

Operation Phakisa was first publicly mentioned in the State of the Nation Address response...

“ *The first implementation of Operation Phakisa will be led by the Department of Environmental Affairs. It will focus on unlocking the economic potential of South Africa’s oceans, which are estimated to have the potential to contribute up to one hundred and seventy seven billion rand to GDP by 2033 compared to fifty four billion rand in 2010.* ”

H.E. President J.G. Zuma, July
2014



Operation Phakisa was highlighted as the radical change agent for prosperity and job creation in the Budget Vote address

“ *The journey towards prosperity and job-creating growth involves radical change in the manner in which we undertake planning, implementation and monitoring. On Saturday, the 19th of July, we launched Operation Phakisa, an innovative programme that brings together for the first time, many stakeholders to plan a major economic project.*”

H.E. President J.G. Zuma, July
2014



Operation Phakisa aims to accelerate execution of the **National Development Plan**

High-level objectives to be achieved by 2030

- Reduce the number of people who live in households with a monthly income below R419 per person (in 2009 prices) from 39% to 0%
- Reduce inequality, as measured by the Gini coefficient, from 0.69 to 0.6

Enabling milestones, 13 challenges and areas of focus

- | | |
|--|---|
| 1 Economy and Employment | 8 Health care for all |
| 2 Economic infrastructure | 9 Social protection |
| 3 Environmental sustainability and resilience | 10 Building Safer Communities |
| 4 Inclusive rural economy | 11 Building a capable and developmental state |
| 5 South Africa in the region and the world | 12 Fighting corruption |
| 6 Transforming Human Settlements | 13 Nation building and social cohesion |
| 7 Improving education, training and innovation | |

Operation Phakisa is a stepwise process

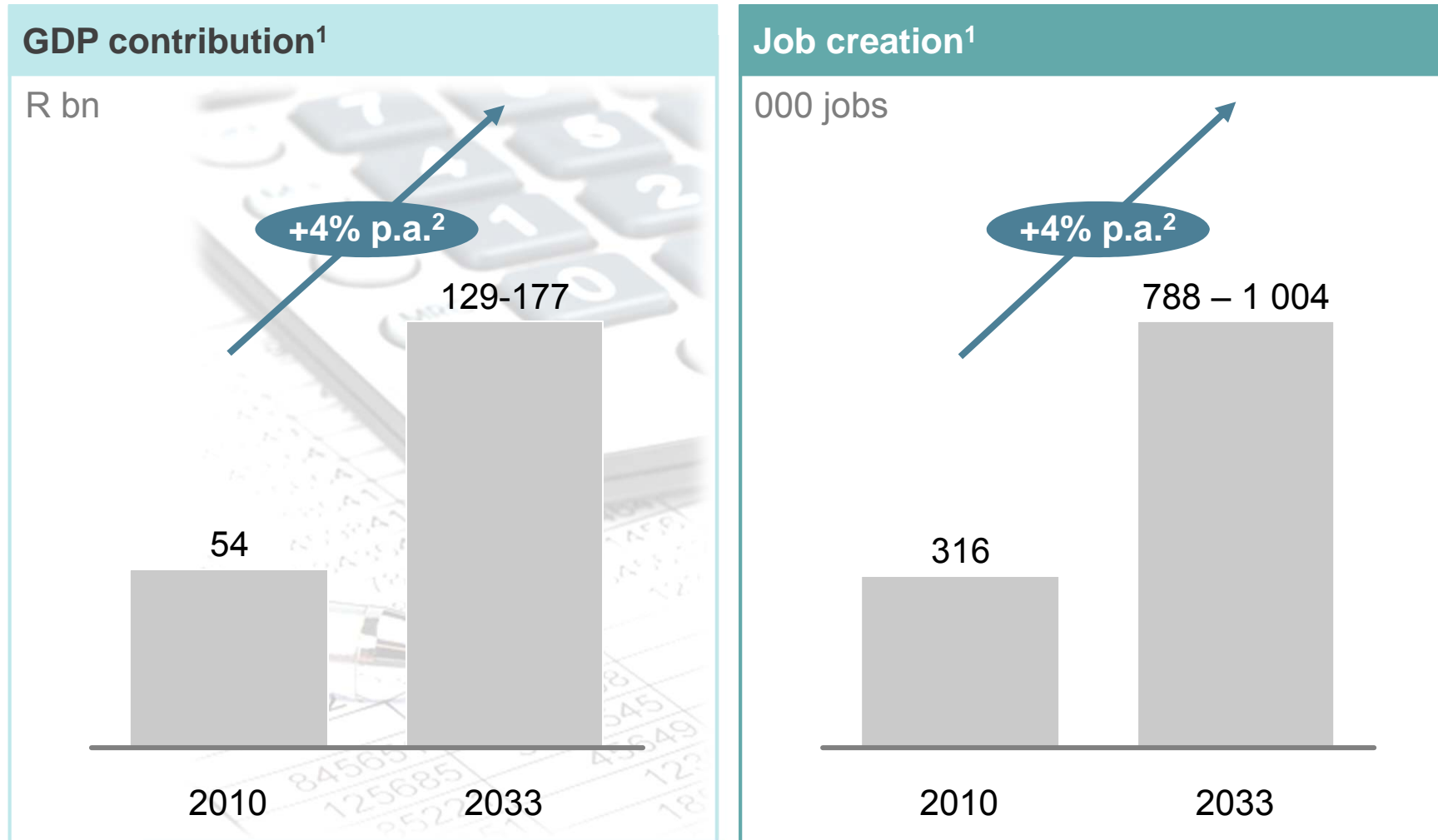
- i Delivery laboratories**
 - Develop 3-feet delivery plans
- ii Roadmap finalisation and sign off**
 - Engage with potential funders, design final roadmap, get government approval
- iii Public commitment**
 - Share laboratories' outputs in a public Open Day
- iv Capability building**
 - Assess gaps and build a programme to support delivery
- v Delivery**
 - Drive execution of 3-feet delivery plans, problem solve challenges, escalate issues where necessary
- vi Monitoring**
 - Measure progress against Key Performance Indicators (KPIs), report internally and publicly
- vii External accountability**
 - Audit results and make them publicly available

