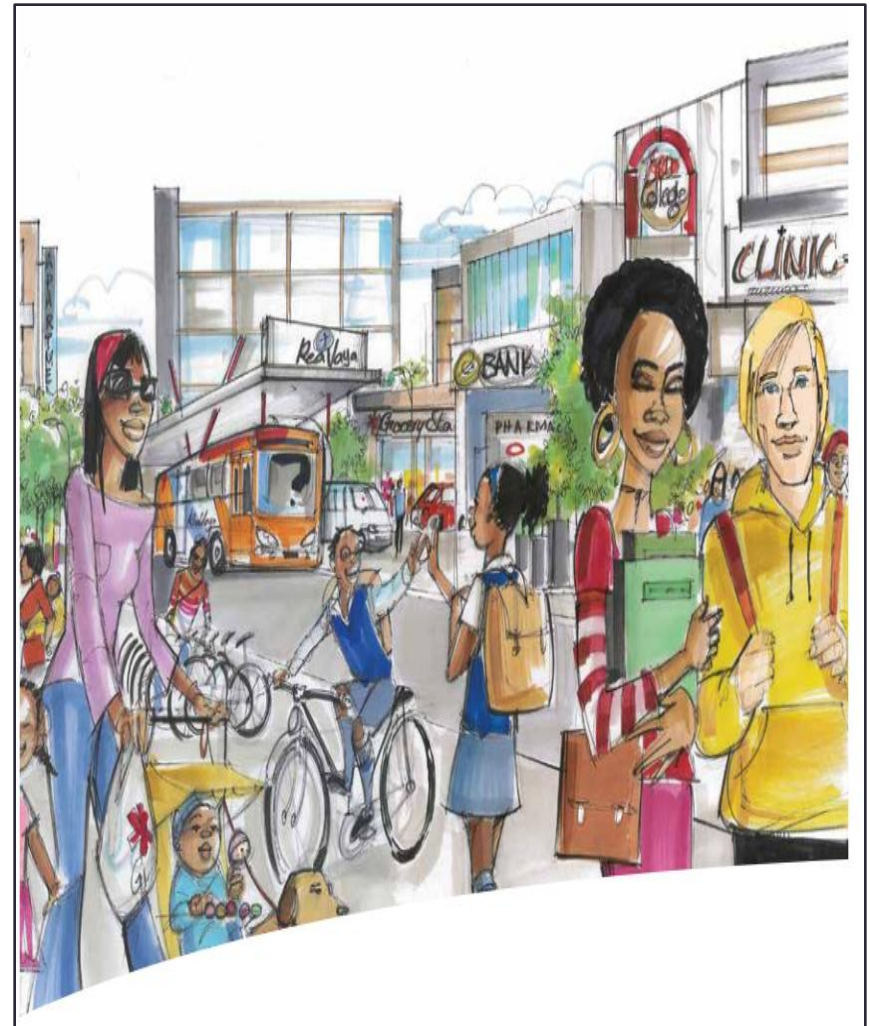




**Informal Trading: Inner City
Presentation for Stakeholder Consultation
16th August 2014**

Presentation outline

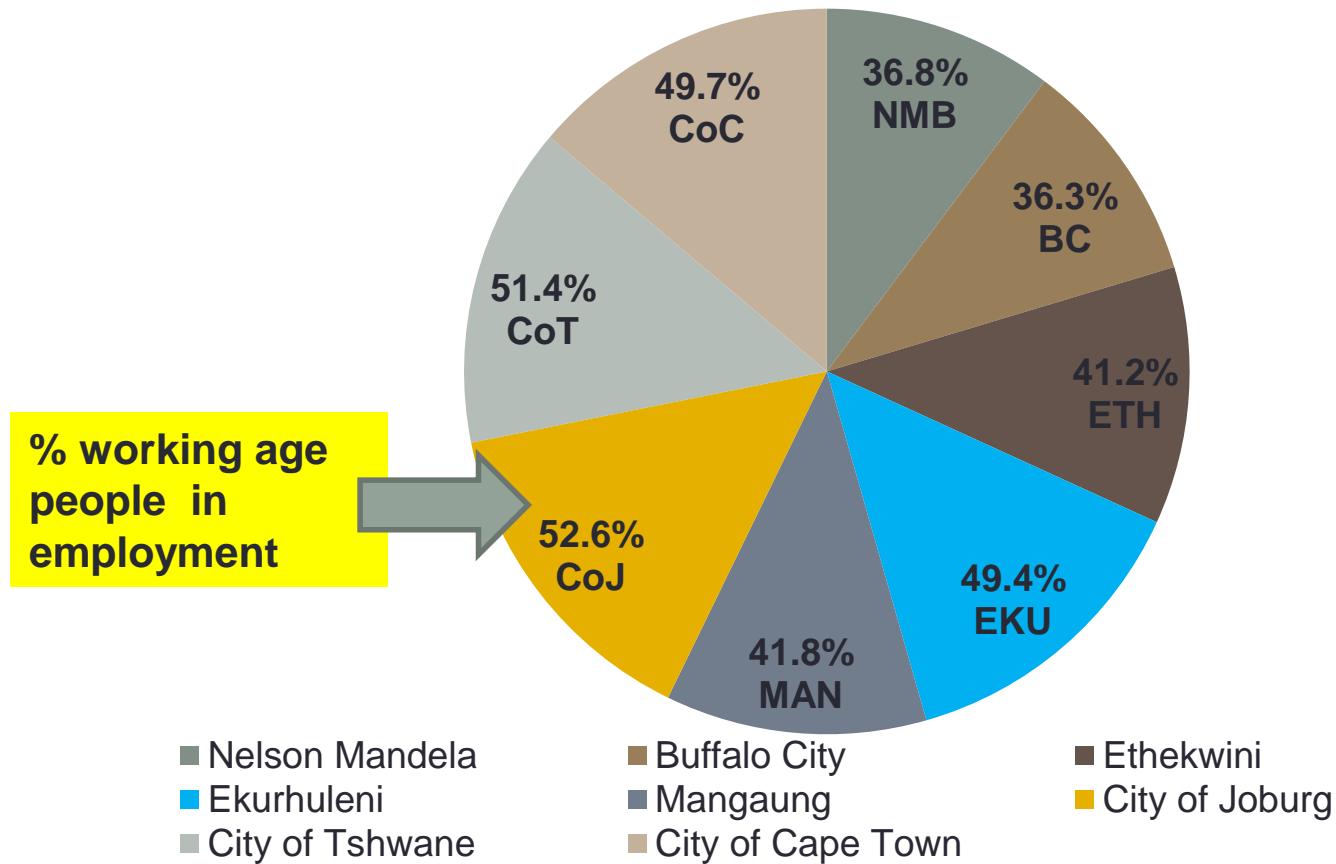
- Introduction and background
 - Informal trading
 - Statistics
 - Inner City
 - The inner city and informal trading
- Current challenges
- Addressing the challenges
 - Learning lessons
 - Proposed vision
 - Detailing the vision
- Way forward
 - Roadmap
 - Consultation process



