CUBES
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In quest for sustainable models of street trading management

Lessons for Johannesburg after Operation Clean Sweep

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Johannesburg, 08 April 2015

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EXECUTIVE SUMMARY

This report was written as a background document to the AFTRAX project (Alternative Formalities, Transnationalism and Xenophobia in Johannesburg Inner City) – a research commissioned to Wits University by the City of Johannesburg, and aimed at assessing existing knowledge on the informal economy, in the aftermath of Operation Clean Sweep (November 2013). It was consolidated within the Center for Urbanism and the Built Environment Studies (CUBES), in interaction with street trader organisations operating in Johannesburg, who had approached CUBES early 2014 for research support, in particular on the question of alternative and sustainable street trading management models.

The report is structured in four parts. Part 1 reviews international literature, assesses its findings on sustainable street trading management, and reflects on the paucity of theories, 'models' or fine-gained documented initiatives on this issue. Part 2 explores dimensions of street trading management systems as experienced internationally and nationally, and extracts lessons for the City of Johannesburg. Part 3 analyses the nature and challenges of street trading management in the City of Johannesburg, and examines the rise of private management of street trading at area level in a context of unsustainable municipal approaches. Part 4 makes a number of recommendations for ways forward in the current Johannesburg context.

1. On the paucity of international literature review on street trading management

►**It is difficult to find sustainable & inclusive management models for street trading.**

- Such models are generally short-lived, linked to specific political contexts and champion.
- They are relatively undocumented: repressive practices or laisser-faire are more common in international literature, for a wide range of reasons.
- Asia (India, Thailand) is the continent where street trading is the most widely and increasingly accepted as a permanent and positive urban feature; where policy, institutional and practice innovations seem the most dynamic.

►Whilst there are examples of inclusive approaches, **most cities have adopted restrictive / repressive approaches to street trading management**, for a number of reasons:

- Continuity with colonial practices, inertia of legislation and management & planning cultures
- Longing for 'modern' / 'Western' types of urban order, prolonged and accentuated by dreams of the 'global city', not (yet ?) Africanised
- Lack of political imagination of what post-colonial cities could be; planning traditionally ignores informality – innovation required;
- Vested interest of some officials in resisting change – restrictive approaches create opportunities for multi-pronged corruption & rent-seeking.

►Yet, there is **increasing acknowledgement by global institutions**, national governments and municipal policies/ strategies, that

- Street trading is here to stay, and in the street (can't be forced into markets); chase it away it keeps coming back;

- It contributes significantly to poverty alleviation and to local economies;
- Restrictive approaches are unsustainable and constrain development:
  . they require heavy and constant enforcement (best use of public funds?);
  . they lead to unmanaged / unmanageable streets, as they render most traders illegal (no rent, no interest in complying in rules, no time to clean public space etc.)
  . they bread violence and corruption amongst city officials and traders (the 'public creation of scarcity' of trading sites create competition, black market, patronage and bribery);
  . they are not conducive to social and economic development – entrepreneurial consolidation, design innovation and investment in public space by all stakeholders restricted by uncertainty and repression.

2. Dimensions of international and national models of street trading management – lessons for Johannesburg

Beyond specificities and details, documented in the report, common features of inclusive street management models can mainly be drawn from India, Tanzania, Thailand, and eThekwini in South Africa:

► They all start from the principle that all street traders are legitimate, should be registered and accommodated with minimal relocation;

► They all start from a position of knowledge – a survey / database of all existing traders (how many traders there are, where, what goods are sold)

► They all recognise that street traders depend on passing pedestrian flows, and that relocating them in markets or in quieter streets generally destroys their business. They propose instead the concept of 'natural market' (where traders 'naturally' congregate) and focus on their recognition, consolidation and intensive management.

► They set up an multi-stakeholder advisory committee on street trading, including officials of relevant departments, trader representatives, and other civil society stakeholders, to debate and advise the City on policy, implementation, trading street plans;

► They support the consolidation of street trader organisations, in street trader forums chaired by an independent facilitator – so that they are empowered to make strategic recommendations in the multi-stakeholders advisory committee

► They have a level of area-based management, allowing for local and flexible agreements to be found (location of street trading sites, design of stalls, uses of the street, etc.) between stakeholders at the street or block or area level.

►This allows for a consensual and incremental definition of the 'street carrying capacity' to be developed, based on the common understanding that the concept of 'street carrying capacity can never be defined in absolute terms nor only based on technical bases.

Lessons for Johannesburg are, inter alia:

►The City of Johannesburg, if put on an international scale, has a more progressive policy towards street trading than most other cities in the old or the global South (adopting predominantly restrictive approaches), in that it recognizes the legitimacy of street trading in its inner city. But, still endorsing restrictive approaches to street trading, it is far from being the most pro-active and innovative in including street traders into inner cities landscapes and economies.

►The City of Johannesburg has not yet recognized and accepted international evidence - documented in research and practice- the fact that markets (even if supplemented by 'linear markets') are not appropriate for all traders, but only for some of them – as much street trading relies on passing pedestrian flow rather than purposive purchase.

► In a restrictive approach context (e.g. limiting the number of legal trading spaces compared to the number of existing traders), the system of smart cards is less likely to work than in an inclusive approach context. With no buy-in from the traders and the illegalization of a high proportion of traders, insecurity of tenure and status, it is unlikely that such a system of control can work in sustainable ways.

► There are a number of flaws in current policy and by-laws, intended to protect municipalities rather than empower traders. By-laws in particular are focusing on the 'don'ts', not on the 'does'. A number of elements are also unclear and confusing in existing legislation: for instance the ways the smart cards are attributed (lack of clarity, lack of recourse); the way they are linked to trading spaces demarcation processes; the role of the traders participatory chamber (confined to the last page of the policy).

► The modernist and technical approach to the definition of trading spaces (number and location) and an imagined 'street carrying capacity', is out of sync with the international understanding that these notions are merely political and context-based in nature. Trading spaces (numbers, location, size, design), whilst informed by technical criteria (nature of the build environment, configuration of the street and pavement, mobility patterns) are to be negotiated at several scales with the relevant stakeholders, and to be designed in context-specific ways.

► Sustainable management models could be defined more innovatively if the street trader organisations were empowered (united, articulate, visionary and strategic) rather than divided. The legitimacy of other stakeholders and land uses, possibly in tension with street trading practices, could then be better understood. Municipal institutions and processes have a great role to play in capacitating and consolidating the sector, and the City would ultimately benefit from a more articulate and visionary leadership in this respect.