Initial priorities addressed by Operation Phakisa

- **Operation Phakisa: Unlocking the Economic Potential of South Africa's Oceans** by Department of Environmental Affairs (DEA): Commenced on 8th July 2014
- **Operation Phakisa: Scaling up the Ideal Clinic Initiative across the country** by Department of Health (DoH) commencing October 2014. The lab of the National DoH will focus on improving the quality of care provided in public sector clinics, through an intervention known as the Ideal Clinic Initiative




South Africa's ocean economic potential ranges between R129 and R177 bn by 2033, with between 800 000 to 1 million jobs created



1 Only direct potential (i.e. multiplier effect ignored) from the Exclusive Economic Zone (EEZ) considered; 2 Growth rate per annum (p.a.) is based on the projected base 2033 value

9 sectors were analysed as key priorities for South Africa's ocean economy

 Selected new growth areas

| | GDP, R bn | | | Jobs, 000 | |
|------------------------------------|-----------|----------------|---------|------------|------------------|
| | 2010 | 2033 | CAGR, % | 2010 | 2033 |
| Marine transport and manufacturing | 16 | 42-61 | 6% | 15 | 40-56 |
| Tourism | 15 | 25-35 | 4% | 90 | 150-225 |
| Offshore oil and gas | 4 | 11-17 | 9% | 0.4 | 0.8-1.2 |
| Construction | 8 | 20-21 | 4% | 162 | 390-407 |
| Renewable energy | 0 | 14-17 | 25% | 0 | 0.9-1.1 |
| Fisheries and aquaculture | 7 | 10-16 | 4% | 30 | 170-250 |
| Communication | 4 | 7-10 | 4% | 19 | 35-52 |
| Desalination | 0 | 0.1-0.1 | 1% | 0 | 1.6-1.6 |
| Marine protection services | 0 | TBD | - | 0 | TBD |
| Total | 54 | 129-177 | | 316 | 788-1 004 |

While most of the sectors will achieve their potential with current plans, a few new growth areas would require additional support

Criteria for selection

- Total potential contribution to GDP and job creation
- Relevance for the marine ecosystem
- Geo-political implications
- Environmental implications
- Security implications
- Institutional and logistical requirements for the growth area
- New growth areas outside of the 'business as usual' activities



