implemented</li> </ul>	Audit & Risk Management
<ul style="list-style-type: none"> <li>• Perform comprehensive assessment/ analysis that can provide assurance at a corporate level that processes are adequate and functioning to meet MPA's objectives of providing value added/quality services</li> </ul>	<ul style="list-style-type: none"> <li>▪ Audit Plan realised</li> </ul>	Audit & Risk Management	



<b>Promote and sustain business confidence throughout all our initiatives</b>	<ul style="list-style-type: none"> <li>Focus on major risk areas and align same with the new corporate plan and ongoing port development</li> </ul>	<ul style="list-style-type: none"> <li>Focus and Alignment done</li> </ul>	<b>Audit &amp; Risk Management</b>
	<ul style="list-style-type: none"> <li>Set priorities on planned projects to function effectively in a team environment</li> </ul>	<ul style="list-style-type: none"> <li>Number of team-based projects realised</li> </ul>	<b>Audit &amp; Risk Management</b>
	<ul style="list-style-type: none"> <li>Reposition Audit &amp; Risk planning together with available staff resources' relevance to key activities to achieve compliance audit</li> </ul>	<ul style="list-style-type: none"> <li>Number of team-based projects realised</li> </ul>	<b>Audit &amp; Risk Management</b>
	<ul style="list-style-type: none"> <li>Establish an appropriate mechanism to provide oversight and recommendations to Management for achieving service excellence in a team spirit environment</li> </ul>	<ul style="list-style-type: none"> <li>Number of mechanisms implemented</li> </ul>	<b>Audit &amp; Risk Management</b>
	<ul style="list-style-type: none"> <li>Monitor effectiveness and efficiency of operational activities of the Authority</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring done</li> </ul>	<b>Audit &amp; Risk Management</b>
	<ul style="list-style-type: none"> <li>Report on non-value added activities</li> </ul>	<ul style="list-style-type: none"> <li>Reports realised</li> </ul>	<b>Audit &amp; Risk Management</b>
	<ul style="list-style-type: none"> <li>Monitor of the financial aspects of the Concession Contract with the CH</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring exercises realised</li> </ul>	<b>Audit &amp; Risk Management</b>
	<ul style="list-style-type: none"> <li>Cover the full spectrum of operating processes and ensure the results are achieved</li> </ul>	<ul style="list-style-type: none"> <li>Coverage done</li> </ul>	<b>Audit &amp; Risk Management</b>
	<ul style="list-style-type: none"> <li>Ratio analysis to ascertain performances with previous years and with estimates for the year</li> </ul>	<ul style="list-style-type: none"> <li>Number of ratio analysis reports</li> <li>Connective measures</li> </ul>	<b>Audit &amp; Risk Management</b>
	<ul style="list-style-type: none"> <li>Perform quality audit in assessing compliance with procedures and regulations and recommending innovative ideas for providing sustainable and competitive integrated services</li> </ul>	<ul style="list-style-type: none"> <li>Audit done</li> </ul>	<b>Audit &amp; Risk Management</b>
	<ul style="list-style-type: none"> <li>Perform compliance testing on all parameters set in the concession plan and recommending innovative ideas for providing sustainable and competitive integrated services</li> </ul>	<ul style="list-style-type: none"> <li>Compliance testing done</li> </ul>	<b>Audit &amp; Risk Management</b>
	<ul style="list-style-type: none"> <li></li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>	
	<ul style="list-style-type: none"> <li></li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>	
	<b>CAPACITY BUILDING</b>		
<ul style="list-style-type: none"> <li>Recruit a Risk Technician and an IT auditor to assist in conducting risk assessments</li> </ul>	<ul style="list-style-type: none"> <li>Recruitment done</li> </ul>	<b>Audit &amp; Risk Management</b>	
<ul style="list-style-type: none"> <li>Access to all information that is required to perform comprehensive audit on all contracts</li> </ul>	<ul style="list-style-type: none"> <li>Access allowed</li> </ul>	<b>Audit &amp; Risk Management</b>	