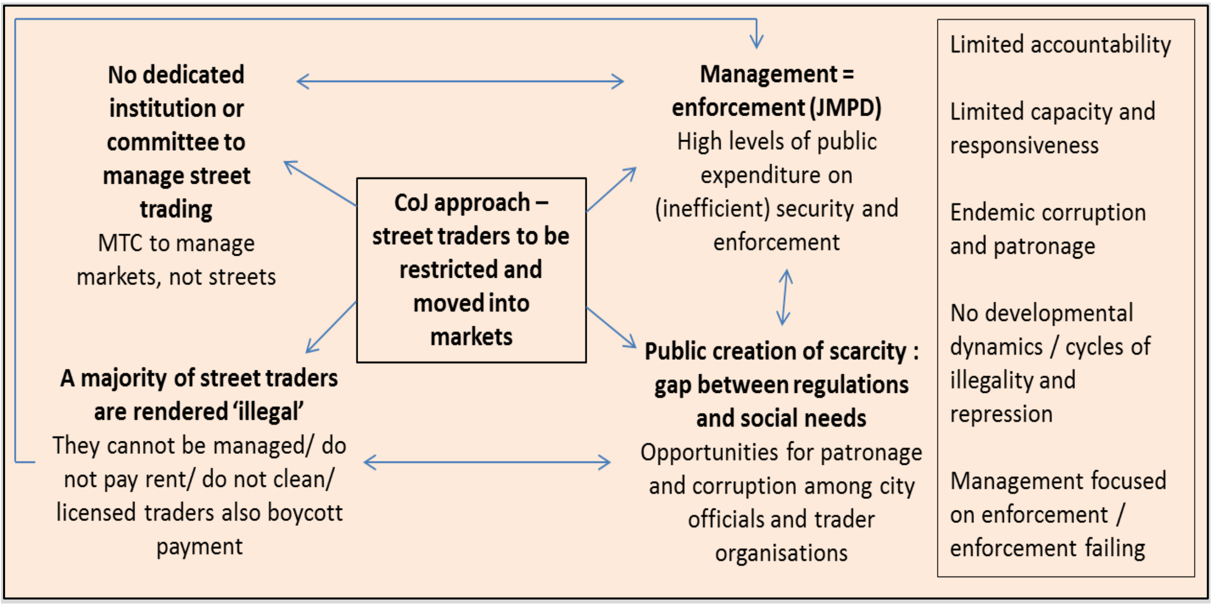
3. Unpacking Johannesburg experience in street trading management in the post-apartheid era

► From the mid-2000s, municipal policies & strategic documents are increasingly inclusive of street trading, but **restrictive approaches to street trading have continued to prevail:**

- There is a constant objective to 'restrict' the number of traders in the streets of the inner city (2000, 2005, 2013) that leads to the criminalisation of a majority of them, a repressive rather than a developmental agenda and use of public resources, and to putting a lid on diversification and sophistication of goods sold;
- Repeated attempts to relocate street traders into markets (into buildings, into linear markets) have been to a great extent unsuccessful, as based on wrong assumptions on how the sector works, and limited engagement with the traders and their trading needs;
- Policies and practices are based in fears – the assumption that 'the number of trading sites is limited' and that an inclusive approach would lead to the 'invasion' of the streets; rather than in a positive approach of activation of the street in the respect of multiple land uses;
- Failure of management is analysed in terms of failure of enforcement, whilst it is a failure linked to the restrictive approach itself.
- Lessons are not being learnt, past mistakes not acknowledged by City officials and politicians: there is a culture of secrecy and opacity in how the sector is managed. This is a real impediment to finding solutions.

► Resulting from this restrictive approach, there is a clear **lack of proper municipal institutions and resources to manage street trading**

- MTC was created to ‘manage markets’, not streets (even after the 2007 policy, which seemed to mandate MTC to deliver smart cards, but still based on a vision where traders would ultimately go into markets);
- Which institution is actually managing street traders? In practice, it is the metro police (JMPD), illustrating how street trading management is confused with (and limited to) enforcement.
- This opacity of management structures; the gaps between a denalist approach (street traders will eventually get off the pavements) and the everyday reality of the importance of street trading in the CBD, has created many opportunities for corruption of city officials and patronage linkages with and amongst street traders.
- There is a lack of proper structures and processes of engagement with street traders, seen as a threat if too organised, and divided by a politics of patronage
- The vicious circle of mismanagement can be summarized as follows:



► Because of the lack of street trading management institution & capacity (= refusal to acknowledge that street traders are here to stay), the City has de facto (by stealth) **delegated street trading management to the private sector,** at least in CID areas:

- Agreements (MoUs) were signed between DED-MTC and Central Johannesburg Partnership (CJP), *de facto* mandating CJP to manage street trading in City Improvement Districts (and scattered stalls). These MoUs officially establish a partnership, but in practice function like a delegation. They have failed however to be fully formalized and this has created a degree of confusion.
- CJP has slightly shifted its view on the matter, from the prohibition of street trade in CIDs (2005) to the pragmatic management of street traders in selected CIDs (mainly the Retail Improvement District though), and the identification of a market in which it has built experience (street trading management)
- CIDs can be criticized for the privatization of management and a lack of democratic accountability (property owners democracy); but they seem so far the only way of ring-fencing funding for urban management (incl street trading) in the inner city.

► **The innovation brought about by the private sector** lies not on its overall vision but on the successful piloting of **precinct-based street management models**, tested in the Retail

Improvement District (RID) and debated in the Park Station area. Successes at the precinct level lie in the following factors:

- Security of tenure for street traders, acknowledged, recognized and therefore able to develop; activating the street and therefore exerting a form of control and management.
- Diversity of trading sites – accommodating a diversity of traders
- Dedicated area based management and grounded administration (coordination, cleaners and security), able to solve issues immediately and find flexible solutions in a problem solving rather than revenue generating approach
- Networks and lobbying capacity of the private sector (Central Johannesburg partnership and related service providers), to assist in solving issues
- Area dedicated funding, based on CID property owners' levy, for overall street management (broader than street trading per se).

► Areas of possible **improvement from a municipal perspective** are as follows:

- Develop an overall vision and strategy for the inner city – so far street trading management is limited to fragments and based on island of good management in a sea of prohibition & weak management
- Enhance the participation of trader representatives, and consolidate stable institutions to build sustainable partnerships, frame agreements and sustain ways of working jointly
- Explore sources of dedicated funding and administrative capacity for the inner city– this probably cannot be solely funded by traders, and needs to involve a specific levy with property owners, or an overall inner city tax, in recognition of the higher management needs for the dense and diverse inner city.

4. Recommendations to CoJ on ways forward

► **Adopt an inclusive rather than restrictive approach to street trading**

Restrictive approaches since 2000 (no street traders/ only markets) have not worked

- Led to the absence of proper institutions and resources to manage street trading (street trading management=nobody's baby)
- Led to mismanagement of streets, general discontent
- Led to (alleged) corruption amongst city officials and metro police
- Led to proliferation of illegal(ised) street traders
- Led to failure of initiatives to regain control (smart cards, MTC)
- Led to conflict, court cases, bad image for CoJ (anti-poor, neoliberalising, & failing to manage the streets)

Inclusive & developmental approaches could trigger benefits for the City

- Ending the mass of illegal traders – easier to manage legal traders than illegal ones
- 7000 street traders paying a fee – resources for urban management
- Limiting the extent of (alleged) state corruption
- Pragmatic acceptance of reality and social needs (in times of economic recession) and addressing the management issues with the power, legitimacy and resources to do so

► **'Getting the institutions rights'**

With external stakeholders

- Setting up a forum of street trading organisations, facilitated by an independent facilitator, subsidised by the City (cf Rea Vaya model for negotiating with the taxi industry)
- Setting up of a Street Trading Committee with representatives from City, the street trading forum, and other stakeholders; this Committee to have a role in making

recommendations to Council - rather than only reacting in ad hoc ways to policies and by-laws.