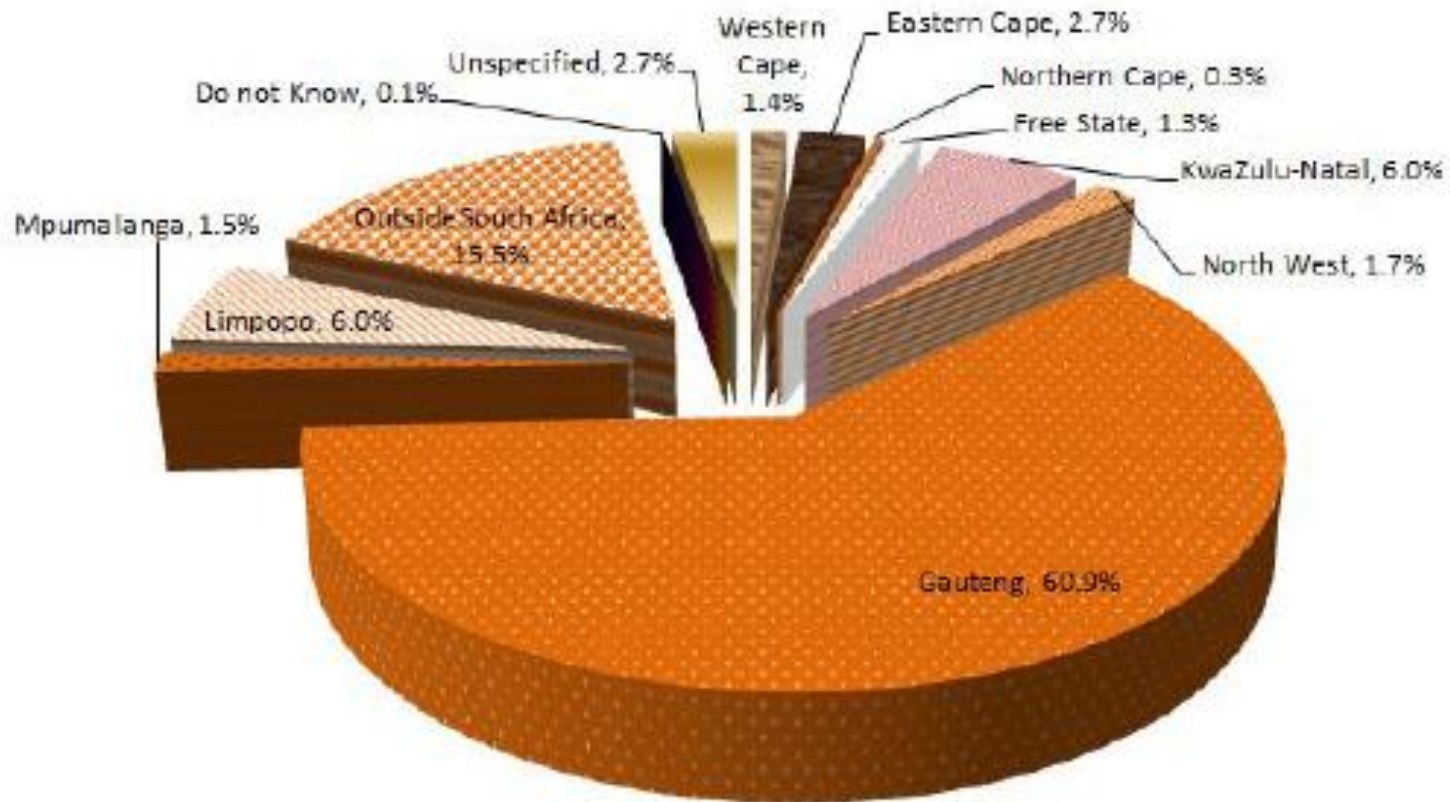
INTRODUCTION AND BACKGROUND

INFORMAL TRADING

There is a higher probability of finding a job in Johannesburg than in any other metro - hence the inward migration into the city.

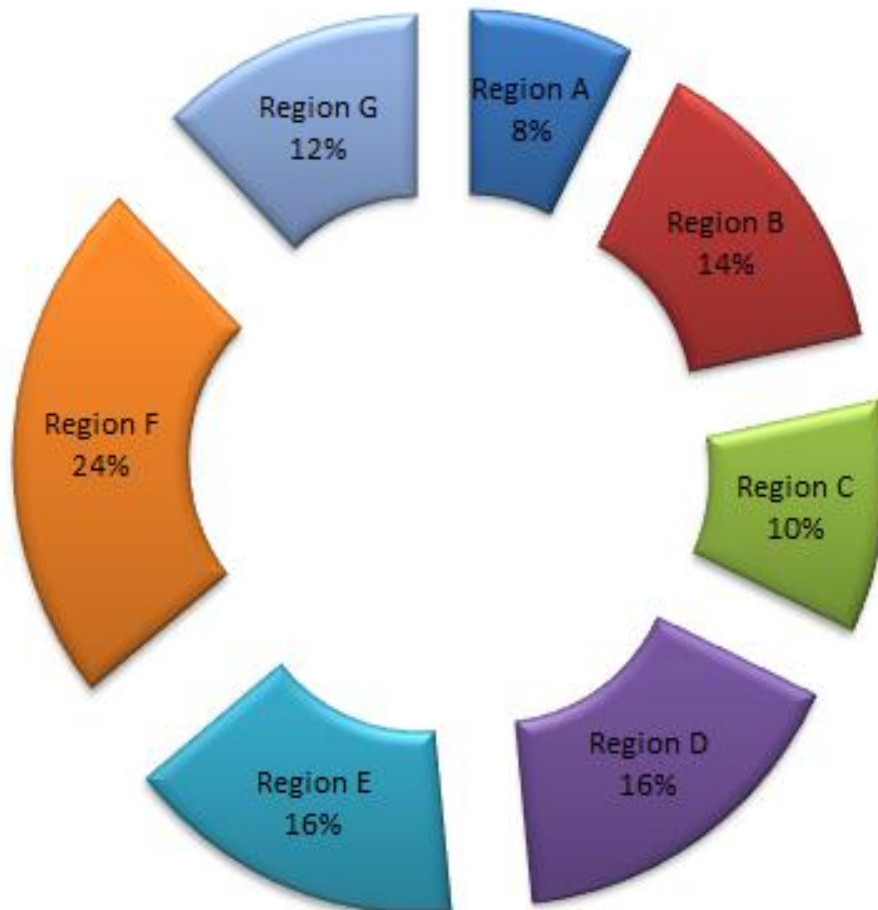


Most in-migration into Joburg is from elsewhere in Gauteng (61%) and outside SA (16%)