<ul style="list-style-type: none"> <li>Study deeply the terms and conditions of all contracts To monitor closely all Civil Works (Contracts) and procurement of goods and services</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring done</li> </ul>	<b>Audit &amp; Risk Management</b>	



<b>Promote and sustain business confidence throughout all our initiatives</b>	<ul style="list-style-type: none"> <li>• Increase the skill and competences of staff resources through training in order to engage in effective compliance audits by displaying highest level of professionalism and integrity</li> </ul>	<ul style="list-style-type: none"> <li>▪ Training carried out</li> </ul>	<b>Audit &amp; Risk Management</b>
	<ul style="list-style-type: none"> <li>• Focus continuously on training to enable employees to be more efficient in the way they deal with customers.</li> </ul>	<ul style="list-style-type: none"> <li>▪ HR metrics of efficiency</li> </ul>	<b>Human Resources</b>
	<ul style="list-style-type: none"> <li>• Train the officers to work out the berth plan and berth allocation</li> </ul>	<ul style="list-style-type: none"> <li>▪ Training done</li> </ul>	<b>Port Operations</b>
	<ul style="list-style-type: none"> <li>• Provide advanced Maintenance &amp; Workshop Training – the objective is to provide employees with the information and skills required to achieve the competence required for marine engineering and to carry out their work on board a tug in a professional and safe manner</li> </ul>	<ul style="list-style-type: none"> <li>▪ Training provided</li> </ul>	<b>Technical Services Department</b>
	<ul style="list-style-type: none"> <li>• Ensure manpower training and Development</li> </ul>	<ul style="list-style-type: none"> <li>▪ Training provided</li> </ul>	<b>Technical Services Department</b>
	<ul style="list-style-type: none"> <li>• Create a result-oriented environment with a proactive motivated personnel working with modern business tools</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives implemented</li> </ul>	<b>Port Operations</b>
	<b>OTHERS</b>		
	<ul style="list-style-type: none"> <li>• Process requests for land allocation in the ports on fast track basis</li> </ul>	<ul style="list-style-type: none"> <li>▪ Requests realised on fast track basis</li> </ul>	<b>Estate Management Section</b>
	<ul style="list-style-type: none"> <li>• Enhance professional capabilities of Audit and Risk staff</li> </ul>	<ul style="list-style-type: none"> <li>▪ Training carried out</li> </ul>	<b>Audit &amp; Risk Management</b>
	<ul style="list-style-type: none"> <li>• To perform value for money audit tests on processes which are substantial in monetary terms</li> </ul>	<ul style="list-style-type: none"> <li>▪ VFM audits realised</li> </ul>	<b>Audit &amp; Risk Management</b>

**THE WORK ETHICS**  
P3



STRATEGIES	TACTICS	KPIs	DEPARTMENT
<b>Adopt a Culture of Service Excellence, both to Internal and External Customers</b>	<b>PROMOTE A SERVICE EXCELLENCE CULTURE</b>		
	<ul style="list-style-type: none"> <li>Implement a Vessel Management System, Berth Planning System, Management of Marine Services system and Port Billing system</li> </ul>	<ul style="list-style-type: none"> <li>System implemented</li> <li>Real time billing system up and running</li> </ul>	<b>IT services</b>
	<ul style="list-style-type: none"> <li>Implement an interactive website with bilingual options and integrated with existing ERP including eservices and Improve Property management functions</li> </ul>	<ul style="list-style-type: none"> <li>Web-site implemented</li> </ul>	<b>IT services</b>
	<ul style="list-style-type: none"> <li>Implement full coverage of WIFI in MPA premises and Improve Delivery of Service</li> </ul>	<ul style="list-style-type: none"> <li>Wifi coverage realised</li> </ul>	<b>IT services</b>
	<ul style="list-style-type: none"> <li>Allow users to use mobile devices to get access to information</li> </ul>	<ul style="list-style-type: none"> <li>Number of devices authorised &amp; closed</li> </ul>	<b>IT services</b>
	<ul style="list-style-type: none"> <li>Ensure that everyone at the MPA understands that the organization exists because of its customers</li> </ul>	<ul style="list-style-type: none"> <li>Number of training session held</li> </ul>	<b>IT services</b>