Four growth areas were selected to be discussed in the Operation Phakisa Labs

1



- Marine transport and manufacturing

2



- Offshore oil and gas exploration

3



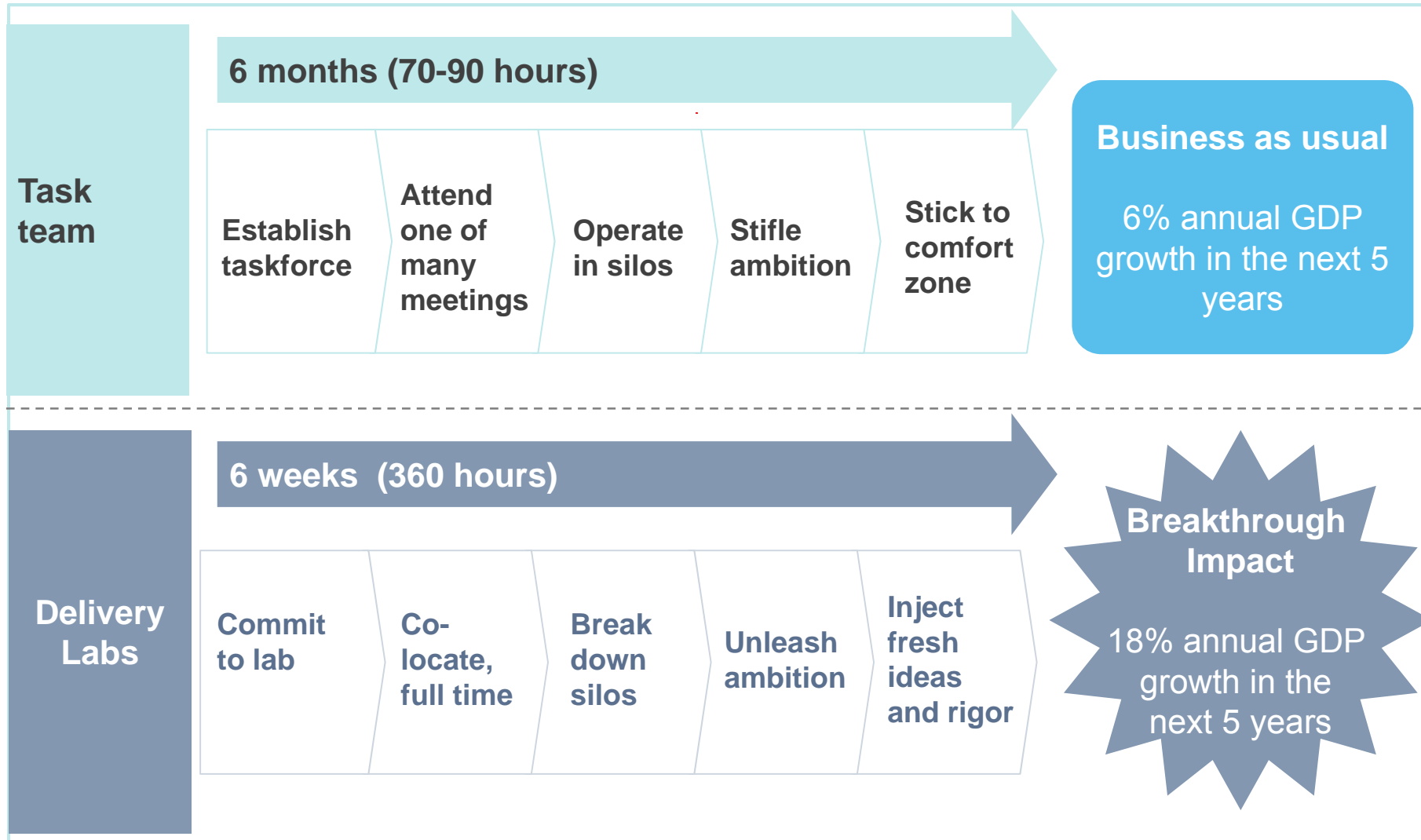
- Aquaculture

4

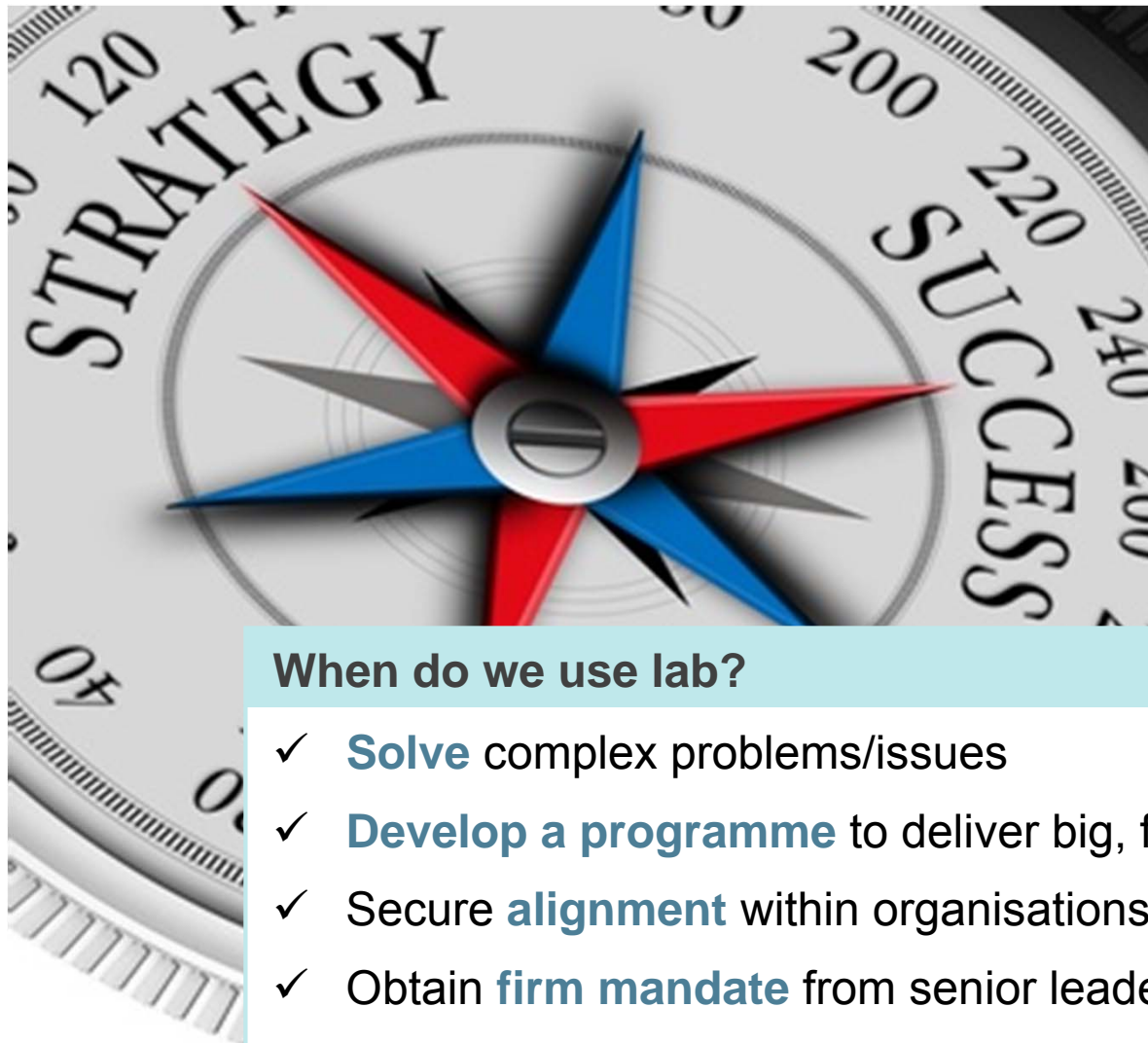


- Marine protection services and governance

Labs inspire action and deliver big, fast results



Delivery Labs: a methodology to achieve exceptional results



What is a Lab?

An **intense** problem-solving environment within a **dedicated physical workspace** with a **full time team** working in **iterative manner** towards delivering **exceptional results**

When do we use lab?

- ✓ **Solve** complex problems/issues
- ✓ **Develop a programme** to deliver big, fast results
- ✓ Secure **alignment** within organisations
- ✓ Obtain **firm mandate** from senior leadership, backed by masses
- ✓ **Break silos** → Intensify cross-functional interaction

Labs are a very intense working environment

Physical (*What you see*)

- **Dedicated working space**
- **Facilitators, toolkits, templates, etc.**
- **Full-time and time boxed (4-8 weeks)**
- **War room style**

