

Date: 12 June 2024

TO: South African Maritime Safety Authority

c/o Chief Executive Officer

and Deputy Chief Operations Officer

and Port of Ngqura Principle Officer

and Regional Manager: Southern Region

tsu@samsa.org.za

vkeller@samsa.org.za

irenders@samsa.org.za

bstofile@samsa.org.za

FROM: **BIODIVERSITY LAW CENTRE** <u>kate@biodiversitylaw.org</u>

nina@biodiversitylaw.org

Total 4 Our ref: BLC/Penguins1/011

pages: [21 including annexures]

Dear Sirs

RE: RECOMMENCEMENT OF OFFSHORE BUNKERING AND SHIP-TO-SHIP TRANSFER

- We write to you to clarify the position relating to the apparent recommencement of licencing of offshore bunkering and ship-to-ship fuel transfer (collectively, STS Bunkering) in Algoa Bay and address this correspondence on behalf of the Biodiversity Law Centre (BLC) as well as on behalf of SANCCOB and BirdLife South Africa (BLSA).
 - 1.1. The BLC is a non-profit organisation and law clinic, registered in 2021. Our vision is flourishing indigenous species and ecosystems that support sustainable livelihoods in Southern Africa. The BLC's mission is to use the law to protect, restore and preserve indigenous ecosystems and species in Southern Africa. The BLC has been engaging with the Department of Forestry, Fisheries and the Environment (DFFE), Transnet National Ports Authority (TNPA) and South African Maritime Safety Authority (SAMSA) in relation to the impacts of STS Bunkering in Algoa Bay since 2021.
 - 1.2. SANCCOB is a registered non-profit organisation with the primary objective to reverse the decline of seabird populations through the rescue, rehabilitation and release of ill,

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injured, abandoned and oiled seabirds, particularly endangered species such as the African Penguin. SANCCOB has responded to every oil spill affecting seabirds along the South African coastline since 1968, and is the identified and mandated organisation to respond to oiled seabirds as per the National Oil Spill Contingency Plan. Moreover, SANCCOB is a member of both the Offshore Environmental Working Group (**OEWG**) and Offshore Operators Stakeholders Forum (**OOSF**).

- 1.3. BLSA is a registered non-profit organisation, the mission of which is to conserve birds, their habitats and biodiversity through scientifically-based programmes, through supporting the sustainable and equitable use of natural resources, and by encouraging people to enjoy and value nature. BLSA has been engaging with the DFFE, TNPA and SAMSA in relation to STS Bunkering in Algoa Bay since at least 2021. BLSA, together with SANCCOB, is working with scientists and engineers at Nelson Mandela University, the University of Paris, and the University of Cape Town to develop technologies to monitor the impacts of marine noise pollution on coastal and seabirds, including African Penguins, in Algoa Bay. In addition, BLSA is engaged with an Automated Penguin Monitoring System to gauge the response of penguins to human activities in the bay.
- 1.4. The BLC, SANCCOB and BLSA have all participated in the public participation process relating to the environmental risk assessment (**ERA**) conducted by TNPA.
- 2. We note that STS Bunkering has been subject to a moratorium on the issuance of new operator licences (the moratorium) since a decision taken by the OOSF on 9 April 2019. It is our understanding that the moratorium was imposed pending the outcome of the ERA, and pending finalisation of the Codes of Practice for Bunkering and Cargo Transfers (Codes)
- 3. On 6 September 2022, MIN 10-22 was issued together with draft Codes. MIN 10-22 referred to the moratorium and confirmed that the conditions which needed to be met before it would be lifted were (1) completion of the publication of the Codes; and (2) completion of an ERA by TNPA; and that the condition for lifting the moratorium on new licencing for the rest of South Africa was publication of the Codes.
- 4. It appears that neither the Codes nor the ERA are complete.
 - 4.1. Pursuant to our enquiries regarding the status of the ERA, on 13 February 2024, TNPA's consultants indicated that comments on the draft ERA were being collated; that comments and an updated ERA Report had not yet been provided to TNPA; and that TNPA had not yet clarified next steps. By 10 May 2024, while comments appear to have been collated, there was no further clarity regarding updating of the draft ERA Report, further commenting period, and / or its finalisation or any other further steps. We attach the relevant chain of correspondence marked "1".
 - 4.2. There has been no subsequent notification to interested and affected parties of completion of the ERA, nor any other indication of completion of this process.