	<ul style="list-style-type: none"> <li>Make the MPA a customer-focused organisation</li> </ul>	<ul style="list-style-type: none"> <li>Number of training session held</li> </ul>	<b>IT services</b>
	<ul style="list-style-type: none"> <li>Make personnel aware of the importance of quality and Make the MPA a reference in Quality</li> </ul>	<ul style="list-style-type: none"> <li>Number of training session held</li> </ul>	<b>Administrative &amp; legal services department</b>
	<ul style="list-style-type: none"> <li>Determine and meet customer requirements.</li> </ul>	<ul style="list-style-type: none"> <li>Number of initiatives realised</li> </ul>	<b>Administrative &amp; legal services department</b>
	<ul style="list-style-type: none"> <li>Propagate the concept of the internal customer and the internal supplier.</li> </ul>	<ul style="list-style-type: none"> <li>Number of training done</li> </ul>	<b>Administrative &amp; legal services department</b>
	<ul style="list-style-type: none"> <li>Inculcate a quality culture at the MPA</li> </ul>	<ul style="list-style-type: none"> <li>Number of training done</li> </ul>	<b>Administrative &amp; legal services department</b>
	<ul style="list-style-type: none"> <li>Manage the quality chain effectively</li> </ul>	<ul style="list-style-type: none"> <li>Number of training done</li> <li>Initiatives implemented</li> </ul>	<b>Administrative &amp; legal services department</b>
	<ul style="list-style-type: none"> <li>Review and continually improve the quality management system</li> </ul>	<ul style="list-style-type: none"> <li>Quality Management system improvements realised</li> </ul>	<b>Administrative &amp; legal services department</b>
<ul style="list-style-type: none"> <li>Adopt the Total Quality Management concept</li> </ul>	<ul style="list-style-type: none"> <li>Total Quality Management implemented</li> </ul>	<b>Administrative &amp; legal services department</b>	



<b>Adopt a Culture of Service Excellence, both to Internal and External Customers</b>	<ul style="list-style-type: none"> <li>• Exceed customer needs</li> </ul>	<ul style="list-style-type: none"> <li>▪ Training implemented</li> <li>▪ Customer service metrics</li> </ul>	<b>Estate management section</b>
	<ul style="list-style-type: none"> <li>• Improve Port Licence Processing by streamlining of the procedures</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives implemented</li> </ul>	<b>Port Operations</b>
	<ul style="list-style-type: none"> <li>• Improve existing guidelines to facilitate the processing and grant of port licences</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives implemented</li> </ul>	<b>Port Operations</b>
	<ul style="list-style-type: none"> <li>• Beef up the Unit for the day to day follow up and processing of the new applications or renewal of existing licences</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives implemented</li> </ul>	<b>Port Operations</b>
	<ul style="list-style-type: none"> <li>• Have a proper online database of all licences / operators with the new IT Plan to access information on a fast track basis</li> </ul>	<ul style="list-style-type: none"> <li>▪ Online database up and running</li> </ul>	<b>Port Operations</b>
	<ul style="list-style-type: none"> <li>• Improve internal control system by the setting up of an intelligent billing unit at HRB</li> </ul>	<ul style="list-style-type: none"> <li>▪ Unit up and operational</li> </ul>	<b>Port Operations</b>
	<ul style="list-style-type: none"> <li>• Segregate the existing personnel doing the billing from those monitoring ops on site</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of segregation of duties</li> </ul>	<b>Port Operations</b>
	<ul style="list-style-type: none"> <li>• Use of the new IT tools to improve the existing time-consuming manual system</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of new IT tools implemented</li> </ul>	<b>Port Operations</b>
	<b>IMPROVE OPERATIONAL EFFICIENCY</b>		
	<ul style="list-style-type: none"> <li>• Adopt new ICT Solutions to improve operational efficiency of MPA</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of ICT solutions implemented</li> </ul>	<b>IT services</b>
	<ul style="list-style-type: none"> <li>• Implement a Works Order Management System, Craft Maintenance System</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of Works Order Management System, Craft Maintenance system initiatives implemented</li> </ul>	<b>IT services</b>
