



## **Towards a Maritime Cluster Alliance in Africa**

There is growing evidence to support a business case for unlocking the ocean business and investment potential of Africa via an alliance of maritime clusters. The following examples provide such evidence:

### **Sea Ports**

The African port situation is characterized by a large number of small ports, each with a capacity of less than 1 million TEUs. A review of ports by sub-region indicates capacity shortages are widespread, particularly in West and Central Africa. It is important to note that countries with higher port capacity have higher trade capacity. However, the types of commodity that the country trades in terms of imports and exports also matters. For example, Egypt is ranked number one in Africa in terms of port capacity and South Africa is ranked number two. However, the value of trade in South Africa is higher than Egypt due to the type of exports, which are mainly expensive minerals such as platinum and gold. Moreover, the value can also be driven by the number of ports that the country services. In the case of South Africa, landlocked economies such as Botswana, Lesotho, Swaziland, Malawi, Zimbabwe, and Zambia depend on its ports, and this explains South Africa's higher trade volumes. Egypt and South Africa have the highest port capacity in the continent, with Port Said in Egypt as the leading port.

### **Air Ports**

The potential contribution of the aviation industry to Africa's growth and development is irrefutable. Air travel links African countries and regions with each other and with the world. It increases efficiency and connectivity. And it creates new opportunities for trade, business and tourism. Improving airline access, developing hub-and-spoke connections, reducing the costs of air travel, making it more affordable and quicker for tourists to travel from one gateway city to another, all are included in an airline access strategy to grow foreign tourism markets especially in overseas countries. The potential for Africa under an open-skies agreement is thus immense. According to IATA, open skies in just twelve African countries could encourage tourism, help create more than 150,000 jobs and US\$1.3 billion to GDP.

### **Skies and Seas the key to unlocking Africa**

It is therefore logical that connecting sea ports and air ports via economic corridors and strategic alliances is the way to unlock the huge economic potential of Africa. This requires the highest level of private sector industry involvement and participation in responsible ocean governance.

## **Towards an Alliance of Maritime Clusters in Africa**

Developing collaborative business opportunities between coastal and ocean stakeholders requires the development of triple helix partnerships. The African Union incorporates 54 member states of which 37 states are coastal countries. There are virtually no maritime clusters in Africa and hence most inter-governmental collaboration is based on political decisions and not sound business decisions. There is a huge window of opportunity to develop maritime clusters in Africa. An Alliance of Maritime Clusters in Africa could be the vehicle for connecting emerging maritime clusters in Africa with an alliance of maritime clusters in the developed countries such as the Blue Tech Cluster Alliance which represents maritime clusters in eight countries around the world.

To develop maritime clusters in Africa requires capacity-building training programs incorporating cluster facilitation and business skills development in the port cities and small island developing states (SIDS) of Africa. The only barrier to the implementation of maritime cluster development in Africa is support funding for the implementation of capacity-building training programs. Training material has already been developed and these programs could easily be customized for port cities and small island developing states in Africa.

### **Cluster-to-Cluster Matchmaking**

Matchmaking events are considered to be one of the most cost effective methods of making new business contacts and networking. The mission of matchmaking events is to connect small business with government and large businesses. In 2012, according to Cluster Collaborators, some 75,000 face-to-face appointments organised at matchmaking events resulted in US\$6 – US\$7 billion dollars in contracts. Matchmaking events are specific events organised with the purpose of meeting possible business partners in a sequence of short arranged meetings, enabling the participants to introduce themselves and look for possible areas of cooperation. Partnerships and investment opportunities can also connect researchers and academics with business partners and with universities from around the world.

### **Pioneering Matchmaking Event Gothenburg 14<sup>th</sup> June 2017**

The Nelson Mandela Bay Maritime Cluster and the Maritime Cluster of West Sweden are pioneering the first ever maritime cluster-to-cluster matchmaking event between a country from Africa (South Africa) and Europe (Sweden). This event will be included in the 9<sup>th</sup> International Coastal & Marine Tourism Congress (CMT2017) which will be hosted in the River City of Gothenburg from 13<sup>th</sup> – 16<sup>th</sup> June 2017.

### **UN Ocean Conference 5<sup>th</sup> – 9<sup>th</sup> June 2017**

The first UN Ocean Conference was convened in New York from 5<sup>th</sup> – 9<sup>th</sup> June 2017. The Nelson Mandela Bay Maritime Cluster (NMBMC) was invited to join the Maritime Cluster of West Sweden (Lead Organizer) and the Blue Tech Cluster Alliance at a side event during the 1<sup>st</sup> UN Ocean Conference. The title of the side event was, “Capacity for Change – Clusters and the Triple Helix”. Although NMBMC did not have funds to participate in the UN Ocean Conference, the cluster was represented by the Maritime Cluster of West Sweden which provided an opportunity to present a business case for the development of maritime clusters in Africa.

The NMBMC has adopted the Quadruple Helix Innovation Cluster Model which adds a fourth helix to the Eurocentric Triple Helix Model i.e. civil society which includes local communities. The UN Ocean Conference in New York preceded the 9<sup>th</sup> International Coastal & Marine Tourism congress (CMT 2017) in Gothenburg.

According to the Quadruple Helix Innovation Theory (QHIT), a country's economic structure lies on four pillars/helices: Academia; Firms, Government and Civil Society and economic growth is generated by the clustering and concentration of talented and productive people. Creative cities and knowledge regions are thus considered the true engines of economic growth. Academia and Firms, together with Technological Infrastructures of Innovation, provide the integrated innovation ecosystem where all forms of creativity can rise. In turn, Governments provide the financial support and the regulation system for the definition and implementation of innovation activities. Civil Society demands for ever innovating goods and services.

#### **The Benefits of Maritime Clusters:**

- Act as an Incubator of Business Opportunities
- Provide opportunities for Employment
- Enhance Competitiveness of the manufacturing sector
- Promote Innovation, Research and Technology
- Offer Education, Skills and Expertise in the Maritime fields
- Facilitate new Business Partnerships
- Ensure Economic Development of the area
- Facilitate joint efforts for the Protection of the vulnerable Marine Environment
- Promote Regional Cooperation and Integration



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