- Consider an Inner City committee (specific issues of conflicted land uses), and perhaps precinct level management committees.

Internally, within the City

- MTC/JPC cannot deal with the management of street trading – geared to manage markets, not people: this is a long standing crisis. DED's role is strategic not management oriented. There is a need for the consolidation of a street trading management institution.
- There is currently no clarity on various departments' roles vis-a-vis street trading policy, implementation and management: DED, JPC, Planning, Transportation, JDA, Region F. Lack of joint institution and/or lack of clear, consistent and accountable process of coordination.
- The specificity of the inner city needs to be further recognized (cf Inner City Roadmap). This calls for the re-establish of an inner city office, and the earmarking of dedicated resources for the inner city extra management needs.

► **Getting the process right**

- Start with a survey (number + location) of all existing traders to know the status quo. If an inclusive & pragmatic approach is adopted, announce the approach to get traders buy-in in the survey & include them in the survey process; adopt a moratorium on policing 'illegal traders' to have an accurate picture of reality.
- Set up a multi-stakeholders committee to make recommendations based on the survey, on the way forward –policy, by law and implementation wise.
- In parallel recreate a street trader organisations forum facilitated by an independent party, funded by the City, to empower them to better participate in the multi-stakeholders committee and other processes.

INTRODUCTION

> "There are no policy best practices with street trading. Where there have been windows where better practices emerge, there tends to be a continuity problem. There is a change in the bureaucracy, a big event or an election, and the approach changes... With street vending, things are particularly fluid" (Street trading activist, quoted in Skinner 2008a)

The task of documenting and reviewing international and national case studies of street trading management is necessary but daunting. The literature on informal trading and informality in cities, in particular on urban streets is vast. Much of that literature, whether academic, activist-oriented, policy-oriented, or professional, is however of limited direct value as far as management of street trading is concerned. There remains a paucity of documenting, formalizing, and analysis of practices of street trading management across the world.

Dominant in this literature are examples (critically examined) of municipal repression of street trade, dating to colonial times, reproduced or reinvented in the post-colonial era. On the other end of the spectrum, one find case studies of laisser-faire approaches, where municipalities are tolerant of street trading without doing much more than collecting trading fees – research evidence here documents mostly the political competition between tiers or sectors of local government, around whose mandate it is to collect the fee. And, in the continuum between these two poles of the spectrum of municipal approaches to street trading, there are studies of traders' resistance (active or passive), collusion, or circumvention of municipal regulatory attempts.

These examples and analyses are useful to learn what *not* to do, exposing the reader to the (intended and unintended) consequences of restrictive or too highly regulatory policies, and sometimes to the need for consistent regulation. But few are the in-depth descriptions and analysis of cases of street trading management systems or processes that 'work', and that open to alternative urban futures where (regulated) street trading would be an integral part of developing cities. Such studies could usefully advise or inspire municipalities in their quest for more sustainable, efficient and just street trading management systems – but they are scarce and often elusive.

This gap is not only a gap in documentation and evidence for policy-making and recommendations. It is also a theoretical gap, in the way scholars understand and analyse how the state works in the global South, especially in relation to urban informality – which is the condition of "the majority of the people" in Cities of the South (Chattejee 2004).

The understanding of informality has yet been increasingly political and linked to state practices. Roy (2005) notably defines informality as directly defined by the act of governing, as the state attempts to order and shape people's practices through the definition of regulations, setting boundaries between what are proper (legal) and what are improper (conflicting with what is defined as legal) conducts. She further (2009) argues that informality is for the state "an idiom of urbanization", a way for the state to govern with uncertainty, flexibility, spatial inequality and capital accumulation in urban areas of the global South. However, this political understanding of urban informality has not translated yet into normative thinking in planning, governance, public administration or policy. Furthermore, this understanding remains a view from outside of the State, not grounded in an understanding of the workings of the state – what could be broadly called the politics of policy making and implementation. This 'black box' of the state is definitely an obstacle to devise relevant and alternative ways of imagining policies and regulations, more adapted to the economic, social and political realities of contemporary cities of the South. Research on state practices is developing and constitutes a dynamic field of research in the Global South, and is of particular relevance perhaps in South Africa, where academia has a long standing tradition of social and political engagement, and has been developing complex but multiple links with governments and policies in the post-apartheid era. But it is a complex research terrain, as 'the state' is often reluctant to subject itself to public scrutiny over its practices, in dynamic and contested political contexts.

This report modestly attempts to review existing literature on street management models, and normatively reflect on possible lessons or innovative ideas for the City of Johannesburg. It starts by defining what it means by street trading 'management model' (box 2 below), and sets up a frame for research and enquiry on existing practices and case studies. It argues that sustainable street trading management is possible, but highlights that there is no universal and easy recipe. Conditions in municipal capacity and resources; institutions, policies, and by-laws; street traders' mobilisation and organisation; urban and economic setting and dynamics, vary to such an extent that what might work in one location might not elsewhere; what works within a developmental policy approach will fail if policy shifts to more restrictive approaches. But lessons can be learnt from experience, reflection can be developed based on case studies, and it is possible to devise a number of principles and processes for sustainable street trading management. This report seeks to engage in this direction by starting to consolidate the scattered existing knowledge on the topic[1], and is written with a constant reflection on what could practically and concretely be learnt for the City of Johannesburg.

It is primarily a desktop study, supported through in-depth discussion with academic and activist street trading experts who have kindly guided my readings, alerted me to original case studies, and made their networks accessible to me. The desktop study is complemented by (limited) original fieldwork conducted with or by Wits students (Abed 2011, 2014, Singh et al 2012, Bénit-Gbaffou et al 2013, Matjomane 2013, Bénit-Gbaffou 2014a, Lande 2014), and long-standing interaction with street traders organizations through and with the Center for Urbanism and the Built Environment Studies (CUBES).

This endeavor was indeed triggered by two, interrelated but sometimes contradictory, political and societal requests, having emerged in the aftermath of Operation Clean Sweep – where the City of Johannesburg chased out of the inner city about 7000 street traders, licensed or not, and lost its case in the Constitutional court after having been sued by two trader organizations. This specific report was started as part of CUBES background research for the research project AFTRAX, Alternative Formalities Transnationalism and Xenophobia in Inner City Johannesburg, coordinated by the School of Architecture and Planning, Wits University, for the City of Johannesburg. The AFTRAX research was more specifically requested by the City of Johannesburg Central Strategic Unit, interested in consolidating knowledge on informal economies (globally and in Johannesburg), to perhaps redefine its orientation and strategy after the Operation. This present report contributed some of its findings to the AFTRAX report (Zack et al. 2014), but it was consolidated and broadened mostly in response to street traders organisations' request - for CUBES to debate with them different, possible, better management

[1] There are many gaps that further research would need to address. It would be useful to broaden the literature review on market management; explore the nature, benefits and limitations of street traders cooperatives; deepen understanding of City of Johannesburg's policies and practices, in order to learn from successes and mistakes (documents on MTC and smart card for instance, as well as other official documents, were not available at the time of writing); develop a deeper narrative on the eThekwini notorious 'inclusive and developmental model' in the late 1990s; explore design and spatial solutions to street congestion that are inclusive of street trading; gain depth in unpacking traders-led street trading management systems; find more examples and practices of area-based (precinct or street level) negotiation processes and management institutions for the regulation of street trading.

models to put on the table in their engagement with the City. This request led to regular workshops throughout 2014, facilitated by CUBES, with seven street trader organisations operating in the inner city[2]. Some of this report's findings were presented to the Department of Economic Development, in the City of Johannesburg, during the course of 2014; some of them informed the debates unfolding with street trader organizations leadership. Engaging simultaneously in these multiple platforms of debate was exciting but complex, as shifting and contradictory relationships between traders and the City unfolded throughout 2014 – continued litigation and distrust, limited channels of communication, and a formal participatory process led by the City to define ways forward after the first part of the Constitutional Court judgment. This report attempts to continue holding a position of constructive engagement with the City departments and officials, suggesting different ways of managing street trading, based on a reflection on existing research and experience as well as ongoing research and debates with Johannesburg street trader organisations.

