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**Central Johannesburg Partnership and Johannesburg City Improvement District Forum Submission to the City of Johannesburg RE: Informal Trading: Inner City Promulgation and Designation of Trading Areas: Stakeholder Consultation**

This submission responds to the consultation documents and presentations put forward by CoJ.

The Central Johannesburg Partnership (CJP) and the Johannesburg CID Forum (JHB CID Forum) acknowledges CoJ's effort to initiate a consultation process and we are cognisant, as well as supportive of, the need to ensure a sustainable, meaningful solution, to the informal trader question in the city.

In this, we submit that there are a number of preconditions to the designation and promulgation of informal trading areas that need to be considered before a plan can be finalised and trading spaces can be promulgated. In fact, promulgation and designation is only one aspect of a policy and planning process required for ensuring sustainable inner city street trading.

These proposed preconditions to promulgate are elaborated below. They relate to principles, process, research needs and policy content.

**1. PRINCIPLES**

The following principles guide the CJP /CID Forum's approach and participation in the debate around and planning for street trading activity:

**1.1. Promotion of Economic Development:**

The sustainability of the inner city as a place of opportunity is paramount. This means that on-going investment, revitalisation, the promotion of a sound and workable environment and opportunity for a range of income groups to live and work in the heart of Johannesburg must be pursued. Balanced economic development, economic growth and employment creation are essential to the sustainability of the inner core.

## 1.2. Recognition of Formal Economy:

Private Sector Investment in new build and regeneration of inner city buildings in recent years has brought in an excess of 50 000 residential units, 20 000 permanent jobs and 10 000 temporary jobs. Furthermore, this sector has upgraded multiple buildings, including, but not limited to, retail and commercial uses, as well as public space upgrades in excess of R120 million, over the last 10 years.

## 1.3. Recognition of Informal Activity:

Informal trading is part of the economy of the inner city and it provides for job security and sustenance for thousands. It is both entrepreneurial and survivalist.

## 1.4. Support for Informal Activity:

Informal trading needs to be supported and provided for in planning and infrastructure development to ensure its viability and its integration alongside other economic activities

## 1.5. Regulatory Compliance:

Informal trading must be established and managed in ways that uphold regulation, the rule of law and security for all users of the inner city

## 1.6. Quality of Environment:

Informal trading must be established and managed in ways that ensure an environment that is hygienic, clean and livable

## 1.7. Participation:

On-going active participation in the establishment and future operation of this activity is as crucial for the traders themselves as for the surrounding property owners, residents, formal businesses and visitors using the public space, therefore

- The planning for informal trade must be undertaken with the participation of all stakeholders.
- The management of informal trade must similarly be undertaken with the participation of all stakeholders.

## 1.8. Vision of a balanced Inner City:

The Inner City remains - as the Inner City Roadmap vision states:

*“Johannesburg’s heart - 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.*

And

*The inner city will ...*

- *Be well-managed, clean and safe;*
- *Be developed in a balanced way to accommodate all people and interests;*
- *Remain the vibrant business heart of Johannesburg as a whole, accommodating commercial, retail and light manufacturing development;*
- *Function as a key residential node where a diverse range of people from different income groups and backgrounds can live. The inner city will not be a dormitory for the poor, nor an exclusive enclave of loft-apartments, galleries and coffee shops;*
- *Be a place first entry into Johannesburg, but also a place where people want to stay because it offers a high quality urban environment with readily available social and educational facilities, generous, quality public open space, and ample entertainment opportunities;*
- *Serve as a key transportation transit hub for the entire Southern Africa region, but also as a destination point where people want to walk in the streets. (Inner City Roadmap, 2014)”*

#### 1.9. Integration:

In order to achieve this approved vision for the Inner City all functions need to be accommodated with due regard for other functions. The sustainability and viability of the inner city depends on the viability of each of these functions and on these functions working successfully together.

For this reason the planning for, provisioning for and management of informal trade must be done in such a way that it complements the residential, commercial, manufacturing, transportation and tourism functions of the inner city. Unmanaged informal retail activity in the public space is not consistent with this vision and is not supported by the CJP/CID Forum.