	<ul style="list-style-type: none"> <li>• Implement a Port Property and Lease Administration System</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of Port Property and Lease Administration System implemented</li> </ul>	<b>IT services</b>
	<ul style="list-style-type: none"> <li>• Adopt new ICT Solutions to improve operational efficiency of MPA</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of metrics</li> <li>▪ Number of ICT solutions implemented</li> </ul>	<b>IT services</b>
	<ul style="list-style-type: none"> <li>• Implement additional modules in ERP system namely, Employee Self-service, Performance Management System, Cost Management, Business Intelligence tools</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of modules implemented</li> </ul>	<b>IT services</b>
	<ul style="list-style-type: none"> <li>• Eliminate any process, form or record, which is duplication, i.e. eliminate double recording.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of processes eliminated</li> </ul>	<b>Administrative &amp; legal services department</b>
<ul style="list-style-type: none"> <li>• Make use of IT system to disseminate information.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives</li> </ul>	<b>Harbour radio</b>	
<ul style="list-style-type: none"> <li>• Provide accurate information to vessels present within the port area for the safety of navigation</li> </ul>	<ul style="list-style-type: none"> <li>▪ Rehabilitate metrics on these vessels</li> </ul>	<b>Harbour radio</b>	



<b>Adopt a Culture of Service Excellence, both to Internal and External Customers</b>	<ul style="list-style-type: none"> <li>• Provide information to Finance and operations Dept</li> </ul>	<ul style="list-style-type: none"> <li>▪ Information provided</li> </ul>	<b>Harbour radio</b>
	<ul style="list-style-type: none"> <li>• Establish as financial and cost management system to provide good quality information to management for decision making purposes</li> </ul>	<ul style="list-style-type: none"> <li>▪ System implemented</li> </ul>	<b>Finance</b>
	<ul style="list-style-type: none"> <li>• Upgrade Security Fencing at Terminal II with a view to enhance perimeter security at Port through the construction of high security fencing</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of upgrades done</li> </ul>	<b>Port Development</b>
	<b>REVIEW AND IMPROVE PROCESSES</b>		
	<ul style="list-style-type: none"> <li>• Conduct internal audits and Work improvement team (WIT) meetings</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of meetings done</li> </ul>	<b>Administrative &amp; legal services department</b>
	<ul style="list-style-type: none"> <li>• Analyse each process and question its purpose and whether it is adding value and whether it is necessary to the organisation</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of process reviews</li> </ul>	<b>Administrative &amp; legal services department</b>
	<ul style="list-style-type: none"> <li>• Streamline of processes of the Department and elimination of non-value adding activities</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of non-value adding activities eliminated</li> </ul>	<b>Administrative &amp; legal services department</b>
	<ul style="list-style-type: none"> <li>• Carry out a Business Process Reengineering</li> </ul>	<ul style="list-style-type: none"> <li>▪ Business Process Reengineering realised</li> </ul>	<b>Administrative &amp; legal services department</b>
	<ul style="list-style-type: none"> <li>• Exercise in the department to reduce bureaucracy and red tapism</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives implemented</li> </ul>	<b>Administrative &amp; legal services department</b>
	<ul style="list-style-type: none"> <li>• Motivate staff and make available of appropriate and adequate IT technology</li> </ul>	<ul style="list-style-type: none"> <li>▪ Technology implemented</li> <li>▪ Training carried out</li> </ul>	<b>Administrative &amp; legal services department</b>