- 4.3. The Codes published in 2022 have, to date not been finalised. The BLC questioned the status of the Codes in correspondence addressed to SAMSA on 31 January 2024 (attached marked "2").
- 4.4. No response was received to this letter, however, a new draft bunkering code was issued for comment by SAMSA on 16 February 2024. Despite the BLC, SANCCOB and BLSA submitting comments in respect of this draft code, no response has been received and there is no indication that this code has been finalised.
- 5. Notwithstanding the position regarding the Codes and ERA, it appears that SAMSA has made the decision to lift the moratorium and commence processing and issuing of STS Bunkering operator licences. We say so based on certain public statements including:
 - 5.1. SAMSA's Facebook post, dated 6 February 2024, announcing that it was planning to allow the recommencement of offshore bunkering operations in Algoa Bay;
 - 5.2. Marine Notice MN 01-24(C) issued on 16 February 2024 entitled "SAMSA Bunkering Code of Practise [sic]" in which SAMSA indicated that its Board had undertaken to process applications in terms of section 21(1)(b) of the Marine (Control and Civil Liability) Act, 6 of 1981 pertaining to offshore operations in Algoa Bay and other potential areas, without delay; and provided revised procedures for obtaining bunkering permissions for comment;
 - 5.3. The roundtable convened by SAMSA on 30 April 2024 at which SAMSA's Chief Executive Officer purportedly confirmed that the moratorium on new STS Bunkering licences had been lifted pursuant to a decision of the SAMSA Board and that two new licences were being processed; and
 - 5.4. News report dated 13 May 2024, marked "3", which referred to SAMSA and TNPA spokespersons confirming the process of new STS Bunkering licences.
- 6. We emphasise that, to date, the BLC, SANCCOB and BLSA have received no formal communication regarding lifting of the moratorium, SAMSA's reasons for doing so, nor any formal communication regarding the processing of new operator licences.
- 7. It should be noted that such information has similarly not been provided to the OEWG or the OOSF (both of which had their most recent scheduled meetings of 8 March 2024 cancelled at short notice, without explanation and with no indication of rescheduling).
- 8. As parties whose rights stand to be materially and adversely affected by the decision to lift the moratorium, we are collectively deeply concerned about the prospect of new operators being licenced to conduct STS Bunkering in Algoa Bay in particular. The findings of the ERA themselves strongly indicate that key impacts on the marine environment associated with STS Bunkering are not capable of mitigation, and thus the activity should not take place in Algoa Bay. Our comments on the ERA are not included in this correspondence, but are available upon request.



- In the absence of finalisation of the ERA and a plan for implementation of its findings, and in the absence of finalisation of the Codes, we are perplexed that SAMSA has – unilaterally – purported to lift the moratorium and process applications for two <u>new</u> STS Bunkering licences.
- 10. In the circumstances, we request that SAMSA:
 - 10.1. provide the record of its decision to lift the moratorium; and
 - 10.2. provide written reasons for its decisions to lift the moratorium.
- 11. We trust that you will consider our queries in light of the interest all three organisations have in the processes relating to STS Bunkering as expressed through our engagements with SAMSA and the bunkering process to date.

Yours faithfully,

BIODIVERSITY LAW CENTRE NPC

Per Nina Braude and Kate Handley

From: Nina Braude

Sent: Friday, 10 May 2024 14:55 **To:** 'Donavan Henning'

Cc: mdelarue@prdw.com; Zimasa.Sani@transnet.net; Thulani Dubeko Transnet

National Ports Authority NGQ; Kate Handley

Subject: RE: Nelson Mandela Bay Offshore Bunkering and Ship to Ship Transfer

Environmental Risk Assessment

Tracking: Recipient Delivery Read

'Donavan Henning'
mdelarue@prdw.com
Zimasa.Sani@transnet.net
Thulani Dubeko Transnet
National Ports Authority NGQ

Kate Handley Delivered: 2024/05/10 14:56 Read: 2024/05/11 13:55

Dear Donavan

Many thanks for your prompt response which we appreciate.