The report has its limitations. Besides the gaps still obvious in the research (stressed in footnote 1), much information on the City could not be accessed, due to the timing of this research: in the aftermath of the 2013 Operation Clean Sweep and in the middle of a court case. This severe restriction on information on how the City works may have sometimes led to a degree of imbalance, or perhaps even misunderstanding, in the way issues are presented, in particular in the second part of this report. It has also meant that the diversity of positions and views within the City, on the issue of street trading management, has probably been underestimated. It was important in that period for the City to present a united front, that unfortunately tended to be on the side of a restrictive if not repressive approach to street trading, broadly following the spirit, if not the format, of the Operation. Consequently, this report is proposing what I would argue is a set of reasonable analyses for debate, based on existing evidence in a context of imperfect knowledge.

This report is also a hybrid – gathering evidence from research knowledge in order to engage with practitioners, activists or officials; trying to bridge what has appeared a gap, in conversation but also perhaps in knowledge, between the world of research and the world of practice on the governance of informality in contemporary cities. It is a work of translation – necessarily imperfect, straddling vocabulary, terms or concepts borrowed from the two worlds, asking normative questions to a body of knowledge, challenging academia - not to restrict itself to these normative questions, but also not to completely sideline or discard them either. It is a difficult exercise, a risky enterprise perhaps, but an interesting adventure - I would argue.

Finally, the position from which this report is written is obviously and openly a position of sympathy for the street traders. But it also rests on the absolute conviction that street trading in big and dense city centers needs to be regulated, that street trading management is a daunting task even for the best-meaning and progressive municipal officials, and that progressive street trading management is relatively unchartered territory requiring innovative thinking and practices. The report is thus a constructive criticism to City of Johannesburg existing policies and practices towards street trading, and an attempt to suggest concrete and applicable alternatives.

[2] Namely: African Cooperative for Hawkers and Informal Businesses (ACHIB), African Traders Organisation (ATO), Gauteng Informal Development Alliance (GIDA), Nigerian Union of Traders (NUT), One Voice of All Hawkers Association (OVoAH) South African Informal Traders Forum (SAITF), South African National Traders and Retailers Alliance (SANTRA).

CHAPTER 1

WHY 'INTERNATIONAL BEST PRACTICE' OF STREET TRADING MANAGEMENT IS NOT WELL DOCUMENTED

There is a limited literature (academic, activist or policy-oriented) and scarce information (press, social media or official websites) on progressive or sustainable experiences of street trading management – that I term here a lack of documentation of 'best practice' across contemporary cities.

Not that I are unaware of the provocation encompassed in the use of this term: 'best practice' presenting as exportable, ready-to-apply recipes or 'tool kits' (another favourite in the World Bank's lingo) what is generally highly context-specific settings, experiences and processes - whose contexts and politics are generally omitted or summarised to a point of meaningless simplification. But I do, following John Forester (2012), believe in the heuristic value of stories: to build, in their multiplicity and diversity, a mental repository or repertoires of actions, ways of doing, alternative practices, from which to borrow in order to build one's own responses to specific situations and contexts. I am sensitive to Philip Harrison's reflection on his own practice as Head of the Planning Department in the City of Johannesburg (Harrison 2014), on how unprepared he felt, becoming a City official from an academic background, equipped with strong planning theories and principles, but limited ideas on how to deal with the messiness of reality and the responsibility of framing urgent municipal interventions. I am even more directly and personally challenged along these lines, when street trading organisations approached my colleagues and me in CUBES, and asked "how can research help us argue for a sustainable management model for street trading, to prepare for negotiations with the City? Can you support us, help us put something on the table?".

What follows in this chapter and the following one is therefore an attempt to learn from stories, especially stories that demonstrate a sense of social inclusion, progressive spirit, ingenious process or innovative concept- or even showcase ways of dealing with existing challenges, that might help build a locally adapted path for the governance of street trading in contemporary Johannesburg. In this sense they *are* 'best practices' that we could learn from, that I have tried to present in their own context (as much as sources allowed), and from which I have attempted to extract ideas and 'lessons' based on a Johannesburg viewpoint – to build a conversation, from predominantly academic sources, with practitioners, officials and activists.

This said, and as argued in previous lines, there are limited 'positive' stories available yet- of inclusive, progressive or sustainable street trading management- to learn from. This chapter reflects on the reasons for this scarcity.

1.1 'Worst practices' of street trading management are well documented

Literature abounds on repressive or restrictive municipal approaches to street trading management – approaches denying the legitimacy and the reality of street trader presence, or attempting to suppress or drastically limit the number of street traders in inner cities. Much of this literature illuminates the regressive effects such approaches have, on criminalising the poor and disorganising livelihood strategies; generating corruption, violence and mismanagement within the state, and increased recourse to informal arrangements, patronage and violence, amongst the poor. Vast literature showcases the resistance and adaptation that repressive state policies and practices generate amongst traders, collectively and individually. This is a well-developed literature: some of its key findings, as compiled in several international comparative reports, are presented below (Figure 1).

Figure 1 - The unsustainability of restrictive municipal policies towards street trading: summary of main findings

► Restricting unreasonably the number of trading licenses or permits attributed to street vendors leads to an increase in the number of un-licensed ('illegalised') street vendors: creating more disorder in the streets rather than more order; increasing corruption amongst state officials in charge of applying by-laws disconnected from social urban needs; and fostering violence amongst competing traders for allocation and access to trading space.

► Relocation of street traders out of (dense and congested) city centers, towards peripheral or peri-central vending space, leads to increased access to infrastructure, safety and hygiene for traders but it also leads to a loss of income for traders. Centrality of trading spaces is key to the whole street trading business. In some cities, relocation has effectively decreased city center congestion, but at the cost of heavy policing and surveillance (funded by taxpayers mostly), and to the detriment of street traders livelihoods.

► Relocation of street traders into markets (even if centrally located) has generally led both to a loss of income for relocated traders in the short term (through a change of the type of customer base – premeditated buying in markets is not equivalent to impulse buying in the street); and in the medium term to the re-occupation of (emptied) streets by a new generation of street vendors, creating resentment of market traders and often leading to their boycotting of market fees payment.