	<ul style="list-style-type: none"> <li>• Attend to emergencies within minutes of its occurrence and Ensure Logistics is available at all times</li> </ul>	<ul style="list-style-type: none"> <li>▪ Time taken to attend</li> </ul>	<b>Port emergency services/environment unit</b>
	<ul style="list-style-type: none"> <li>• Participate in the Implementation of IT system that would require a paperless medium</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of initiatives implemented</li> </ul>	<b>Finance</b>
	<ul style="list-style-type: none"> <li>• Ensure timely issue of MPA invoices for customer satisfaction and improve cash inflows</li> </ul>	<ul style="list-style-type: none"> <li>▪ Timely invoices sent v/s non-timely</li> <li>▪ Debtors ageing</li> </ul>	<b>Finance</b>
	<ul style="list-style-type: none"> <li>• Reduce the time between departure of vessels and issue of related invoices</li> </ul>	<ul style="list-style-type: none"> <li>▪ Timely invoices sent v/s non-timely</li> </ul>	<b>Finance</b>
	<ul style="list-style-type: none"> <li>• Ensure that the system can be queried to provide information on a timely basis for decisions. The information should be on a real time basis, accurate and complete</li> </ul>	<ul style="list-style-type: none"> <li>▪ Real time information accessibility and reliability</li> </ul>	<b>Finance</b>
	<ul style="list-style-type: none"> <li>• Review Processes</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of process reviews</li> </ul>	<b>Audit &amp; Risk Management</b>
	<ul style="list-style-type: none"> <li>• Process management should be put in place so as to attend to requirements of customers on a timely basis</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of process reviews</li> </ul>	<b>Audit &amp; Risk Management</b>
	<ul style="list-style-type: none"> <li>• Streamline processes and make IT play a prominent role</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of IT processes streamlined</li> </ul>	<b>Technical Services Department</b>



<b>Adopt a Culture of Service Excellence, both to Internal and External Customers</b>	OTHERS		
	• Purchase new desktop and notebook computers and Microsoft software	▪ Initiatives implemented	<b>IT services</b>
	• Showcase the Authority's Service	▪ Initiatives implemented	<b>IT services</b>
	• Train staff of the MPA on quality concepts	▪ Training realised	<b>Administrative &amp; legal services department</b>
	• Provide the best land management services so as to encourage Promoters to lease land in the port	▪ Land usage metrics	<b>Estate management section</b>
	• Allocate land for implementation of projects that would enhance port services and facilities at Port Louis and Port Mathurin	▪ Land usage metrics	<b>Estate management section</b>
	• Offer land on lease to Promoters willing to set up their port related facilities at Port Louis and Port Mathurin	▪ Land usage metrics	<b>Estate management section</b>
	• Monitor the movements of all vessels within the port area by making use of the Vessel Monitoring System, VHF Radio, sight and hearing.	▪ Number of initiatives implemented	<b>Harbour radio</b>
	• Recruit well trained mariners having the skills to provide the service	▪ Recruitment done	<b>Marine department - marine section</b>
	• Train personnel, set up of work place and Provide a prompt Pilotage service	▪ Training done	<b>Marine department</b>
	• Create the right atmosphere so that the staff to turn to work	▪ Initiatives implemented	<b>Marine department</b>
• Put adequate staff on shift	▪ Staff productivity metrics	<b>Port emergency services/environment unit</b>	
• Develop a Decision Support System (DSS) along with the implementation of the new IT system under phases 0 to 2	▪ Decision Support System developed and implemented	<b>Finance</b>	





STRATEGIES	TACTICS	KPIs	DEPARTMENT
<b>Develop a culture of Passion in a results driven mindset in all our employees</b>	<b>DEVELOP SYSTEMS AND PROCESSES TO MAKE THE PERSONEL MORE PASSIONATE ABOUT THEIR JOB</b>		
	<ul style="list-style-type: none"> <li>Implement a new Intranet to allow users to collaborate and share documents</li> </ul>	<ul style="list-style-type: none"> <li>Intranet in use</li> </ul>	<b>IT services</b>
	<ul style="list-style-type: none"> <li>Encourage staff to work with passion</li> </ul>	<ul style="list-style-type: none"> <li>Training, Coaching and mentoring initiatives</li> </ul>	<b>Estate management section</b>