Could you confirm whether the draft ERA was amended in light of the comments received and, if so, when this will be made available?

In addition, could you confirm the next steps with TNPA and revert to all stakeholders who, we are sure like us, would appreciate an update.

Kind Regards

Nina

From: Donavan Henning < Donavan H@nemai.co.za>

Sent: Friday, May 10, 2024 1:12 PM

To: Nina Braude < nina@biodiversitylaw.org>

Cc: mdelarue@prdw.com; Zimasa.Sani@transnet.net; Thulani Dubeko Transnet National Ports Authority NGQ

<Thulani.Dubeko@transnet.net>; Kate Handley <kate@biodiversitylaw.org>

Subject: Re: Nelson Mandela Bay Offshore Bunkering and Ship to Ship Transfer Environmental Risk Assessment

Dear Nina

Thank you for your email.

The Comments and Responses Report was updated with all comments received on the draft Environmental Risk Assessment and Management Plan.

TNPA will need to advise on the status and way forward.

Regards

Donavan Henning

Nemai Consulting

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Mobile: +27 82 891 0604

Email: donavanh@nemai.co.za

Address: 147 Bram Fischer Drive Ferndale, 2194, South Africa

Postal Address: PO Box 1673, Sunninghill, 2157



From: Nina Braude < nina@biodiversitylaw.org >

Sent: 10 May 2024 08:49

To: Donavan Henning < Donavan H@nemai.co.za>

 $\textbf{Cc:} \ \underline{mdelarue@prdw.com} < \underline{mdelarue@prdw.com} >; \underline{Zimasa.Sani@transnet.net} < \underline{Zimasa.Sani@transnet.net} >; \underline{Thulani}$

Dubeko Transnet National Ports Authority NGQ < Thulani. Dubeko@transnet.net >; Kate Handley

<kate@biodiversitylaw.org>

Subject: RE: Nelson Mandela Bay Offshore Bunkering and Ship to Ship Transfer Environmental Risk Assessment

Dear Donavan

Further to your update sent below on 13 February 2024, we would appreciate your confirming whether all comments have been captured and the document submitted to TNPA. In addition, could you let us know the status of the ERA and the "way forward" contemplated by TNPA.

We would very much appreciate your assistance.

Kind Regards Nina



NINA BRAUDE | ATTORNEY

nina@biodiversitylaw.org 079 248 5663

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A non-profit company with registration number 2021/631341/08 PBO No.930072892, NPO No.264-246 and a Law Clinic registered with the Legal Practice Council Centre for Biodiversity Conservation, Kirstenbosch, Newlands, 7735

From: Donavan Henning < Donavan H@nemai.co.za>

Sent: Tuesday, February 13, 2024 2:21 PM **To:** Nina Braude < nina@biodiversitylaw.org>

Cc: mdelarue@prdw.com; Zimasa.Sani@transnet.net; Thulani Dubeko Transnet National Ports Authority NGQ

<<u>Thulani.Dubeko@transnet.net</u>>; Kate Handley <<u>kate@biodiversitylaw.org</u>>

Subject: RE: Nelson Mandela Bay Offshore Bunkering and Ship to Ship Transfer Environmental Risk Assessment

Dear Nina

We are in the process of capturing all comments received on the draft Environmental Risk Assessment and Management Plan in a Comments and Responses Report and updating the overall document, which will be submitted to TNPA.

TNPA is to advise on the way forward thereafter.