► Best practices for sustainable outcomes for street traders and simultaneously sustainable outcomes for inner city street management seem to involve: attention to 'natural markets' (Indian concept) – i.e. those places where street traders congregate 'naturally' to adapt to flows of pedestrian-customers; participatory process involving various stakeholders; and inventive design solutions to adapt vending sites to street and flow local configurations.

Sources: Mitullah 2005, UN-Habitat 2006, Roever 2007, David et al. 2013.

Examples of positive, successful or progressive principles or practices of street trading management are hard to find. Why is literature on sustainable and progressive street trading management so scarce?

1.2. Why academics are reluctant to use the term 'management' – and what they are missing

A marginal starting point, but perhaps of importance, starts with a reflection on the term of 'management' itself. Striking is the suspicion that many academics hold against it, and the widely shared reluctance to use the term, but also to define, engage and research what it may imply. Appropriated by the World Bank under 'urban management' (Stren 1992; Gombay 1994), the term is indeed highly connoted. In that framing, the term 'management' is considered as a way of depoliticizing 'governance'[3] – bringing it down to its most technical details as a way to mask or put aside the political dimensions and the social consequences of choices made around how street trading is expected to happen on an everyday basis.

Indeed, many issues brought forward by academics into the policy arena have been deprived of their political radical or transformative underpinnings, in the process of their adoption and

[3] Defined here as the way in which decisions are taken to govern an area or a group, that (is argued) necessarily involves the interaction – cooperation, alliances, conflict- between a variety of stakeholders, where the state is only one of such stakeholders. The balance of power between these stakeholders varies and the term 'governance' is here a descriptive concept, not a normative one (such as in 'good governance' which prescribes a specific, restricted role for the state, for instance).

adaptation to professional practice. This has especially happened in processes of 'translation' of academic positions into 'management' recipes, in particular by global institutions or NGOs (see Williams 2004 for a good demonstration of this process in the field of community participation). Therefore, in much of the literature (both academic and grey literature), 'management' models are often reduced to depoliticized organogrammes, or lists of broad principles that seldom question the political conditions of their adoption and application, or sets of stakeholders without proper attention given to their power levels, structural and personal relationships, and their contextual politics.

The term 'regulation' is similarly problematic in the street trading literature[4] – where it is generally associated with exclusive formalization and treated as an equivalent of repression. This concern with terminology talks to the general negative experience where municipalities have abused the term 'regulation' to justify repression of street trading activities. But it also reflects academics' (understandable) caution towards, and (problematic) discard of the position of municipal authorities – and in particular the genuine and legitimate, if daunting municipal task to regulate (bring some order, regularity, sustainability and predictability into) messy urban dynamics.

The concept of 'governance' may be more academically politically correct, but does not satisfy the purpose of this report, especially in the light of the literature dealing with the 'governance' of street trading. The term places power at the heart of its analyses, but fails to grasp the importance of details in everyday management arrangements between traders and municipal officials (beyond the very useful and emerging analysis of corruption and clientelism marking these relationships: see Bayat 1997, Lindell 2008, Anjaria 2011 for street traders in particular). It fails to analyse the details of such arrangements from the officials' perspective. It downplays the strategic importance (from an analytical as well as an activist perspective) of various detailed technical decisions to be made in a regulatory process: the number of traders to be accommodated in a specific area and how this is determined; the number and nature of representatives of each sector sitting in a multi-stakeholders committee; the nature of the agent facilitating an all traders forum; etc.

Figure 2 –Defining the Terms for this Report: What is Management? What is a Management *Model*? What is a *Progressive* Management Model? What is a *Sustainable* Management Model?

1) Management: the principles, arrangements, organizations of roles and functions, rules, processes, practices, that define how a specific activity (here street trading) will happen in a specific space (both in general and on an everyday basis). It is more specific, detailed and technical than 'governance', but, we argue, not less political. Importantly, what is decided in technical, implementation decisions (about who gets to trade where, who decides how many traders can be accommodated in a specific space, who sits in which committee and what are its precise functions...) is highly political and ultimately determines the progressive/inclusive or repressive/exclusive nature of a street trading governance pattern.

2) **Management model:** an understanding of the management principles, rules, arrangements, practices as a more or less consistent system. This system of (formal and informal) rules can therefore be possibly exported and replicated – although with likely different results in different political settings or contexts. In each of these settings it is necessary to attempt linking these formal sets or systems of rules to their local political meanings, their adaptation and side-lining, the process of their definition and formalization, their contestation or lack thereof.

This has led to the examination of the existing case studies along the following specific lines:

- what is the model attempting to manage and regulate primarily? How is the management model defining its 'constituency', i.e. the traders it attempts to manage (insiders / outsiders; existing/planned; legal/illegal; issue of new entrants); and/or other local stakeholders as well?

- who are the role players/ organisations or institutions involved, what are their specific roles and functions? In particular, how are state agencies and departments articulating/ coordinating their actions with those of non-state organisations (traders and trader organisations in particular)?

[4] I am not referring here to the vast political economy literature on the school of regulation.

- what are the structures or spaces (formal and informal) set up to administer the management model (formal and informal): spaces for integration, conflict resolution, encounters and debates; daily administration and funding collection; etc.

- what are the accountability mechanisms, between the role players, and within each organisation?

- what are the costs of management of street trading and how/by whom are these costs funded? How are these costs shared (i.e. what part do the traders themselves fund, with which affordability level)?

- what are the rules and agreements (formal and informal) shaping the form and location of trading sites, the nature of goods sold, etc.? Are these rules agreed upon through an interactive process or decided in a top-down fashion? Do these rules allow for a degree of flexibility and adaptation to local contexts and shifting conditions?

- at what scale is the model implemented: is there a degree of decentralisation? Are there area-based trading management committees, what stakeholders are part of it and how; and what is their relation to broader policy making institutions? What are their functions and powers, and how much flexibility do they have vis-a-vis the general street trading policy (to adapt to local contexts / but without giving up principles protecting the more marginalised against local gate-keeping?)

- in what general policy framework is a specific management model adopted? Is it a rather restrictive or a rather inclusive policy towards street trading? One can have seemingly very participatory decision-making processes amongst traders at the area-level, in a context of highly restrictive and divisive street trading policy at the city scale. Failing to understand this leads to important errors of judgment[5].

3) A progressive management model: is both 'developmental' and **'inclusive'**:

- developmental: attempting to support street traders in their endeavors to make a living. This attempt can take different degrees, from a non-restrictive environment to a supportive one.

Key issues here are: to what extent is the management model open to new entrants with limited capital? What support structures and services can street traders find in sustaining their trade? Are there different/ specific support measures for survivalist as well as for entrepreneurial street traders? Is there a diversity of trading sites options, in order to accommodate different types of street traders?

and

- **inclusive** is understood in its two dimensions :

. Attempting to legalise all (or majority of) existing street traders in the management model - not only a minority of traders (here key issues are: what is the proportion of existing traders that the model has legalised? How affordable to traders is the fee (if any) requested for trading legally?); and

. Ensuring that street traders are included in the policies and decisions that affect them through the relevant institutions in charge of making those decisions (here, key issues are: what institutions have been set up to consolidate street traders as a sector, and with which specific support? What role do these institutions play in actual policy and implementation decisions? What relations do these institutions have with council officials - in which departments, at what levels?)

