

## THE PACIFIC COMMUNITY

## SECOND HEADS OF MARITIME MEETING

Nadi, Fiji, 22 – 26 March 2024

TRANSFORMING THE MARITIME SECTOR IN THE SOLOMON ISLANDS:  
ACHIEVEMENTS AND PERSPECTIVES

(Sponsored by Solomon Islands)

**Purpose**

1. This paper aims to update Heads of Maritime on the progress made by the Solomon Islands Maritime Authority over the period 2020-2023, and maritime development perspectives.

**Background**

2. SIMA was established under the SIMA Act 2018 as a financially self-sufficient organisation with sufficient resources to implement international and regional maritime agreements and applicable maritime laws. Efficient administration of the maritime sector is at the core of SIMA's mandate.
3. The change process for SIMA took one year of major changes with recruitment of staff and development of policies and systems, and two years of implementation to reach self-sufficiency, independence, and deliver on its obligations. The Theory of Change is presented in Appendix 1.
4. The transition towards a self-sufficient maritime administration implementing international, regional and national maritime obligations on behalf of the Solomon Islands Government (SIG) serves the SIMA's vision of "*A transformative decade of safety at sea, resilient and clean maritime services and mobility in Solomon Islands*". The Corporate Plan 2020-2023<sup>1</sup> and associated strategies benefitted from SIG's strong support approved SIMA's legal development, facilitated the process of making SIMA self-sufficient, and adopted policies related to safe, green, clean and digital Solomon maritime.

**Current Status**

5. The SIMA's Corporate Plans 2020-2023 guided the organisation to fulfill its obligations, ensure good governance, and reach self-sufficiency. The Corporate implement SIMA's vision, mission, values, and outline strategic actions and performance indicators.
6. A summary of performance indicators is shown in Appendix 2. Over the period 2020-2023, progress have been made towards:
  - i. ***reaching financial self-sufficiency*** – *SIMA generates its own revenues from its operations.*
    - Starting from the opening of a bank account in March 2020 and SIG funding, SIMA is now collecting its own revenues from fees, charges and levies for its maritime services and regulatory functions. 85% of revenues are generated by SIMA and 15% of revenues come from partners. A new pollution levy was introduced to resource the National Pollution Fund and the prevention and response to marine pollutions.
    - Financial self-sufficiency allows SIMA to deliver its day-to-day operations. However, the organisation still relies on development partners to strengthen capacity and expertise in technical areas, develop leadership and management skills among SIMA staff, supplement capacity in areas such as legislative drafting, shipping safety and energy management, prevention of marine pollutions and safety of navigation, and support a sustainable zero-GHG emission maritime future.

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<sup>1</sup> This paper reports on indicators from the SIMA's Corporate Plan 2020-2023. The current Corporate Plan covers the period 2024-2027.

- ii. ***reaching full capacity*** – as of 31 December 2022, the objective of recruitment was achieved including gender targets, and capacity development is ongoing,
- SIMA is now at full capacity with 47 staff and 90% of priority roles appointed. 51% of SIMA's employees are women with holding 3 out of 5 executive positions. With the support of IMO, capacity development is progressing with the objective to first bring all staff to the level of education and qualification required for their role, to then offer opportunities of getting more experience at the regional and international levels.
- iii. ***implementing international maritime obligations*** – over 2020-2023, systems and procedures have been developed to meet all obligations on behalf of SIG.
- SIG Cabinet approved SIMA's legislative development plan that includes regulating maritime fees, charges and levies, acceding to relevant international maritime instruments and making maritime orders under the Shipping Act 1998 as amended. Priority was given to acceding to IMO conventions related to marine pollution and liability and compensation, and, with the support of SPC, to maritime orders on registration and counting of passengers, safety of convention vessels, seafarer certification and training, and safety management on board domestic ships.
  - As of 31 December 2023, SIMA must implement 778 obligations under IMO international maritime instruments and the III Code. From 2020 and 8% of the total obligations and 7% of the III Code provisions fully implemented, SIMA delivers on 84 obligations (11% of the 778 obligations) and 34 provisions of the III Code (41% of the 82 provisions). Once above maritime orders will be in force, more than 80% of flag state obligations will be met.
- iv. ***delivering good governance, quality services and transformative changes*** – over 2020-2023, implementation of rule of law and quality management impacted SIMA's operational performance and reforms in the maritime sector.
- Good governance is built on SIMA's governance framework that includes the Board of SIMA, its Advisory Committee and working groups, the Maritime Security Committee and Marine Pollution Advisory Committees and regular meetings with ship operators and other maritime stakeholders. Decisions and recommendations are integrated as much as possible to SIMA's policies, strategies and practices.
  - One of the most significant reforms is raising the standards of the domestic shipping fleet which count now 173 vessels including 24% vessels carrying passengers. The process was to review the domestic registry which counted 303 in 2020 among which only 31% of vessels were surveyed. As of 31 December 2023, 94% of high-risk and 74% of medium-risk vessels are surveyed. While in 2020 only 5 vessels were holding a Safe Manning Certificate, in 2023, more than 95% hold this certificate. In 2024, SIMA will be in a position to monitor in real time the number of seafarers holding a valid certificate of competency or proficiency against the maritime industry need and guide the maritime college.
  - Efforts are being made to inspect and maintain all aids to navigation which include extending the remote monitoring of aids to navigation (current 9 out of 50) and achieving the IALA required level of service. With the support of JICA and AHO, SIMA is moving to multibeam hydrographic surveys and the production of the first Electronic navigational charts for Honiara port, Noro Port and Mundar Bar/Diamond Narrows, a highly frequented navigation area.
  - To deliver good governance, quality services and transformative changes, systems are essential. SIMA has recently launched SIMA E-gate, an integrated information management system accessible by the public, ship owners and SIMA and providing access to vessel registration, inspection and tracking, seafarer certification, asset management and facilitating response to maritime emergencies. This was developed in conjunction with AIS, LRIT and GMDSS radio equipment at the Maritime Rescue Coordination Centre in Honiara responsible for Search and Rescue and vessel tracking.