Regards

Donavan Henning

Nemai Consulting

Tel: +27 11 781 1730 Fax: +27 11 781 1731 Mobile: +27 82 891 0604 Email: donavanh@nemai.co.za

Address: 147 Bram Fischer Drive Ferndale, 2194, South Africa

Postal Address: PO Box 1673, Sunninghill, 2157



From: Nina Braude < nina@biodiversitylaw.org > Sent: Monday, February 12, 2024 10:05 AM
To: Donavan Henning < Donavan H@nemai.co.za >

Cc: <u>mdelarue@prdw.com</u>; <u>Zimasa.Sani@transnet.net</u>; Thulani Dubeko Transnet National Ports Authority NGQ <Thulani.Dubeko@transnet.net>; Kate Handley <kate@biodiversitylaw.org>

Subject: RE: Nelson Mandela Bay Offshore Bunkering and Ship to Ship Transfer Environmental Risk Assessment

Dear Donavan

Following the submission of our comments on 31 January 2024 and your acknowledgment of receipt, we would appreciate your confirming the next steps in the ERA process as well as the relevant timelines.

Kind Regards Nina Braude

From: Donavan Henning < DonavanH@nemai.co.za>

Sent: Thursday, February 1, 2024 7:26 AM **To:** Nina Braude <nina@biodiversitylaw.org>

Cc: mdelarue@prdw.com; Zimasa.Sani@transnet.net; Thulani Dubeko Transnet National Ports Authority NGQ

<<u>Thulani.Dubeko@transnet.net</u>>; Kate Handley <<u>kate@biodiversitylaw.org</u>>

Subject: RE: Nelson Mandela Bay Offshore Bunkering and Ship to Ship Transfer Environmental Risk Assessment

Dear Nina

Thank you very much. We acknowledge receipt of your comments.

Regards

Donavan Henning

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Tel: +27 11 781 1730 Fax: +27 11 781 1731 Mobile: +27 82 891 0604 Email: donavanh@nemai.co.za

Address: 147 Bram Fischer Drive Ferndale, 2194, South Africa

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From: Nina Braude < nina@biodiversitylaw.org > Sent: Wednesday, January 31, 2024 3:00 PM
To: Donavan Henning < Donavan H@nemai.co.za >

Cc: mdelarue@prdw.com; Zimasa.Sani@transnet.net; Thulani Dubeko Transnet National Ports Authority NGQ

<<u>Thulani.Dubeko@transnet.net</u>>; Kate Handley <<u>kate@biodiversitylaw.org</u>>

Subject: RE: Nelson Mandela Bay Offshore Bunkering and Ship to Ship Transfer Environmental Risk Assessment

Dear Donavan

Please see attached the Biodiversity Law Centre's comments on the TNPA ERA for your consideration.

Kind Regards Nina



NINA BRAUDE | ATTORNEY

nina@biodiversitylaw.org 079 248 5663

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A non-profit company with registration number 2021/631341/08 PBO No.930072892, NPO No.264-246 and a Law Clinic registered with the Legal Practice Council Centre for Biodiversity Conservation, Kirstenbosch, Newlands, 7735

From: Donavan Henning < DonavanH@nemai.co.za>

Sent: Thursday, January 11, 2024 5:02 PM

To: Nina Braude <<u>nina@biodiversitylaw.org</u>>; <u>mdelarue@prdw.com</u>; <u>Zimasa.Sani@transnet.net</u> **Cc:** Kate Handley <<u>kate@biodiversitylaw.org</u>>; Nicky Stander <<u>Nicky@sanccob.co.za</u>>; Monica Stassen

<<u>monica@sanccob.co.za</u>>; Katta Ludynia <<u>katta@sanccob.co.za</u>>; Melissa Lewis <<u>Melissa.Lewis@birdlife.org.za</u>>; Alistair McInnes <<u>alistair.mcinnes@birdlife.org.za</u>>

Subject: RE: Nelson Mandela Bay Offshore Bunkering and Ship to Ship Transfer Environmental Risk Assessment

Dear Nina

Thank you for your well wishes. Also hope that you have a wonderful 2024.

We had a team meeting this afternoon with TNPA and it was confirmed that you can receive an extension until 31 January 2024. This is to allow for the subsequent completion of the project within the contract period.