4) Sustainable Management model: a model for street trading management that does not generate its own internal failure in the medium term, in the process of being applied.

Generally sustainability contains both concepts of efficiency and equity, based on the (debatable) assumption that only equitable models are likely to last longer as they are less likely to generate resistance from the masses. The concept is useful but often blurry, as it fails to articulate the complicated relationship between equity and efficiency.

However, in the case of restrictive street trading management approaches, it can be argued that their lack of equity (the fact they are not 'progressive') leads to their lack of efficiency and ability to produce long lasting urban order. See Figure 1, and further developments in this report, for a more detailed debate.

1.3. 'It is too difficult to manage / study/ advise on street trading management – Markets are easier!'

A second explanation for the scarcity of literature engaging with street trading management could be the inherent difficulty in managing street trading, for a number of reasons. In contrast to the literature on street trading management, academic and activist literature on the

[5] See Morange 2015a, for an excellent and detailed account of participatory processes involving traders in the Cape Town city center, in the context of a restrictive policy towards street trading.

management of *markets* is relatively developed, in various regions of the world (Lyons et al 2007; Lindell and Appelblad 2009; Cuvi et al 2013; David et al 2013).

This might be due to the more contained (spatial and social) space of markets and their governance arrangements, that make them easier to control, govern or research. Or perhaps this focus can be explained by markets' generally more lucrative nature that renders them more important to control and to tax for local government. Markets often constitute a, if not the major income source for municipal budgets (see for instance Ngom 2002, Gueye 2012, on disputes between municipal and metropolitan authorities for the control of markets in Dakar). Obviously, markets are also part of the trading supply and have been often conceptualized as a response to street trading management issues, so they are not entirely separate from the phenomenon. But there is little attention given to the possibility of managed street trading.

Is street trading more difficult to regulate and manage than markets? Many authors answer this question in the positive:

► "Because of its mobile nature: street traders may move depending on events in the city, the weather, customers' location, the time of the day, etc. Solution that involve the creation of off-street markets, for example, may not work because customers will not follow the vendors, who are then rapidly replaced by new vendors in their previous location" (Bromley 2000, quoted in ILO 2013)

► Because of the fluidity of traders themselves: whilst some might be 'trapped' in street vending activities, many are vending for a short period of time, responding to a specific crisis or transition (personal, family, job, in training, looking for another job), where street trading operates as a safety net. It is demonstrated that street trade increases in times of economic crisis and rising unemployment; diminishes in periods of economic boom (Dimas 2008);

► Because street trading in dense inner cities requires the regulation of conflicting land uses – with a difficult balance between the need to move around and across inner city streets for pedestrians and motorists (this also can be questioned and restricted), and the right of street vendors to work and make a living.

► Because street trading regulation is generally a competency shared by multiple state levels (national and local) and departments (economic development, planning, police) – coordination between multiple state agencies is often weak and conducive to policy inconsistencies and rapid shifts that contribute to the sector's uncertainties (Roever 2006)

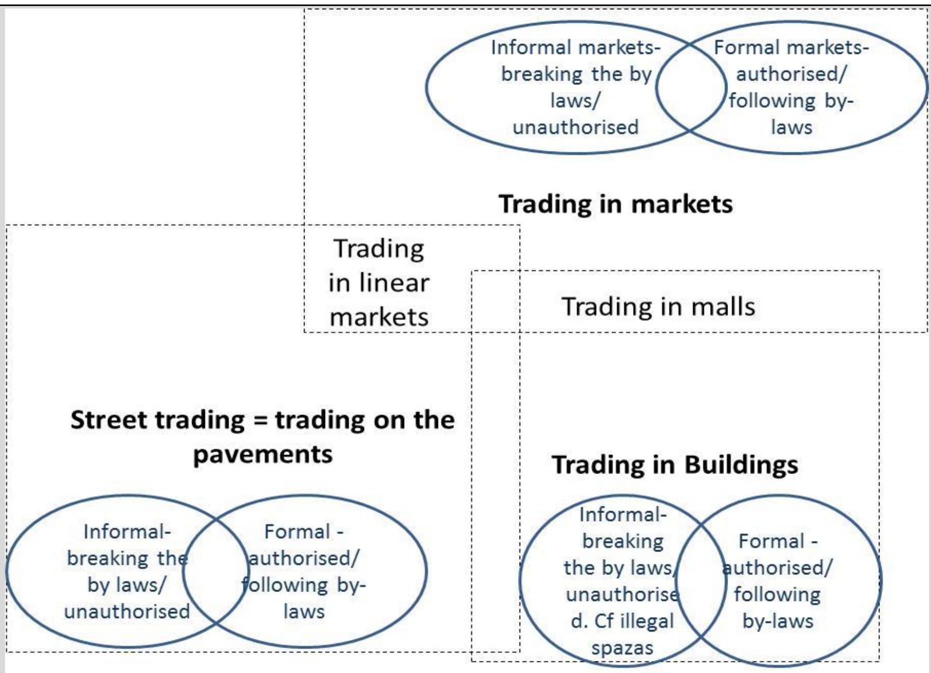
► Because street trading's *ad hoc* repression, or alternative periods of tolerance and repression, creates a comfortable rent for various local officials and politicians (widely reported across international case studies), that many are reluctant to challenge through establishing sustainable management policies (Lindell and Appelblad 2009).

Figure 3 – Street Trading, not Informal Trading!

By 'street trading', this report refers to any trading that is happening on the streets – meaning on the sidewalk (it includes pedestrianized streets as they can be defined as an extended pavement/sidewalk). Street trading is not automatically informal and is one form of trading in cities, amongst many other forms, indicated in the sketch below:

This report follows the classic definition by Castells and Portes (1989) of the 'informal'. For them, informal activities refer to ways of income generation that are "unregulated by the institutions of society, in a legal and social environment in which similar activities are regulated". The notion of formality and informality is essentially linked to management and by-laws and how they are defined. It is the by-laws that define the boundaries of formality and informality – and they often shift.

Street trading can therefore be formal or informal, as can trading in buildings or in markets. Some traders selling in the street are breaking by-laws, some are not (depending on by-laws, and for instance traders' location in demarcated or in prohibited areas).



This definition of informality differs from the City of Johannesburg's terminology that often uses 'informal' as a synonym of 'street' trading. Sometimes in City documents informal trading encompasses both street and spaza shop trading for instance. It is bit confusing, arguably – as some street trading has been legalized and therefore no longer is informal (i.e. breaking the law). On the other hand, there can be formalized, legalized and managed street trading and perhaps it is worth celebrating and showcasing it!

Similarly, it can be confusing to refer to Rockey Street market in Yeoville as an 'informal market', as is often done even in official documents (MTC 2012). That is a fully legal market even if it is (supposed to be) developmental. It is in a way derogatory and it is inaccurate: Rockey Street market is a formal market.

In the same way, the term 'Informal Trading Forum' is ambiguous – for the City it only encompasses 'legal' (authorized) traders – trading mostly in inner city streets but also in markets, far less in spaza shops.

1.4. Repressive municipal practices towards street trading are the dominant approach in the world

An even more convincing reason for the absence of progressive and sustainable examples of street trading management in literature… is that such models are difficult to find across the world.