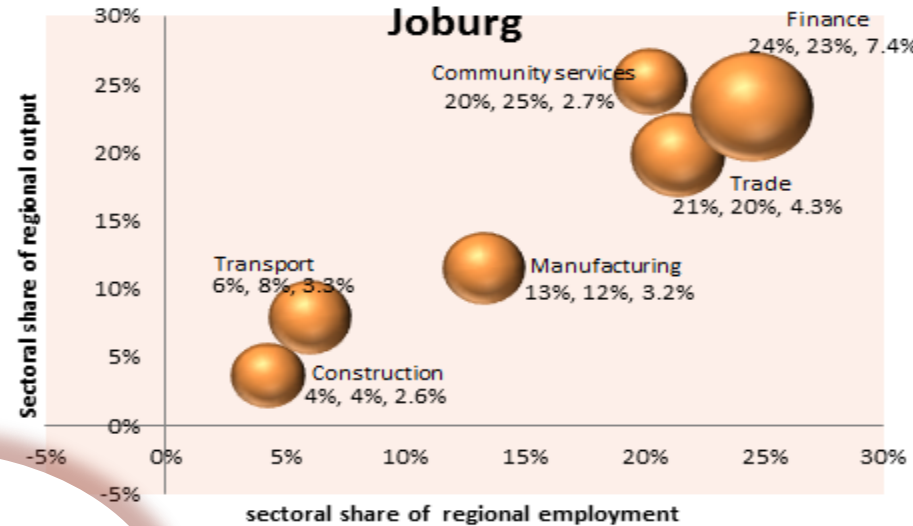


Regional distribution of informal trade activities in JHB: 2012



- Informal trade activities distributed evenly across all regions
- Region A accounting the lowest (8%) activities
- Region F accounting the highest (24%)
- The Inner City being the major hub for informal trading activities in JHB

Region F: Inner City / Southern



The Mining Belt

Klipriviersberg Nature Reserve

Inner City – High density of economic infrastructure and markets. Opportunities for urban rejuvenation.

Major entertainment centres:

- Gold Reef City
- Nasrec

Joburg Fresh Produce Market

Industrial area:
Steeledale

Specialised sports:
Turffontein Race course

How do we understand informal trading?

- Informal trading refers to a set of activities which are less regulated and protected by government than other trading activities
- Informal traders however have links to the more formal economy
- Informal traders are diverse – both in the range of products that they sell, whether they are marginal or lucrative, efficient or inefficient and whether they trade on the streets or in different forms of markets and buildings
- Informality has become an inevitable part of many modern Cities especially in the developing world.
- ***Thus the City needs to provide regulation, protection and support for both the informal sector as well as to balance their interests versus those of pedestrians on streets, property owners and residents.***



History of JHB Informal Trading

1998

- Spatial and Economic framework for Inner City

1998

- GJMC Declaration of restricted trading areas across Johannesburg

1999

- Metro Trading Company Established

2004

- Inner City Regeneration Strategy



History of JHB Informal Trading

2002

- Informal Trading Development Programme

2004

- Street Trading By-Laws promulgated in 2004

2007

- Informal Trading Policy

2009

- Informal Trading Bylaws promulgated in 2009

Changing nature of inner city

- What we now call the 'inner city' was the old CBD of Joburg – retail shopping destination and head office of mining, banking etc. sector
- “Major Corporates capital” fled the Inner City into more North e.g. Sandton and etc.
- 1994: Gauteng Govt decided to locate its head office to the inner City
- Since early 1990's significant attempts to regenerate the City have paid off –
- Inner city is more residential
- Also become a major sub-regional public transport hub

All these means that the inner city has become a major 'natural market' for informal trading

National context

National Informal Business Development Strategy (NIBDS)

- Guide and create enabling environment for mainstreaming the broader participation of S.A Informal Business Sector
- Upliftment Strategy for who are already operating in the space – developmental approach

Five priority Sectors

- Trade/retail
- manufacturing
- Services
- Agriculture
- Construction and maintenance

Five Strategic Pillars

- Enabling law and regulatory environment
- Enterprise development
- Intergovernmental relations
- Stakeholder/partnership development
- Information (knowledge) management

Programmes

- Informal Business Upliftment Programme (IBUP)
- Informal Business Upliftment Fund (IBUF)
- Launch March 2014

Managing informal trading in the inner city

- The City together with other stakeholders has since 1994 developed a range of policies followed by regulations and institution building to address inner city regeneration including informal trading.
- Examples of such policies include:
 - Inner City Road Map
 - Golden Heartbeat of Africa Vision Statement
 - Inner City Economic Development Strategy
 - Informal Trading Policy 2007
 - Informal Trading by-laws
- Regulations have included the:
 - Urban Development Zone Incentive
 - GJMC declaration of restricted trading areas 1998
 - Street Trading By-laws 2004
 - Later informal trading by-laws 2012
- Institutional interventions have included the establishment of the Metro Trading Company with a mandate to manage *inter alia* traders and taxi ranks

Common threads in policy

- The City has consistently been committed to a well managed, integrated informal trading sector
- It has sought to achieve this through a combination of regulation, enforcement and support involving:
 - Allocation of trading spaces in certain areas and prohibition in others
 - Provision of infrastructure such as stalls, linear markets, smart cards
 - Providing for informal trading in land use policies
 - Management of environmental health issues
 - Setting out procedures for impoundment, penalties etc. in respect of illegal trading
 - Payment for trading spaces in public spaces or public amenities
 - Permission for periodic markets
 - Training in entrepreneurship



INNER CITY INFORMAL TRADING CURRENT CHALLENGES

CHALLENGES (CONT...)



From congested conditions on city pavements...



(De Villiers Street and Hoek Street)



Trading Devilliers Street



Illegal -Imbawulas



Kwa maimai & Faraday Muti Markets



Restricted and Prohibited Trading Zones



What are the present challenges?

- Increasing number of informal traders trading in the inner city – attracted by the increasing market
- Overcrowding of trading spaces and spread of trading to spaces that previously were prohibited
- Deterioration of the public environment on many streets especially as these have not been designed for the high densities of trading activities
- Pedestrians, residents, commuters and workers are unable to use pedestrian walkways and public amenities
- It is difficult for the City to deliver services, maintain infrastructure and enforce the law

How do we address the challenges?