Regards Donavan Henning

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Address: 147 Bram Fischer Drive Ferndale, 2194, South Africa

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From: Nina Braude < nina@biodiversitylaw.org > Sent: Wednesday, January 10, 2024 4:11 PM

To: Donavan Henning <<u>DonavanH@nemai.co.za</u>>; <u>mdelarue@prdw.com</u>; <u>Zimasa.Sani@transnet.net</u> **Cc:** Kate Handley <<u>kate@biodiversitylaw.org</u>>; Nicky Stander <<u>Nicky@sanccob.co.za</u>>; Monica Stassen

<monica@sanccob.co.za>; Katta Ludynia <katta@sanccob.co.za>; Melissa Lewis@birdlife.org.za>;

Alistair McInnes <alistair.mcinnes@birdlife.org.za>

Subject: RE: Nelson Mandela Bay Offshore Bunkering and Ship to Ship Transfer Environmental Risk Assessment

Dear Donavan

Happy New Year! We hope you had a restful break.

Many thanks for confirming receipt. We wondered whether you had received feedback from the project team in respect of our request (sent on behalf of ourselves as well as SANCCOB and BirdLife South Africa) to provide comments by 9 February 2024.

Kind Regards Nina

From: Donavan Henning < DonavanH@nemai.co.za>

Sent: Thursday, January 4, 2024 12:39 PM

To: Nina Braude <<u>nina@biodiversitylaw.org</u>>; <u>mdelarue@prdw.com</u>; <u>Zimasa.Sani@transnet.net</u> **Cc:** Kate Handley <<u>kate@biodiversitylaw.org</u>>; Nicky Stander <<u>Nicky@sanccob.co.za</u>>; Monica Stassen

<<u>monica@sanccob.co.za</u>>; Katta Ludynia <<u>katta@sanccob.co.za</u>>; Melissa Lewis <<u>Melissa.Lewis@birdlife.org.za</u>>;

Alistair McInnes <a istair.mcinnes@birdlife.org.za>

Subject: RE: Nelson Mandela Bay Offshore Bunkering and Ship to Ship Transfer Environmental Risk Assessment

Dear Nina

We take note of your request to provide comments on the draft Environmental Risk Assessment and Management Plan by 9 February 2024. We are awaiting feedback on this matter from the project team and will advise in due course.

Regards Donavan Henning

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From: Nina Braude < nina@biodiversitylaw.org > Sent: Tuesday, December 12, 2023 10:48 AM

To: Donavan Henning < <u>DonavanH@nemai.co.za</u>>; <u>mdelarue@prdw.com</u>; <u>Zimasa.Sani@transnet.net</u> **Cc:** Kate Handley <kate@biodiversitylaw.org>; Nicky Stander <Nicky@sanccob.co.za>; Monica Stassen

<<u>monica@sanccob.co.za</u>>; Katta Ludynia <<u>katta@sanccob.co.za</u>>; Melissa Lewis <<u>Melissa.Lewis@birdlife.org.za</u>>;

Alistair McInnes <a istair.mcinnes@birdlife.org.za>

Subject: Nelson Mandela Bay Offshore Bunkering and Ship to Ship Transfer Environmental Risk Assessment

Dear Donavan

Please find the attached correspondence for your attention.

Kind Regards Nina



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Date: 31 January 2024

TO: The South African Maritime Safety

Authority

c/o Chief Executive Officer

Email: <u>tsu@samsa.org.za</u>

FROM: BIODIVERSITY LAW CENTRE

kate@biodiversitylaw.org

Total 2 Our ref: BLC/Penguins1/008

pages:

Dear Sirs

RE: Updated South African Bunkering Code of Practice and Ship to Ship Cargo Transfer Code of Practice & Bunkering/STS Transfer licence renewals

Introduction:

- We refer to the Updated South African Bunkering Code of Practice and Ship to Ship Cargo Transfer Code of Practice – Public Comments issued on 6 September 2022 under Marine Information Notice 10-22 (Draft Codes) and our comments submitted on 22 September 2022 (BLC Comments).
- 2. We understand that completion of publication of the Codes of Practice is, together with completion of the Transnet National Ports Authority (**TNPA**) Environmental Risk Assessment, a pre-condition for lifting the moratorium on offshore bunkering service providers in Algoa Bay, and a condition of lifting the moratorium on offshore bunkering for the rest of South Africa.¹

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¹ MIN 10-22 paras 4-6.