Since colonial times (and continuing: reproduced, adapted or reinvented, in the post-colonial era), municipalities have retained a tendency for repression of street trading. Repression or milder restriction of street trading (seen as a nuisance one needs to limit, displace, or conceal as much as possible) is the dominant approach at the local level, be it motivated by the modernist aspiration of Western cities, or by post-modern visions of what 'global cities' should look like (Skinner 2008, Morange 2015b).

Yet, many post-colonial states have questioned repressive colonial legislation on street trading, and coined them, as they were, segregationist and racist devices to keep the 'indigenes' out of colonial prized spaces such as city centers. Most legislation adopted nationally in the immediate aftermath of liberation from colonial rule has embarked on developmental approaches, emphasizing poverty alleviation, access to central space, and support to micro-businesses, as a way to correct the wrongs of the past.

In parallel, there has been a rising global consensus, driven by global institutions and NGOs, to accept informal activities as a long-standing feature of developing economies and societies, rather than a temporary inheritance of the past or short term labour market adjustments deemed to disappear quickly (if properly addressed). These global institutions have worked to support such activities as a key contribution to livelihoods and poverty alleviation and even economic development; and have made recommendations for national policies to embrace such a policy and strategic direction[6].

In this context, experiences of developmental approaches to street trading at the municipal level do exist, but they seem short-lived (Skinner 2008a), often depending on a specific leadership, requiring a champion in a position of power, for instance at mayoral level[7]. As mentioned in the opening quote of this report, progressive street trading management seldom lasts. In spite of these national trends, encouraged, supported and expanded by growing international support for the informal economy as an important way to alleviate poverty, it seems municipal policies and by-laws have predominantly remained repressive or restrictive towards street trading (Roever 2007; Skinner 2008b; UN-Habitat 2006; Matjomane 2013).

Perhaps also, a number of municipal management models of street trading remain outside of academic or policy gaze, and are not formalized as 'management models' or 'best practice'. It might have been the rule in many post-colonial cities of the South to adopt forms of laisser-faire and hands-off municipal management of street trading, without any 'model' in need of being formalized or exposed. Such approaches are less interventionist in nature, and often 'only' require traders to pay a fee to municipal officials as sufficient authorisation to trade. Such lack of explicit management model might also be the result, not of laisser-faire but of contradictory policies, legislation and practices between different arms or levels of the state (Roever 2007), opening the way for arbitrary and clientelistic arrangements between traders and various state officials, hardly possible to consolidate in any form of 'management model'. This might be the case in secondary cities still. On the other hand, larger metropolitan areas of the Global South are increasingly subjected to the necessity of managing conflicting land uses in densifying city centers, as well as under rising global pressure to present an image of a 'well-managed' central spaces to international investors (See Lindell 2010).

So, reframing the question: why are the *documented* or *consolidated* municipal policies and practices regarding street trading management so overwhelmingly repressive, or at least highly restrictive, and why do we seem so unable to craft sustainable and progressive municipal policies towards street trading, *in spite of* international evidence that such repressive policies do not work, and international and national level pressure for supportive and developmental municipal approaches to street trading?

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[6] Cf for instance World Bank 2006, "evidence suggests that [the informal economy] can be a remarkably resilient and productive stepping stone, sometimes to formal employment" (p. 13, quoted in Lyons et al 2014). See also David et al. (2013: 11) for a brief summary of shifting global discourse on the 'informal economy'.

[7] See for instance the case of the eThekwini informal trade model, that was highly praised but rapidly contested and partly dismantled, with a change of City Manager (Horn 2005; Skinner 2008b). See Yasmeen and Nirathron (2014) on the model in Bankgok and the role of specific governors in supporting or repressing street trading in turns; or experiences of street traders' organisations in Bhubaneswhar (India), where the genuinely partnering and participatory approach to devise and allocate new street vending zones was stuck after a few years of real progress, when political leadership in key positions changed (Kumar 2012).

1.5. Incomplete framings of street trading management solutions: national, not municipal perspectives; policy, not implementation, recommendations; an exclusive or dominant economic understanding of street trading

This gap between the more developmental global/national approaches and the more repressive municipal approaches can be understood as:

► an issue of scale, where supportive frameworks for street trading are developed at national scale but fail to address specific municipal issues, such as their dual and often contradictory mandate to alleviate poverty/promote economic development but also manage dense and congested streets;

► an issue of policy/implementation gap: progressive policies and recommendations apply for national policy frameworks but seldom go down to the local scale and the detail of implementation challenges (for instance one does not find recommendations in terms of principles or processes for adjudicating conflicting land uses in urban centers);

► and an issue of the dominantly, overly or exclusively understanding of the street trading issue in economic terms, whilst arguably street trading can be seen in big cities - and in inner city dense spaces in particular- as primarily a planning, land use management issue.

International recommendations remain focused on policy and strategic frameworks *at national levels*. They seldom specify rules for implementation, seldom scale down at municipal level. Yet it is at local level that most difficulties arise in terms of management of conflicting municipal priorities, and of conflicting uses of public space.

In many cases, both international recommendations and national policies treat street trading as part of the informal economy and provide policy recommendations around strengthening the sector through an economic or livelihood approach. While that is certainly a relevant contribution, it is limited and not always directly useful for municipalities. It seldom takes into account the municipal urban management (or land use/ planning) dimensions of the issue. UN-Habitat in its 2006 report dedicated to innovative policies for the urban informal economy, for instance, states that the

> "… policy analysis should move beyond the conventional debate [of formalisation] and focus on appropriate regulation, that is, the simplification and streamlining of national regulations and municipal by-laws that are required to (a) promote the development and gradual regularisation of the urban informal economy, (b) improve its operational efficiency and (c) strengthen its income-enhancing effects on the urban poor" (UN Habitat 2006, quoted in David et al 2013).

The multi-pronged burden on municipalities is ineffectively addressed in these recommendations. Nowhere is the concern articulated that there are tensions between the dual municipal obligations to support the livelihoods and development of the poor, and to manage inner city streets so that they are not overly congested and conflicted[8]. Nowhere are recommendations on how to manage these tensions, which are municipalities' specific duty.

South Africa illustrates this case very well this disconnect between (developmental) policy frameworks and repressive or restrictive implementation practices. Progressive and developmental national legislation (such as the 1991 Business Act) and policy frameworks have been developed, but this has not prevented generally restrictive municipal practices towards street trading in South Africa main metropolitan areas (with the exception of a progressive

[8] Not to mention a third element, that one still could call a policy choice in spite of the increasing pressure put on municipalities to adopt and drive it: attracting foreign investment and attaining a statut of 'global city'. This policy choice gives a specific edge to the management of the streets of Central business districts – and involves a specific street order and imagery.

moment in eThekwini: Skinner 2008b, Horn 2104). The City of Johannesburg itself epitomizes this contradiction. It has over the years shaped increasingly progressive municipal policies on street trading (Matjomane 2013) – in various strategic policy documents. It has adopted seemingly progressive institutions, such as the Informal Traders Forum, a participatory institution led by the City to include traders' voices into policy and implementation.