#### 1.10. Experimentation – Piloting of Models:

There is much to be learnt and many possible options for the successful development, management and operation of informal trading activity. It is important that various models be tested. The CJP/CID Forum will put forward ideas and models for such testing under separate cover and encourages the City to promote the vibrancy of trade and of partnership arrangements through the piloting of models. Areas proposed for “Pilot Projects”

- FNB precinct
- Park Station Precinct (model worked with CJP, UGM, WITS and the Traders)
- Retail Improvement District
- Central Improvement district
- Von Brandis Street/Marshall (OPH submission annexed hereto)
- The Hoek Street Traders Market (comment annexed hereto)
- Newtown

(N.B this is not an exclusive list. There are others that members would like to discuss with ALL stakeholders in the next round of discussions)

#### 1.11. Timing and Roll-Out:

A program of emergency, short, medium and long term initiatives for the roll out of plans and programmes associated with the implementation of a robust informal trading policy and plan for the inner city is necessary. The piloting of models is part of this. The development of general principles while specifics are negotiated at and area-based level is also part of this pacing of implementation.

## **2. PROCESS**

### 2.1. Stakeholder Consultation

The CoJ's introductory round of consultations on broad strategies and principles with a number of stakeholder groups has been largely inclusive which we commend.

However, we believe that the stakeholder process needs to formally make provision for input into the detailed proposals that will inform the designation and promulgation of trading space. In this, we suggest the following:

- A dedicated stakeholder consultation process around the numbers of traders to be accommodated.
- A dedicated consultation process around the public spaces sidewalks and any other areas that are to be included in CoJ's proposed promulgation and designation of trading areas would be pivotal in ensuring a sustainable solution. Furthermore, should there be any draft ideas of actual spaces under discussion, we encourage CoJ to share these draft ideas and to coordinate workshops with the relevant stakeholders. In addition, where plans are at the level of spatial ideas and principles, these ideally, need stakeholder consultation and input.
- Stakeholders need to be offered the opportunity to hear each other's views and responses to the CoJ's plans. A joint stakeholder forum for further consultation is proposed. This joint stakeholder forum will strengthen the inputs and enrich CoJ's work.

### 2.2. Establishment of an Informal Trading Task Team

The Inner City Roadmap proposes a task team to focus on street trading within the inner city. Such a team would key in participatory, inclusive of stakeholders and of affected City Departments (see 3.10 below). Ideally, it would be beneficial for CoJ and stakeholders if it were to be established now. The Informal Trading Task Team would be the body (led by CoJ) that drives the development of policy and deals with issues that are raised.

It is recommended that this task team be the implementation working group for any plan as well as policy that is developed. All the items mentioned below necessitate careful consultation and negotiation. The terms of reference of the proposed task team would outline the process that is required to perform that role. The establishment of a task team that works systematically and with all affected stakeholders through each of the complex issues and challenges that exist in the development of a plan for informal trade would be an acknowledgement that the policy is not one report but it is multipronged strategy in which all elements entail unique development and implementation.

## **3. RESEARCH**

### 3.1. Desktop Research into Case Studies and International Experience

The research that the CoJ undertook into International and South African literature on informal trade can inform the CoJ's work. However, substantive research in this aspect would be beneficial. In this we suggest that it be reflected to all stakeholders at this early stage of planning. What are the lessons for Johannesburg of that research and what does that research highlight of the

shortcomings and benefits of the City's past and current approaches to informal trade?

### 3.2. Analysis of Past Practice

CoJ's presentation alludes to shortcomings in CoJ's past practice. Various speakers reiterated the challenges CoJ faces in terms of law enforcement and Urban Management. We share the same sentiments in that we also regard the two issues to be the backbone of street trading management.

In that, we earnestly request the CoJ, in the interests of transparency and good spirit of taking all stakeholders into the confidence of CoJ on this matter, to present an analysis of the shortcomings of law enforcement and the shortcomings of Urban Management as part of its analysis into street trading.

It is recommended that CoJ officials examine what the capacity constraints are, as alluded to in the presentation. CoJ's current analysis of the city run models is important input for deliberations on what can be improved and what needs to be dismissed.