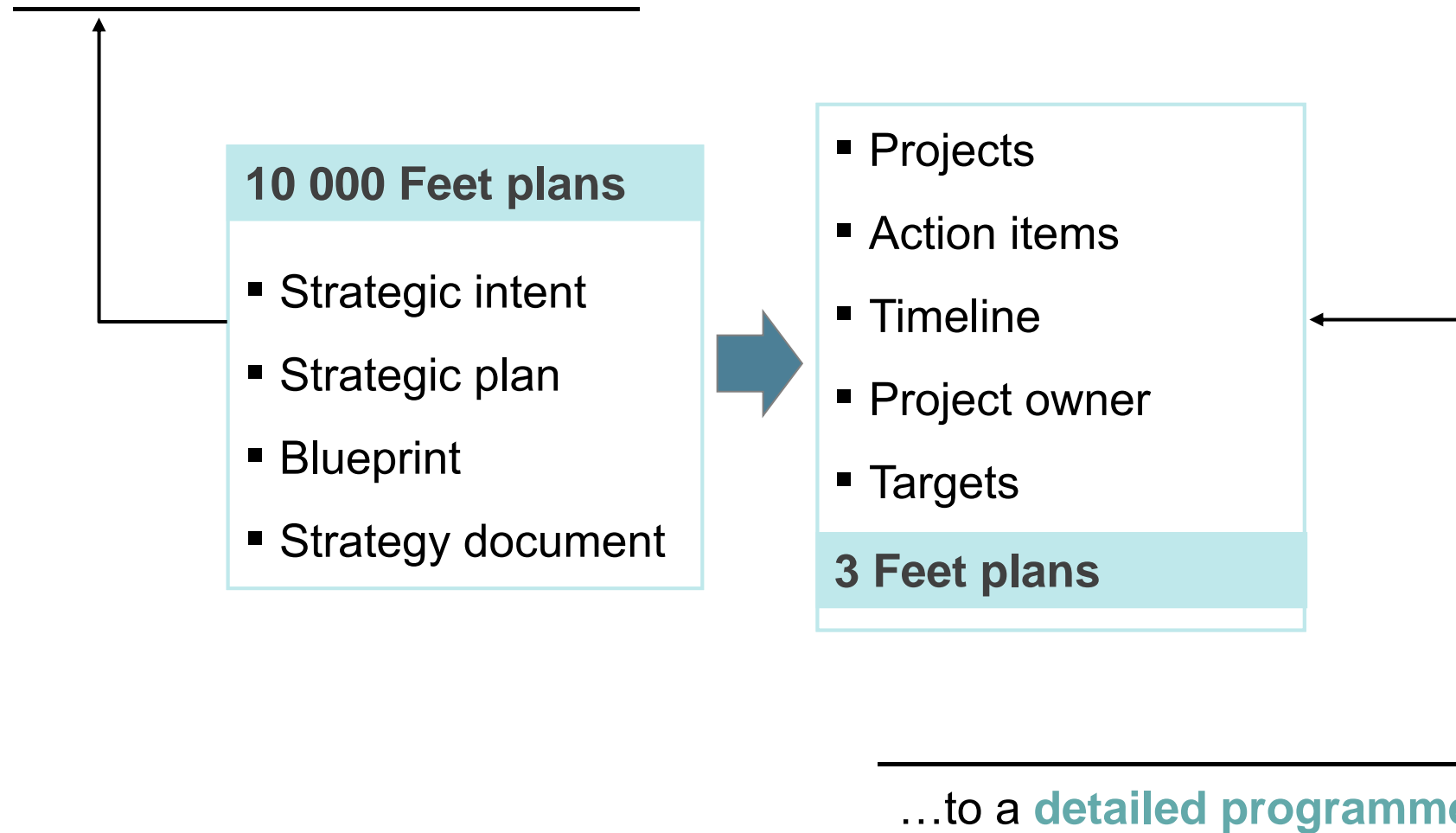


Radical way of working (*What you experience*)

- Intense **open debates** & “**hands-on-deck**” approach
- **Breakdown of silos, hierarchy and bureaucracy**
- Syndication & **experimentation** (pushing the boundaries)
- **Radical, practical & innovative** solution to achieve **BIG FAST RESULTS**

Labs drill down from 10 000 feet to 3 feet

Labs take a focus area from a **high-level plan...**



Oceans Labs in numbers

656 participants between full time and part time

A team of more than **30 coordinators and facilitators**

400 hours of working sessions and facilitated discussions

President, 17 Ministers and 17 DGs visited
labs and participated in several syndication sessions

More than **2 000 pages** of lab reports, 3- ft delivery plans
and supporting analysis