- 3. As far as we are aware, no further publication or notice has been issued in respect of the Draft Codes and these have not yet been finalised.
- 4. We would appreciate your confirming what has transpired in relation to the Draft Codes.
 - 4.1. In the event that the Draft Codes are still subject to consideration, we would appreciate your confirming the next steps and timeline for their finalisation.
 - 4.2. In the event that the Draft Codes have, in fact, been finalised, we would appreciate your forwarding the same.
- 5. Mindful of the moratorium on the issuance of <u>new</u> bunkering service providers, we would appreciate your assistance regarding the status of licences already held in respect of offshore bunkering and STS Transfer operations. Accordingly, we would appreciate your confirming:
 - 5.1. The process followed by SAMSA where a bunkering operator licence is due for renewal:
 - 5.2. Whether SAMSA's process has been initiated in respect of the licences held by any of Minerva, Heron Marine, and/or SAMF in the last six months (and if so, when this occurred); and
 - 5.3. Whether SAMSA's process and/or steps taken by Minerva, Heron Marine and/or SAMF are due to be initiated in respect of the licences they currently hold between now and 30 June 2024 (and if so, when this will occur).
- 6. We would appreciate your assistance with our queries above and look forward to receiving your responses as soon as possible. Should you require any clarity in order to provide such assistance, please do let us know.

Yours faithfully,

BIODIVERSITY LAW CENTRE NPC

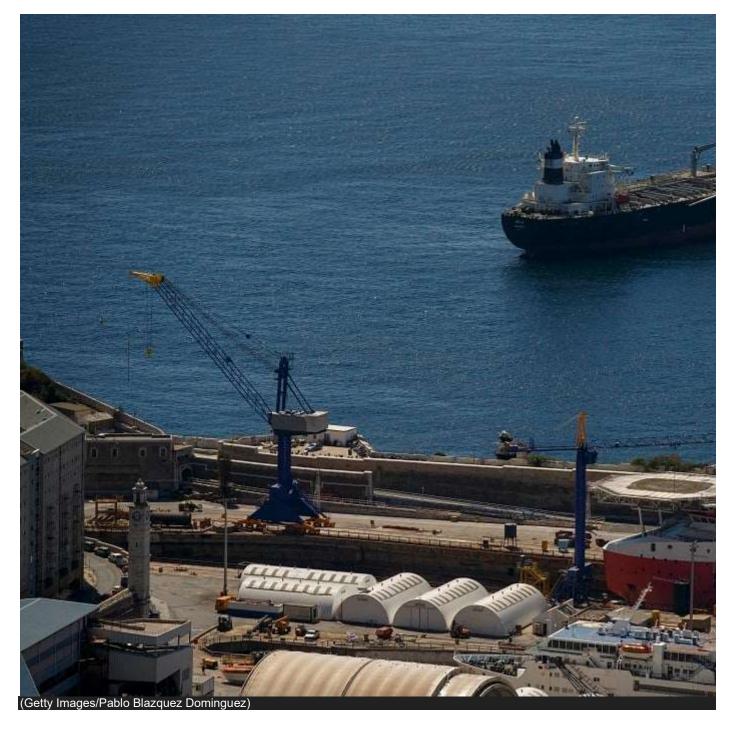
Per Nina Braude and Kate Handley

https://www.news24.com/fin24/economy/months-after-sars-detained-bunkering-vessels-uncertainty-about-refueling-still-prevails-20240513

Na'ilah Ebrahim

Months after SARS detained bunkering vessels, uncertainty about refueling still prevails

08:33



- Despite new tax rules for offshore bunkering not yet being finalised, SA's maritime authority says bunkering activity in Algoa Bay can continue.
- Last year, numerous vessels were detained by SARS for violating tax laws related to offshore bunkering, amid a gap in the rules.
- Port operator Transnet has also said it is busy processing for pending and new applications for bunkering.
- For more financial news, go to the News24 Business front page.