### 3.3. Current Conditions

The basis of any plan for street trading must be an analysis of current conditions. We recommend that this audit of current conditions be undertaken and that it includes the following enquiries:

1. Where is trading currently taking place?
2. What are the conditions in each of these spaces?
3. What is working and not working currently in these trading spaces?

### 3.4. Spatial and Infrastructural Analysis

The proposals alluded to the designation and promulgation of spaces within the inner city, in the presentation concerned. It is recommended that the rationale for designations be clarified along with the criterion that is to be applied. The rationale should at least consider:

1. Spatial conditions – what are the criteria for well-established trading?
2. What spaces are more or less conducive to what types of informal trade within the inner city and why?
3. What spatial and design principles are to be adopted to ensure that streets are lively and are usable by the range of users of the inner city?
4. What are the infrastructural requirements for adequately designated and managed informal trade?

### 3.5. Enumeration

This promulgation and designation process should not proceed without full comprehension of how many traders exist in the inner city. The research here needs to identify the number of traders. This enumeration would be the basis of a database of traders and the bases for regularisation. It would include everyone who is trading so that full information is available on the scale of demand for trading space. It therefore cannot be limited to 'legal' or 'organised' traders. It is recommended that enumeration be holistic in that it includes:

- those considered legal and
- those considered illegal

- those who are trading in markets,
- those trading on sidewalks
- those trading on other public spaces, and
- those who are mobile, i.e. who trade by moving through spaces.

The research should also detail the goods sold, and the location of trade.

### 3.6. In Depth Research – an ongoing task

Inner city informal trading policy needs to respond to the conditions on the ground. It is essential that the City knows these conditions and that it keeps abreast of developments.

For this reason, on-going research needs to be undertaken to determine the dynamics of street trade, the size of the market, the relationship between informal trade and formal business, the supply chains, the nature of goods sold and shifting demand. This sector is part of the retail component of the city and part of the economic base of the city and information on it is necessary to inform city economic policy.

## 4. CITY PROPOSALS

While a spatial plan is necessary and welcomed it needs to be coupled with a plan and programme for the support and management of street trading. These are not detailed in the current proposals. Thus it is suggested that at least the following be attended to and be part of the proposals to be developed hereon forth for the designation and promulgation of trading space:

### 4.1. Definition of Legal Traders

Presentations and discussions have suggested that there are a number of criteria by which the City will decide on the legality of trading. These include the status of the trader, the location of trade, the goods sold, etc. These criteria need to be established upfront and discussed with stakeholders.

### 4.2. Allocation Process

Without an effective administrative system for site allocation as well as for the issuing of trader permits and the on-going management of same, the system is susceptible to patronage.

The City's lack of success in analysing the failure of smart cards, of corruption in the site allocation and management processes and of mismanagement needs to be presented and to be responded to in future City proposals. The site allocation process as well as measures to secure fairness, transparency and anti-corruption measures need to be clarified upfront.

How applications will be taken and dealt with must be clearly articulated. What are the City's proposals for developing the infrastructure that is listed in the presentation to support informal trading spaces? Where and how will ablution facilities be provided? What plans and options are being considered for storage?

### 4.3. Database of Traders

The development and management of a database of traders and of applicants for trading space must be transparent.

#### 4.4. Tariff Structures

Proposals need to be developed for equitable tariffs structures for all trading stalls. These must be developed in concert with management proposals and proposals for the collection of tariffs. It is submitted that tariffs need to be related to the location of trading space and to facilities available for traders and that one blanket tariff is not appropriate.

#### 4.5. Capital Infrastructure

What infrastructure is required to support the plan and what are the proposals with regard to developing this infrastructure? What capital is being committed to this? What proposals are envisioned for public private partnerships to develop and manage such facilities? Is the City applying to DTI for funding to support this programme?