- Let us acknowledge that there is a growing market of workers, residents, visitors and travellers in the Inner City
- This is an opportunity and a threat to existing traders, new traders as well as residents, property owners, pedestrians etc. in the inner City
- It is an opportunity if appropriate trading spaces can be found for this increasing market
- It is a threat if the spaces are not well managed and there is conflict between traders and between traders and other stakeholders
- The City is committed to address the threats and optimise the opportunities



ADDRESSING THE CHALLENGES

Learning from other countries and cities



JMPD



JMPD

BALANCING NEEDS OF ALL STAKEHOLDERS





GRAB-A-DOG
& HALAAL
BOEREWORS R650
RUSSIANS R650
BURGERS R650
* WITH ONIONS & ALL SPICES

WEEK
13-30-18:00
SAT
13-30-13:30

Lewis



What can we learn from India (1)

- India has a National Policy on Street Vending with the objective to *provide and promote a supportive environment for earning livelihoods to urban Street Vendors while ensuring that such activity does not lead to overcrowding and unsanitary conditions in public spaces and streets.*
- Policy recognises three categories of Street Vendors:
 - Vendors in a specific location –trade regularly
 - Vendors not in a specific location –do not trade regularly
 - Mobile street vendors



What can we learn from India?

India's Street Vendors Policy

- Gives street vendors legal status by formulating appropriate laws and providing legitimate hawking zones
- Provide s facilities for appropriate use of identified space
- Provides for nominal fee-based regulation of access.
- Makes street vendors part of urban development
- Promotes self-regulation in matters relating to hygiene, including disposal of waste
- Promotes organization of Street Vendors
- Sets up participatory mechanisms
- Prevents vending by children
- Provides protective Social Security to take care of contingencies
- Promote access to services as credit, skills .

What can we learn from India (2)



“...on the other six days of the week street vendors go around various neighborhood in the capital collecting old clothes and discarded household goods in exchange for new utensils”

Case of Delhi: Sunday Market ‘global model’

- Every Sunday street vendors set a bazaar along the road facing Indira Gandhi Stadium
- In 2009: 1000 street vendors were affected when the stadium was built
- The idea of establish a market below the fly over was integrated into the plan
- Market sell clothes and second hand utilities
- Self Employed Women’s Association (SEWA) played a major role and took up the responsibility of:
 - Cleaning, beautifying and maintaining the market
 - Well organised , clean, zero traffic and no chaos
- One stop shop for small town traders and consumers
- Sunday earning range Rs. 2000 to Rs.5000

What can we learn from other SA Cities (e.g. EThekweni?)



- Informal economy important part of the City's economy –provide employment, goods and services
- Durban's Informal Economy Policy of 2001
- Management, control and regulation
 - Integrated approach to management, support and enforcement
 - Area based management combined with sector based support
 - Identify area management zones and teams



Benchmarking: S.A Metros



ETHEKWINI MUNICIPALITY



- Informal economy important part of the City's economy –provide employment, goods and services
- Durban's Informal Economy Policy of 2001
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Registration of traders:



- Registration and rentals payment - gives permission to operate and access to services and support
- Granting right to work/trade – goes along with responsibilities
- Integrated system - interdepartmental information
- Identify and develop other supporting policies:
- Allocations Policy: To support growth and provide opportunities for new entrants
- The Rental Policy: System that clarify differentiated rentals inline with the trading space



- Trading facilities or structures:
 - Markets
 - Hives
 - Kiosks
 - Shelters
 - Container Parks
 - Storage facilities
 - Demarcated sites along street pavements



- Informal Trading in Cape Town:
 - Contribute about 12% of Cape Town's economy
 - Employs 18% of its economically active residents
- Informal Trading Policy and Management Framework (2004) -Developmental continuum
 - Kerb site – market- formal business
 - From survivalist to business enterprises

Key Principles are: economic growth, social equity and spatial in terms of public places

- Four Policy levers for change: Planning, registration, allocations policy and rental's policy





- Trading Areas – the city’s approach recognises spatial diversity:
 - Trading Spaces in CBD
 - Trading spaces in secondary centres
 - Trading spaces in primary economic centres

- Management of Trading areas:
 - Different models will apply according the trading areas i.e. markets and kerbside
 - Area based management team





Lessons for the City:

- Constantly identify new and existing areas for management, upgrading and development
- The City needs to explore ways to expand from regulator/enforcer to a strategic developer
- The City to ensure interdepartmental coordination for efficient use of city-owned property and buildings and/or land to benefit informal trading
- Consider growth and development of informal sector in land-use planning processes and economic development strategies
- Initiate and develop various policies related to street trading activities similar as levers



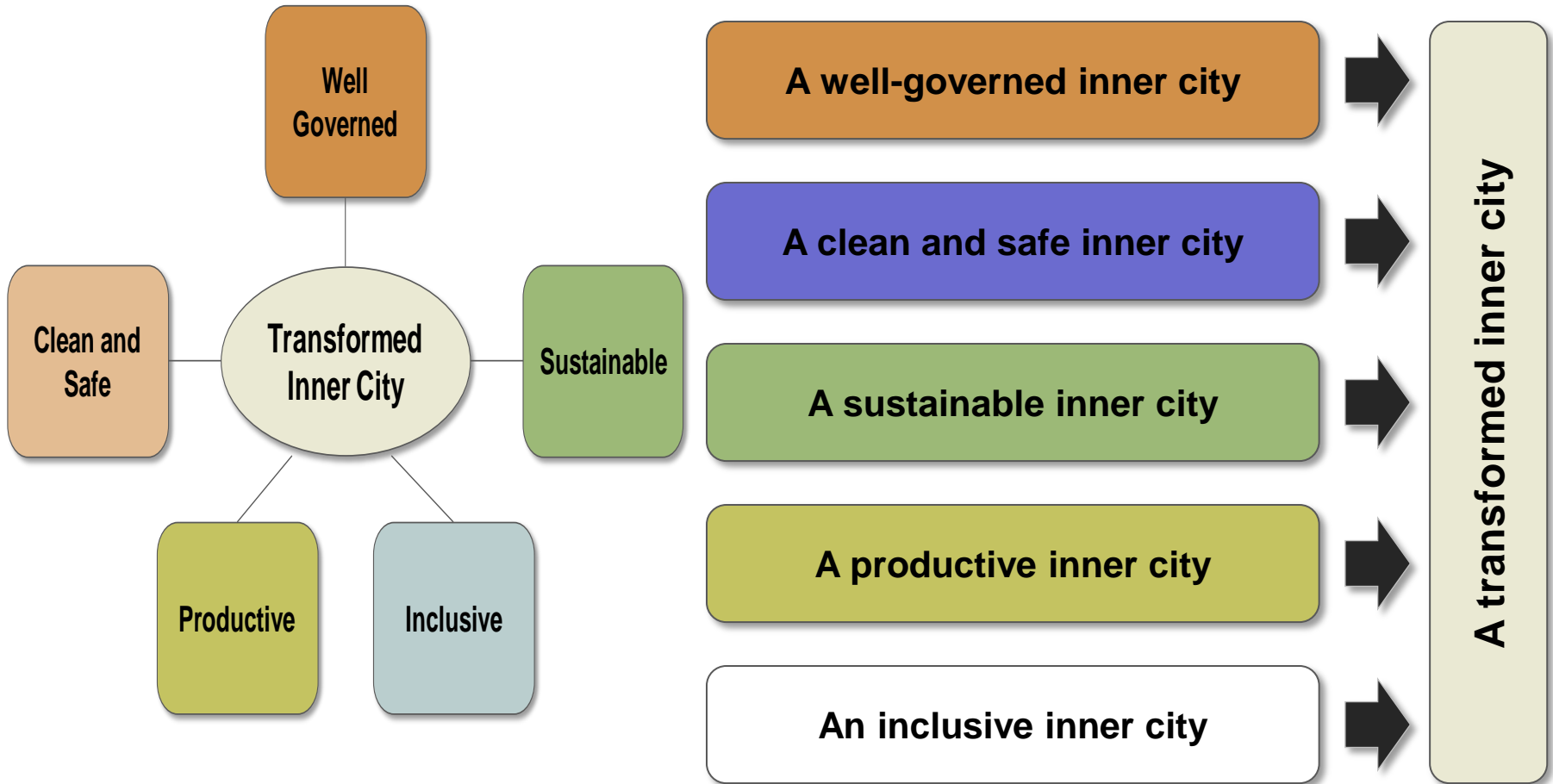
Lessons for the City:

- Assist in building capacity of informal trading organisations to engage and involved in management
- Roll out developmental and support programmes in partnership with external stakeholders – developmental continuum to uplift informal traders
- Linking development and growth of trading areas to commercial zones to create hubs
- Linking traders to facilities, capacity building and business support services for all levels
- Ensuring that city-owned buildings and property are used to benefit informal trading activities

ADDRESSING OUR CHALLENGES

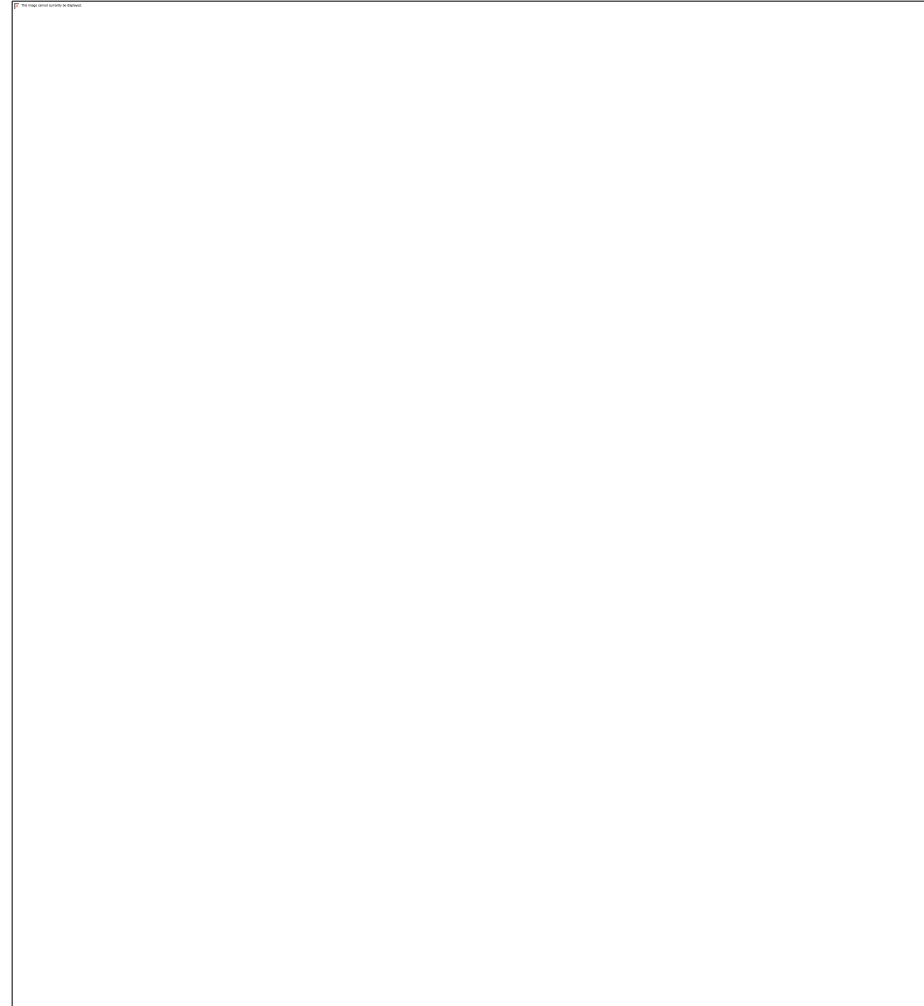
A vision for informal trading in the inner city

INNER CITY ROAD MAP PLAN



Our vision for the inner city

- “A place of opportunity ... A well-governed, transformed, safe, clean and sustainable inner city of Johannesburg, which offers high quality, sustainable services; supports vibrant economic activity; and provides a welcoming place for all residents, migrants, commuters, workers, traders, investors and tourists.”



Our vision for informal trading in the inner city

- Well managed informal sector providing diverse retail offerings in the inner city
- Informal trading to be included in land use planning and economic development strategies
- Informal trading is limited to markets, linear markets and designated streets that are to be clearly demarcated and integrated with transportation and movement plans
- Needs of traders balanced vs needs of other stakeholders for space to walk, safety etc.