The South African Revenue Services (SARS) has said it is still finalising legislation for tax rules related to ship-to-ship refuelling or offshore bunkering, months after it detained vessels off the Eastern Cape coast in Algoa Bay.

The service detained four bunker tankers and an oil drilling ship belonging to Minerva Bunkering and Heron Marine last year for violating tax rules of the Customs and Excise Act.

While bunkering services have halted at the bay since the detention and caused a R7 billion loss to the fiscus, the South African Maritime Safety Authority (Samsa) recently said it is open to reopening bunkering services. Transnet National Ports Authority (TNPA) is also open to issuing new licences for operators.

Prevailing 'uncertainty'

At a recent <u>briefing</u> hosted by Samsa, SARS chief litigation officer Wayne Broughton said it was willing to engage with maritime stakeholders to amend the provisions of the act to "provide certainty and clarity" related offshore bunkering tax rules.

This includes providing licensing and monitoring of barges (vessels used to store and transport fuel), vessels for controlled storage areas, special sea-based storage warehouses, and the use of marine removers of fuel-levy goods.

Broughton said the deadline for public comments on the amendments had been postponed to 10 May, after it previously closed in January this year.

The comments by Broughton came after the Eastern Cape High Court acknowledged the "uncertainty" around bunkering tax laws in March this year in a novel case that utilised tankers as floating storage facilities for fuel stocks. These were sold to foreign-going vessels and supplied through ship-to-ship transfers within ports.

READ | Fears about fuel crunch after SARS impounds ships

In an urgent application to the court, Heron Marine had applied for an amendment of SARS's detention notice and the release of their three vessels, *MT Avatar*, *MT Vemadignity*, and the *MT Vemaharmony*.

<u>According to the judgment</u>, the bunkering service company failed to register its bunkering operations in Algoa with SARS for two years since it began bunkering in the region in 2020.

While the court dismissed the application as moot, Judge Denzil Potgieter said:

There does appear to be some uncertainty concerning the regulation of the specific bunkering operations conducted by [Heron Marine]. There is a lacuna [meaning gap] in the act, which also appears in the rules, in that neither covers the type of operations conducted by the applications.

Potgieter said while the amendments had been agreed upon in 2014, it had yet to be introduced formally.

"Suffice to say that this unwholesome situation would in all likelihood have been averted if the applicants had approached SARS for clarity and guidance prior to and not two years after the commencement of the bunkering operations," the court noted, however.

Potgieter also said there had been an immense economic loss while the vessels were detained and interrupted.

"The estimated loss presently suffered while the [bunkering] operations are interrupted is stated to amount to approximately R300 million per month. SARS has estimated that the loss of revenue to the fiscus amounts to R7 billion."

News24 <u>previously reported</u> that, since 2021, nearly 6 200 vessels had visited Algoa to refuel their ships. Some 2 million metric tonnes of fuel are sold in the region each year.

Will bunkering continue?

According to Samsa, the resumption of bunkering operations is on track, with applications from Samsa and TNPA open for safety permits and licences. However, interested parties would need to ensure they comply with tax rules.

Samsa CEO Tau Morwe said: "We remind applicants that we are not the only regulator [...] They need to make sure that they are compliant with SARS. If that is in place, nothing prevents applicants or operators from conducting their operations. That is the status [of operations]."

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In February, Samsa <u>notified</u> all shipping agents and port authorities that applications for permits were open and said it would process applications without delay.

As the marine authority, Samsa is responsible for issuing permits for offshore bunkering operations outside of port limits and ensuring bunkering operators meet safety standards to prevent pollution.

TNPA executive manager for legal and compliance, Justin Uren, said the ports authority was processing pending and new applications for bunkering operations.