#### 4.6. Urban Management

The CJP/CID Forum is closely associated with urban management. It is acknowledged within CoJ's discussions that much of the problems that are associated with on street trading are urban management issues. Not all of these emanate from street trading. Many emerge from other stresses that are placed on the public infrastructure, but because street trading occurs in public space the shortfalls in urban management impact heavily on and are exacerbated by street trading. Thus, it is important that street trading only occurs in the context of high-level urban management. This includes:

- Cleaning of sidewalk space
- Removal of litter
- Repair of sidewalk surfaces
- Replacement of manhole covers
- Maintenance of water pipes
- Proper road signage including street names
- Proper road marking
- Demarcation of trading space
- Maintenance of lighting in traded areas
- Maintenance of CCTV cameras
- Management of congestion

#### 4.7. Security

The management of public space requires that there be adequate security particularly in dense areas and the arrangements that the City intends for boosting security to accompany this plan must be articulated.

#### 4.8. By Law Enforcement

There is mention of a revision of by laws. This must be preceded with an analysis by the City of which laws need to be revised and why. The proposed changes to by laws must be put forward in concert with the City's plan for the spatial location of traders.

#### 4.9. Precinct Planning

There is mention in the City proposals of the importance of precinct planning. The CID Forum submits that the patterning, density and nature of street trading are locally particular and that spatial norms for street trading cannot be equally applied across the entire inner city.

What is appropriate in one area will not necessarily be appropriate in another. This requires that local level plans take into account the nature and type of street trading that is relevant in that area and what facilities and programmes are required to support and manage that activity. It also requires that the planning of any street trading space be undertaken in consultation with the locally affected stakeholders. The City's plans for both broad level spatial criteria that might apply across the inner city and for detailing specific trader spaces must be presented.

#### 4.10. Institutional Arrangements

The successful operation of informal trade in the Inner City of Johannesburg requires that the CoJ and all relevant stakeholders enter into a social compact.

CJP/CID Forum submit that the institutional arrangements for the on-going management of street trading cannot be separated from institutional arrangements that are to be developed for the management of programmes emanating from the Inner City Roadmap. We reiterate our call for an Inner City Partnership forum that is a Special Purpose Vehicle to oversee the implementation of the roadmap. This vehicle requires the representation of Inner City stakeholders and of the City at the highest level. It further should have sub task teams and Informal Trading needs to have a special task team that reports to the Inner City Partnership.

The Informal Trader Task Team should include representation of relevant City departments; trader representatives; property owner representatives; public space management service providers; researchers (e.g. University/GCRO); and NGOs. The terms of reference of the Informal Trader Task Team should include the items listed in this submission.

#### 4.11. Management Arrangements

There are currently public and public-private partnership models of informal trading underway in the inner city. A model that includes street trader involvement in management is to be piloted. It is proposed that further models of this type be initiated in the available and uncontroversial trading spaces with immediate effect.

#### 4.12. Implementation

It is recommended that a systematic comprehensive plan and implementation programme be developed. This cannot be limited to the promulgation and designation of trading space. Rather it needs to be a full plan that documents process, spatial considerations, infrastructure, management arrangements, institutional arrangements and budgets. It also requires timelines for implementation.

At the same time current street trading needs to be managed and the City needs to establish the basis on which that trading is to be managed on an on-going basis and to fit into the plans and programmes that are to be rolled out.

The plan needs to identify priority areas for priority interventions that are to be undertaken in the short term. These may be management, or spatial, or

programmatic interventions or may involve a combination but they should aim at the stabilisation of trading in crucial spaces. The medium and longer-term plans should follow.

#### 4.13. Communication

The guidelines for informal trading in the inner city should be clarified and publicised. In addition, the promotion of well-managed informal trade within the City and to the public is required to shift perceptions in favour of the positive aspects of well managed trading and to enhance the tourism benefits of this sector.

It is essential that all those who have responsibility over any aspect of street trading in CoJ be well informed of the intentions and plans. On-going training within the CoJ will be necessary to maintain a coordinated plan and response.

Submitted By Anne Steffny

A handwritten signature in black ink, appearing to read 'Anne Steffny', is centered on the page. The signature is fluid and cursive, with a large initial 'A' and 'S'.

Director: Central Johannesburg Partnership  
Facilitator: JHB CID Forum