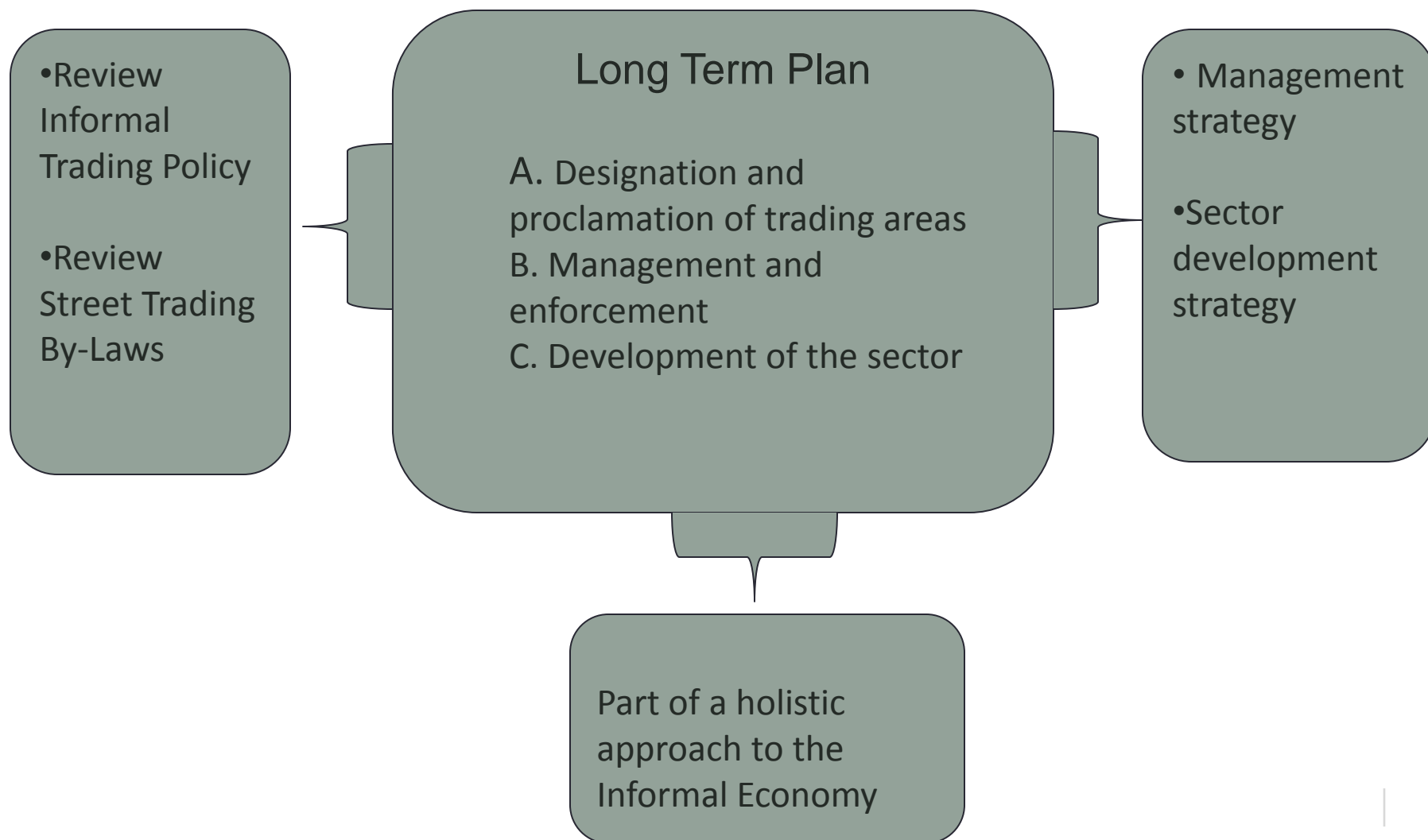
Our proposed plan for informal trading

- Our plan has three pillars:
 - Identification and development of trading areas
 - Sustainable informal trader support, development and management of the sector
 - Strong urban management
- To implement this plan we need to:
 - Review and amend our Informal Trading Policy
 - Review and amend or Informal trading by laws
 - Develop and finalised Informal Economy Strategy
 - Build appropriate institutions and mechanisms in the City
 - Support the building of appropriate structures by traders themselves

Discussed more on next slides



Long term plan for inner city trading



Identification of informal trading spaces: Approach

- Informal trading will be allowed and supported in identified:
 - Streets with wider-pavements
 - Public transport and other facilities
 - Review narrow pavements
 - Market spaces
- Such spaces must be:
 - Clean
 - Secure
 - Well managed
- There must be an allocation process which must be:
 - Fair
 - Transparent
 - Consultative
- There must be respect for the law and other stakeholders

Street trading

- The City will allow trading in streets which are close to public transport facilities and which carry many pedestrians
- However such streets must be designed or redesigned to accommodate street trading
- Street trading will not be allowed:
 - Along mobility corridors and Rea Vaya BRT routes;
 - Where the street is not wide enough to provide for street trading and pedestrian movements;
 - Where pedestrian and traffic safety is compromised; and
 - Where street trading clashes with the surrounding land use e.g. religious facilities, residential etc
- Products and services may also be prohibited on certain streets for health and safety considerations
- On the basis of agreed upon criteria and technical considerations, the City will consult all affected stakeholders on the streets that are proposed to be designated for traders and those that are prohibited for street trading.

Streets for trading

WHAT WILL A STREET FOR TRADING PROVIDE

- Adequate space for pedestrians to walk
- Linear market
- Hawker stalls
- Refuse collection
- Reasonable access to ablution facilities.
- Where possible storage
- Where possible space for loading and off loading of goods

TO ACHIEVE THIS REQUIRES

- Some streets to be closed for vehicles or to be limited to only vehicles that need to access parking or for delivery purposes
- Agreement with surrounding land owners and affected traders (see later)

Linear markets

WHERE

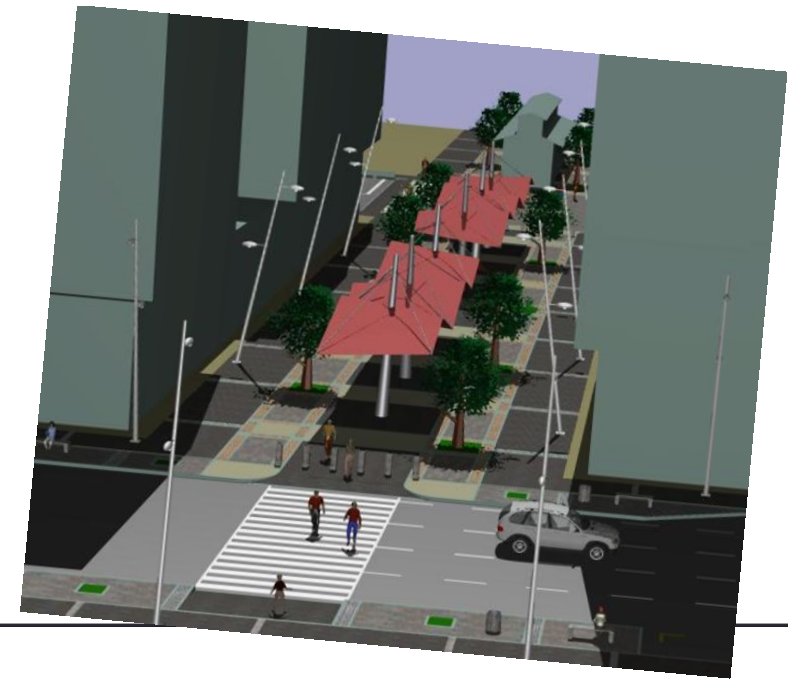
- The City has or will establish linear markets in the following places for street trading:
 - Pedestrianized streets
 - Closed short streets
 - Streets with wider pavements

WHAT

- Linear markets should not be congested
- The design of linear markets will be consulted with affected traders
- Linear market should be user friendly

Examples of linear market designs

Kerk Street Linear Market



Public transport facilities

- The City will enable trading along the street and other active edges of public transport facilities
- Already the City has provided for trading facilities at Metro Mall and will provide enhanced facilities over the next three years at:
 - Jack Mincer/MTN rank
 - Decking of Railway by JDA
 - The redevelopment of Kazerne for regional and long distance buses and taxis
 - Faraday rank and surrounding area
 - Westgate new Taxi Rank
- The City will consult affected public transport operators and traders on how such trading opportunities will be managed.