All operators and bunker barges must have a licence from the ports authority for bunkering activities inside of port limits.

This is after a moratorium was placed on all new licences from TNPA pending the findings of an <u>environmental risk assessment</u> released in November last year.

The risk assessment aimed to investigate whether the refuelling will adversely impact the African penguin population on the St Croix Island. The region has had four oil spills related to bunkering since 2016, with three leading to the oiling of birds.

The deadline for public comments on the assessment was 22 January this year.

READ | African penguin under threat due to ship-to-ship refuelling in Algoa Bay, warn conservationists

Speaking about the risk assessment, Uren said TNPA would continue to engage with new operators and stakeholders to mitigate the environmental impact of ship-to-ship refuelling.

However, it is unknown whether the moratorium was lifted.

Maritime Business Chamber executive chairperson Unathi Sonti, meanwhile, is doubtful whether bunkering operations will continue with legislation still being finalised by SARS.

Sonti said that with no operations taking place since the detention of vessels last year, there is still confusion about how authorities will monitor it.

He said:

The main problem is that offshore bunkering is not [officially] recognised by SARS. Even if they bring in new players and the licensing and permit applications are successful, if the operator does not meet SARS's requirements, they cannot operate.

Sonti also warned that authorising new bunkering operators would be difficult, with the country facing huge "reputational damage" since the SARS crackdown.

He said the country also missed opportunities to exploit the shipping crisis caused by the ongoing conflict in the Red Sea and the recent drought in the Panama Canal, with larger vessels being forced to travel along the Cape of Good Hope.

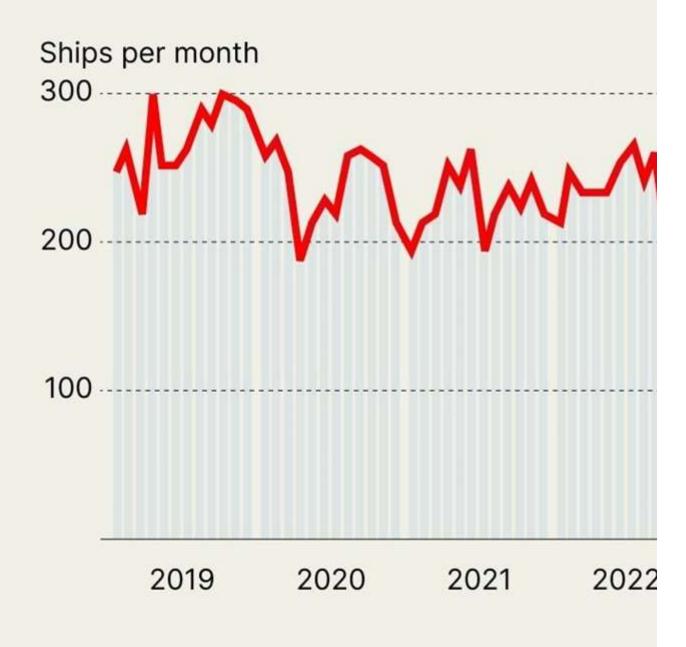
The number of ships passing the Cape of Good Hope has has nearly <u>doubled</u>, from 3 815 in 2023 to 7 078 this year. By comparison, the country's busiest port in Durban had fewer ships dock there during the same period, according to the <u>Outlier</u>.

Meanwhile, according to <u>Bloomberg</u>, bunker stops at Walvis Bay in Namibia and Port Louis in Mauritius have become increasingly popular for vessels amid the conflict.

| Speaking about when there will be certainty for bunkering rules, Sonti said that SARS was only likely to finalise tax rules within four to five months. |
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Docking in Durban

Durban's port has not experienced an incarrivals despite the ongoing crisis in the



Source: Transnet National Ports Authority Cargo statistics (monthly)

(Supplied/The Outlier)

Supplied

*Heron Marine and SARS did not comment on questions received by News24.

*News24 did send questions to TNPA regarding the environmental risk assessment and the moratorium placed on new licences. Their comments will be added once received.