**Issues**

7. Challenges persist for SIMA to, , and (full contribution to commitments and mobilizing partnership and financing in the Pacific Islands region):
  - i. **fully deliver its obligations** by developing capacity and expertise in technical areas and in project management with complementary capacity and expertise from the regional level,
  - i. **support development of the maritime industry and maritime employment** by upgrading the Solomon Islands Maritime College and establish a Maritime Development Fund to support the transition to safe, green, clean and digital maritime transport,
  - ii. **maximise international and regional cooperation and presence** to contribute to international and regional commitments and mobilise partnership and financing.
8. With a population of around 750,000 people living on more than 300 islands and expected to grow over 1 million in 2030 and 1.3 million in 2050, the need for sea transport services will increase. The SIG's commitments to pursue net-zero emission development will drive the development of the maritime sector with the potential to unlock major development opportunities, be a source of sustainable employment and support productive sectors. A robust policy and governance framework, effective partnerships and financing and large-scale maritime development projects are essential build Solomon Maritime 2030-2050.

**Recommendations**

9. Heads of Maritime are recommended to:
  - i. **note** progress made by the Solomon Islands Maritime Authority over the period 2020-2023, and
  - ii. **call** on development partners to mobilise partnerships and financing building on the reforms implemented in the Solomon Islands maritime transport sector.

### Appendix 1 – Theory of Change



## Appendix 2 – SIMA Establishment and Operations: progress over the period 2020-2023

### Reaching financial self-sufficiency

Year	Contribution from	SIMA	SIG	AUS DFAT	Other partners NZ, IMO, JICA
2019 expenses		<1%	99%	0%	<1% (IMO)
Revenues		\$330,127			
Surplus		\$45,936			
2020 expenses		<1%	74%	26%	<1% (IMO)
Revenues		\$1,456,939			
Surplus		\$1,107,533			
2021 expenses		76%	10%	9%	4% (NZ-IMO)
Revenues		\$16,820,522			
Surplus		\$3,259,745			
2022 expenses		84%	0%	8%	8%
Revenues		\$18,784,761			
Surplus		\$672,352			
2023 expenses		85%	0%	5%	10%
Revenues		\$28,638,222			
Surplus		\$6,629,189			

### Implementing international maritime obligations

Implementation of international obligations		
2020	8% 7%	of the total number of obligations fully implemented of III Code (mandatory functions of the maritime administration) are ongoing
2021	8% 27%	of the total number of obligations fully implemented of III Code (mandatory functions of the maritime administration) implemented
2022	11% 33%	of the total number of obligations (84 out of 778) fully implemented of III Code (mandatory functions of the maritime administration) implemented
2023	11% 41%	of the total number of obligations (84 out of 778) fully implemented of III Code (mandatory functions of the maritime administration) implemented

### Reaching full capacity

Positions			Priority roles		
Appointed positions	47		Number of priority roles (out of 59 positions)	51	
Vacant positions	8		Number of vacant priority roles	5	10%
<b>Total</b>	<b>55</b>		Number of occupied priority roles	46	90%
Gender			Women in leadership		
			3 out of 5		
By Sex			Women in section management		
			3 out of 6		
Male	23	49%	Women in team management		
Female	24	51%	4 out of 11		
			Women in execution roles		
			14 out of 25		
2020		No training plan			
2021	1%	completed (3 out of 45) capacity building activities priority 1			
2022	29% 23%	completed and ongoing out of 45 capacity building activities priority 1			
2023	41% 9%	Completed and Ongoing out of 76 capacity building activities priority 1			

### Delivering quality services and transformative changes

Corporate objectives (as of 31 December 2023)				
	2020	2021	2022	2023
Review of Register of Vessels (from 303 vessels)	303	238	185	160
% of registered vessels inspected	31	51	55	82
% of high-risk vessels inspected		33	68	94
% of medium-risk vessels inspected		57	55	74
Number of Safe Manning Certificates issued (125 vessels eligible)	5	76 (+71)	120 (+44)	120 95%
AtoN inspection and maintenance mission	1	2	4	
Hydrographic survey	-	-	2	
Implementation of POLFUND	-	-	Ok	
Quality Management System	-	-	Ok	