NOORD STREET (FUTURE JDA DECKING)

HOEK STREET to CLAIM STREET

Johannesburg Art Gallery, Joubert Park

Johannesburg Art Gallery, Joubert Park



Decking of the Bridge

Decking of tra Bridge

NOORD STREET

WANDERERS STREET

GEORGE STREET

KLEIN STREET

TWIS STREET

CLEIM STREET

Aerial view of NOORD STREET

Market spaces

- There are parts of the inner city both public and private spaces that either lend themselves to market spaces or have been and can be developed as creative market spaces for all or some times during the week/month offering both unique and diverse experiences.
- Examples already existing include:
 - Braamfontein Neighbourhood Goods market
 - Maboneng Sunday and Thursday night markets
 - Mai Mai traditional healer market
- Spaces which can be used in the inner city include:
- The City sees these as providing opportunities for informal traders and will engage with trader, property owner and business organisations to support them appropriately with municipal services and similar.

Support for inner city trader development

Principles guiding support

- Street trading seen as both providing a 'safety net' as well as being 'incubator' for entrepreneurship
- City to move from regulator/enforcer to a strategic developer
- Responsive to traders needs
- Equal treatment to all traders
- Ensure development of the informal traders

Existing and proposed programmes

- Skills Development – “Grow you business training”, basic financial management and record keeping provided by City in partnership with other government agencies/educational institutions
- Co-operatives formation support – to increase the buying power and bargaining power
- Annual survey of needs of traders

Sustainable trader management

- This should be guided by:
 - Increased stakeholder participation in management
 - Partnership with trader organisations
 - City enforcement as a last resort
 - Well managed urban environment that benefits all stakeholders (formal and informal businesses, pedestrians, residents)
 - Trader organisations to be supported and capacitated
 - A fair and transparent allocation programme

Sustainable urban management

PRINCIPLES

- Co-responsibility
- Streets and public facilities must be clean, secure
- City to provide basic services, further value added services can be provided in partnership
- Payment for use of public space and in return for identified services (variable rate depending on nature of trading and use of public space)

IMPLEMENTATION

- Implementation should factor in:
 - City delivering basic services
 - Monitoring and oversight by City appointed street ambassadors and block leaders appointed by traders
 - CIDS and RIDS
 - Partnerships with traders

TYPICAL "TOP-UP" CID SERVICES

SAFE & CLEAN



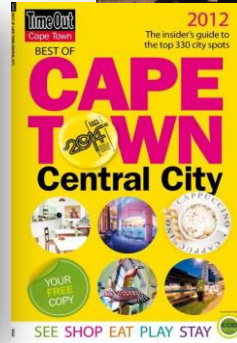
PARTNERSHIPS

- Place Making
- Tourism
- Economic development
- Infrastructure Upgrades
- Planning

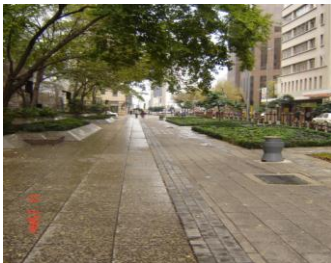


MARKETING

- Newsletter
- Websites
- Social Media
- Services Directory



LANDSCAPING / MAINTENANCE



Hoek Street

between Bree & Plein Streets



HOEK STREET (3) PROJECT – PRIVATE PARTNERSHIP

- Total Cost R3m. CoJ (50%) AFHCO, Citiprop, APEXHI (50%)
- Council Approved Partnership Model with Private Sector 2008
- CoJ donated land & facilitated land change approvals
- 43 Traders – Managed by Section 21 Company
- Separate NPC Meant to be self funding: Rentals R265 Pm
- Managed by Citiprop – salaries & services R10.5k pm
- We need to improve on the model on Management and maintainace





- **Greater focus on development**
 - Informal trading should be seen as incubator for entrepreneurs who will participate in formal business
 - Development to ensure progression – encourage backward and forward linkages
 - Value-chain development opportunities (fresh produce, retail, etc.)
 - Better support services
 - Design programmes to grow, develop and support the sector
- **Programmes**
 - Skills Development – Grow you business training, basic financial management and record keeping
 - Encourage the formation of Co-operatives – to increase the buying power and bargaining power

Grow Your Business Certificate Ceremony



WAY FORWARD

Road map:1

- We are consulting you on our proposed approach to informal trading in the inner city
- Your views will feed into:
 - How the City will play a support and developmental role in respect of informal trading while balancing needs of all inner city stakeholders in both the short and long term
 - The process as required by the Business Act to determine which streets and public facilities should be designated as trading areas and which should be prohibited in the inner city
- After receiving your views, the City will
 - Publish a notice of the City's intentions including a plan of streets to be designated and prohibited for 21 days for formal comments
 - Review the by-laws and publish urgent amendments in the first instance and more detailed amendments in the course of the next year for public comment and feedback
 - Be open to receive partnership proposals from trader organisations and other stakeholders on how to better manage informal trading going forward

Road map: 2

- After the 21 days period, the City will:
 - Table proposed plan and to inform amendments to the by-laws, revised by public comments to the Mayoral Committee and Council for approval
 - After Council has approved, approach Province to proclaim and or deproclaim as the case may be the affected streets and publish the amended byelaws.
- After Province has issued the proclamation, the City will in partnership with trader organisation;
 - Implement the proclamation and new bye laws.
 - Role out support and development programmes
 - Implement new institutional arrangements and management models.
- Urban management will be ongoing throughout the process.