	<ul style="list-style-type: none"> <li>Train relevant personnel in different fields in line with their duties and responsibilities</li> </ul>	<ul style="list-style-type: none"> <li>Training done</li> </ul>	<b>Port emergency services/environment unit</b>
	<ul style="list-style-type: none"> <li>Have dedicated staff to attend to emergency</li> </ul>	<ul style="list-style-type: none"> <li>Initiatives realised</li> </ul>	<b>Port emergency services/environment unit</b>
	<ul style="list-style-type: none"> <li>Have a dedicated workforce</li> </ul>	<ul style="list-style-type: none"> <li>Training, Coaching and mentoring initiatives</li> </ul>	<b>Marine department - port security unit</b>
	<ul style="list-style-type: none"> <li>Involve staff to create the most appropriate atmosphere at work</li> <li></li> </ul>	<ul style="list-style-type: none"> <li>Training, Coaching and mentoring initiatives</li> </ul>	<b>Harbour radio</b>
	<ul style="list-style-type: none"> <li>Create a good work environment</li> </ul>	<ul style="list-style-type: none"> <li>Training, Coaching and mentoring initiatives</li> </ul>	<b>Harbour radio</b>
	<ul style="list-style-type: none"> <li>Ensure that a proper work environment prevails in the finance department and good working relations also exist with other departments</li> </ul>	<ul style="list-style-type: none"> <li>Training, Coaching and mentoring initiatives</li> </ul>	<b>Finance</b>
	<b>OTHERS</b>		
	<ul style="list-style-type: none"> <li>Improve Team Work</li> </ul>	<ul style="list-style-type: none"> <li>Training, Coaching and mentoring initiatives</li> </ul>	<b>IT services</b>
	<ul style="list-style-type: none"> <li>Train staff in understanding the need of customers and in service delivery Serve both internal &amp; external customers to the best of our abilities</li> </ul>	<ul style="list-style-type: none"> <li>Training delivered</li> </ul>	<b>Harbour radio</b>
	<ul style="list-style-type: none"> <li>Train at all levels in security duties</li> </ul>	<ul style="list-style-type: none"> <li>Training delivered</li> </ul>	<b>Marine department - port security unit</b>
	<ul style="list-style-type: none"> <li>Review processes for handling of queries and clearly set KPIs</li> </ul>	<ul style="list-style-type: none"> <li>Process reviews</li> </ul>	<b>Finance</b>



<p><b>Develop a culture of Passion in a results driven mindset in all our employees</b></p>	<ul style="list-style-type: none"> <li>• Set up of a process to analyse queries from shipping agents and ensure that they are attended to on a timely basis</li> </ul>	<ul style="list-style-type: none"> <li>▪ Process reviews</li> </ul>	<p><b>Finance</b></p>
	<ul style="list-style-type: none"> <li>• Ensure completeness of bidding documents prior to their launch</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of capex Governments well-defined v/s not well defined</li> </ul>	<p><b>Finance</b></p>
	<ul style="list-style-type: none"> <li>• Ensure that all specifications are clearly spelt out for capital expenditure procurements. This will facilitate suppliers to identify the exact needs of the MPA</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of capex Governments well-defined v/s not well defined</li> </ul>	<p><b>Finance</b></p>
	<ul style="list-style-type: none"> <li>• Train people to adopt a new culture. Provide appropriate training so as to reduce the resistance to change and at the same time improve efficiency at work</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of training</li> </ul>	<p><b>Finance</b></p>
	<ul style="list-style-type: none"> <li>• The introduction and enforcement of appropriate regulatory instruments that provide for the strengthening of the port legal framework</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of instruments implemented</li> </ul>	<p><b>Administrative &amp; Legal Services Department</b></p>
	<ul style="list-style-type: none"> <li>• Make an inventory of legal instruments to assess the adequacy of the regulating powers of the MPA</li> </ul>	<ul style="list-style-type: none"> <li>▪ Inventories made</li> <li>▪ Assessments made</li> <li>▪ Connective actions taken</li> </ul>	<p><b>Administrative &amp; Legal Services Department</b></p>