Stakeholder consultation process

PROCESS

- It will be implemented in accordance with applicable legislation and in compliance with the order of the Constitutional Court
- There will be stakeholder meetings with the following stakeholders:
 - Informal trader organisations
 - Public transport organisations
 - Property owners and businesses
- There will be a public meeting focused on residents
- This presentation will be made available on our website, at the regional offices and Members of the public will be informed of this through adverts in the newspapers and
- The comment period will be for 30days
- **Provide inputs on informal trading spaces e.g. streets; spaces or buildings**

DESIRED OUTCOMES

- Inclusive informal trading policy and plan
 - Key policy inputs and recommendations for:
 - Short –Medium Term Plan
 - Medium –Long Term Plan
 - Long Term Plan
- Amended Informal Trading Policy
 Amended Informal Trading By Laws
 Informal Economy Strategy

PROPOSED LONG TERM PLANS

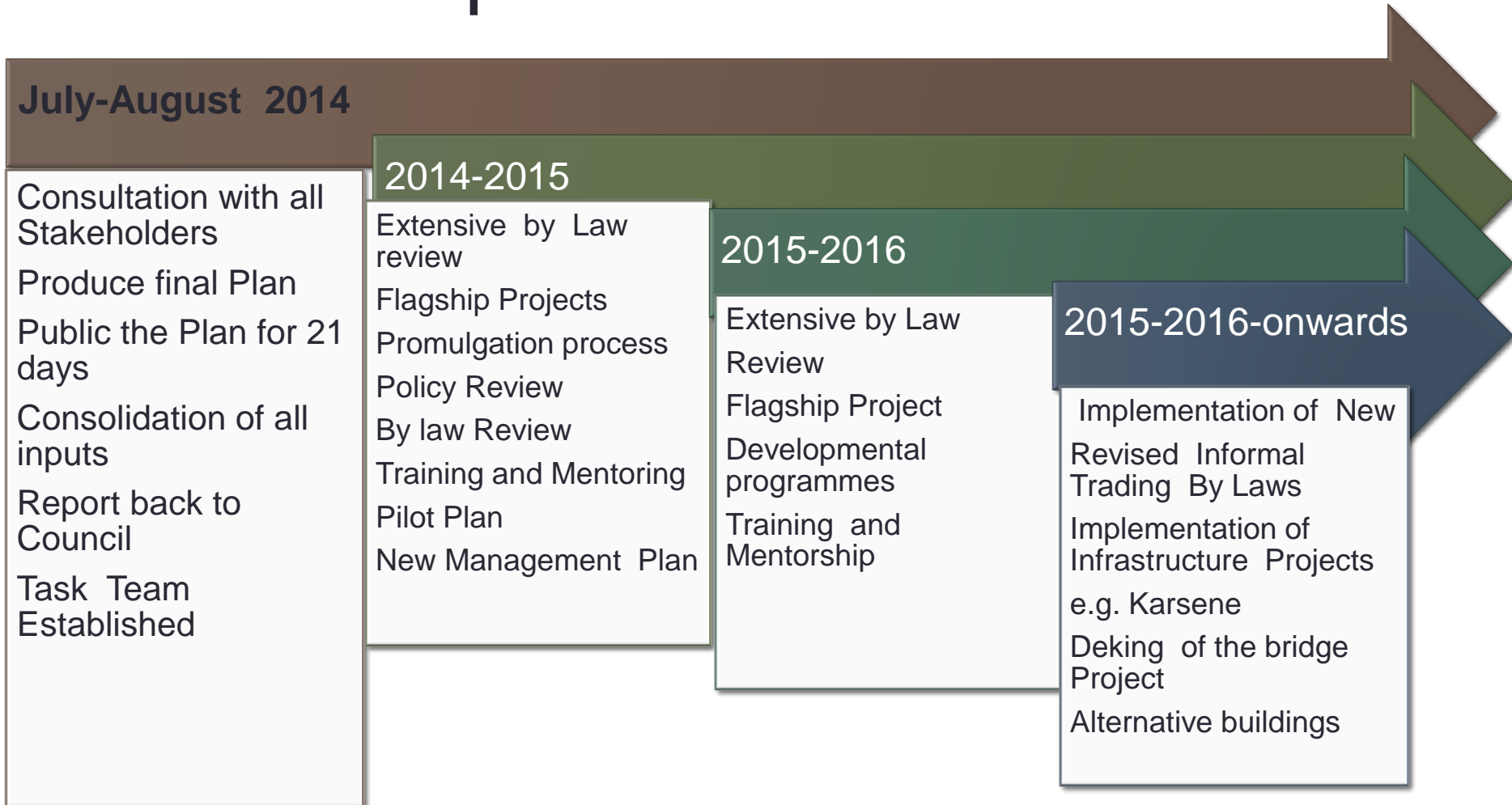
- Sustenance and convenience Category
- This Category relies on extremely high foot traffic volumes and is normally identifiable with perishables and fast moving consumer goods. Included are also Cooking Mamas selling Traditional African Delicacies. This group requires to be as close as possible or within the Transport Facility. Their customers would prefer not to detour from their routes to make their purchases.
- Middle Distance
- These are normally the sellers of clothing materials, electronics and accessories, barber shops, hairstylists; bags and shoes, cosmetics and motor-spares.
- Destination Shopping
- They offer a unique personal service and are sought after. They do not necessarily have to be close to Transport Node. Traditional Healers, Seamstresses and Tailors specialising in Special garments/wear fall under this Category.
- This City will include detailed alternative trading locations e.g. buildings; and short streets for comments during participation process.



IMPROVED MANAGEMENT AND ENFORCEMENT

- **Improved Management**
 - Better balance between the interests of all stakeholders
 - Increased stakeholder participation in management
 - Partner with stakeholders in inclusive management model
 - Improved law enforcement model
 - New Approach Law enforcement and Monitoring mechanisms
- **Management Models**
 - Partnerships & sustainable Model
 - Self Management Model

Phased Implementation Plan





KEY STAKEHOLDERS TO BE CONSULTED

- The City will embark on inclusive Process to engage all Stakeholders in the Inner City to achieve amicable solutions . July 2014-August 2014
- The Stakeholders will consists of the following
- Informal Traders Associations or Representatives 28/07/2014
- Property Owners /Organised Business 29/07/2014
- Public Transport Operators 31/07/2014
- Inner City Residents organisations 30/07/2014(Rescheduled 06/08/14 Time 5pm-8pm Venue Lapeng Hall Joburt Park
- NGOs and Business 04/08/2014
- security Cluster (JMPD, SAPS, etc.) 05/08/2014(Rescheduled)
- Academics; Researchers 06/08/2014

Submission of Inputs Process

- Stakeholders be afforded opportunity submit their Policy inputs in writing from 28th July 2014 to 28th August 2014
- Stakeholders can email their inputs to xolaninx@joburg.org.za and proclamations@joburg.org.za

Call 011 358 3015 for more Information

- Hand Deliver inputs Addressed No 66 Jorissen Place Braamfotein 1st Floor attention Mr X Nxumalo Department of Economic Development
- After the 28th August 2014 the City will advertise the Plan for further Public Comments for Period of 21 days .
- The City will still further hold specific workshops with affected parties



**economic
development**
Department of
Economic Development
CITY OF JOHANNESBURG



THANK YOU