Yet, its practices towards street traders continue to be criticized for both their inefficiency and their restrictive nature. The City itself recognizes in various implementation and work documents that its objective is to 'restrict' street trading as much as possible (CoJ 2005, CoJ 2014); and the number of street traders that are being rendered illegal by these restrictive policies still far outreaches the number of street traders given a secure and legitimate place to trade in the city[9]. Even this secure and legitimate place has been recently unsettled by the contested Operation Clean Sweep in November 2013.

So, even at the very municipal level, these contradictions between (progressive) policy and (restrictive) implementation; between (developmental) strategic directions and (repressive) practical decisions, exist and are at the core of the notion of a 'management model'. Bromley, quoted by Skinner (2008a), expresses this gap interestingly:

> "The key point is that there is a wide gulf between the broad aims and directives of senior administrators and politicians, and the ways policies can actually be worked out on the street. Regulating street vendors… requires interactions between dozens of local officials and literally thousands of vendors, with enormous potential for misunderstandings, avoidance and deception. The inspectors, police and extension workers who perform such functions are usually at the bottom of the administrative hierarchy, and regulating and promoting street vending is one of the lowest status and most difficult tasks that they have to perform. (Bromley 2000:17)"

And Skinner (2008a: 13) states that it is also a gap in research:

> "This explanation certainly helps to explain the inconsistencies that traders report experiencing. None of the existing studies in street trading in African contexts, however, pick up on these issues. Analysis of bureaucratic processes in cases of inclusive planning is particularly needed." (Skinner 2008a: 13)

There are however interesting case studies, showcasing street trading management innovation, progressive implementation – however short lived and imperfect. The next two sections of this report will showcase these case studies. Section 2 will focus on case studies based outside of Johannesburg (mostly non South African but also in eThekwini), relating these experiences to lessons that can be learnt for Johannesburg. Section 3 will zoom into two pilot street trading management projects that have happened –driven alongside rather than within the municipality- in parts of Johannesburg inner city. Section 4 of the report will consolidate recommendations for CoJ –through a set of principles related to both content and process, towards sustainable and progressive street trading management.

[9] Fifteen years ago it was estimated by the City itself that only 10% of the 10.000 street traders in the inner city could be legalized (CoJ undated, possibly 2001; Pernegger 2001). The proportion might be slightly higher today, but the perception remains that the City has been too 'liberal' and should come back to more restrictive approaches (CoJ 2014).

CHAPTER 2

LESSONS FROM EXPERIENCE, OUT OF JOHANNESBURG

This section examines existing information (from academic texts, but mostly from official documents, reports, press statements and websites) on various experiences of progressive street trading management, in international as well as national contexts – outside of Johannesburg. It will focus on meaningful and innovative features of a variety of management models around the (urban) world, and highlight what lessons could be extracted for Johannesburg in particular.

The case studies are:

2.1. The recent (2014) policy reform in India, based on decades of innovate practice and mobilization of street traders – this case study makes the case for inclusive approaches, for the consolidation of 'natural markets' (e.g. areas of trading concentration), and for the setting of genuinely participatory institutions;

2.2. Innovative approach in Dar es Salam (1992-2000) street trading policy and implementation – highlighting the case for traders' cooperative-led management at the street level;

2.3. Street trading as part of street urban culture in Bangkok – that showcases an incremental acceptance that street traders are and should be part of the city;

2.4. Playing with technical norms on trading stalls size and location in contemporary New York – focusing on simplifying regulations to focus on what matters;

2.5. The benefits and the risks of traders-led market management in Lagos – which examines questions of scale and degree of autonomy;

2.6. Neoliberal reforms and privatization of market management in contemporary Dar es Salam – showing mixed benefits

2.7. Ethekwini street trading 'model' (1999-2005) – highlighting institutional settings for a deeply participatory and progressive approach to street trading

2.1. Street trading policy in India (2014): inclusive and pragmatic approach, consolidating 'natural markets', participatory Town Vending Committees

The recently passed national legislation on street trading (Republic of India 2014) is progressive and innovative in a number of ways. This report will extract three areas in recent Indian national legislation[10] that appears innovative and inspiring:

- First, the attribution of vending certificates (or permits) is non-restrictive and actually resembles more a process of *registration* (of existing street traders) than a process of *licensing* (restrictive, conditional, and limiting). Whilst the vending certificate specify the traders vending zone, category of vending, vending fee etc., the Act also specifies that *all existing vendors* (provided they have no other source of income and do not trade on more than one vending stall) should be given a vending certificate – and attributed a vending space where (or not far from) they are already vending. The conditions for attribution of vending certificates should be simple and transparent.

- Secondly, the embodiment in legislation of the street vendors' concept of 'natural markets', meaning spaces where traders 'naturally' congregate as they are following their 'market': their customers. This implies that one should attempt to respect, consolidate and regulate these 'natural markets' (traders concentrations) without relocating or shrinking them, as much as possible.

- Thirdly, the standing and constitution of participatory institutions called Town Vending Committees, with a real and strong decision-making and advisory role integrated into the national legislation.

These three innovative areas will be presented and discussed in more detail below.

2.1.1. All existing vendors are legalized and registered

The Act **promotes vendors' registration based on all existing vendors** (and the place they trade in) – what it calls a 'vending certificate'- **rather than licensing** of a limited number of vendors.

Figure 4 – Certificate of vending to be issued to all bona fide street vendors and would be street vendors

II. 4. (*1*) Every street vendor, identified under the survey carried out under sub-section (*1*) of section 3, who has completed the age of fourteen years or such age as may be prescribed by the appropriate Government, shall be issued a certificate of vending by the Town Vending Committee, subject to such terms and conditions and within the period specified in the scheme including the restrictions specified in the plan for street vending

(*2*) Where, in the intervening period between two surveys, any person seeks to vend, the Town Vending Committee may grant a certificate of vending to such person, subject to the scheme, the plan for street vending and the holding capacity of the vending zones.

II. 5. (*1*) Every street vendor shall give an undertaking to the Town Vending Committee prior to the issue of a certificate of vending under section 4, that—

(*a*) he shall carry on the business of street vending himself or through any of his family member;

(*b*) he has no other means of livelihood:

[10] It is acknowledged that this legislation is too recent to have been applied and tested systematically via actual implementation. However, the legislation is the result of long standing and intense negotiation and lobby from organised street traders associations (Sinha and Roever 2011), and thus can be argued to be reflecting a number of the challenges and ideas of solutions experienced on the ground. It is also systematising practices that have existed in several Indian cities already.

(*c*) he shall not transfer in any manner whatsoever, including rent, the certificate of vending or the place specified therein to any other person.

First Schedule

(*1*) The plan for street vending shall,—

(*a*) ensure that all existing street vendors identified in the survey, subject to a norm conforming to two and half per cent. of the population of the ward, zone, town or city, as the case may be, are accommodated in the plan for street vending;

(*b*) ensure the right of commuters to move freely and use the roads without any impediment;

(*c*) ensure that the provision of space or area for street vending is reasonable and consistent with existing natural markets;

(our emphasis)

The approach for policy making (vending plan and scheme) is bottom-up. It is based on an initial survey of existing traders, committed to accommodate all existing vendors provided they are bona fide (cancellation of certificate of vending can be applied if vendors do not comply with regulations – payment of fee, cleaning of sites, one stall only, contracting out the site, etc.). Moreover there is a strong and reiterated commitment to try and avoid displacing street vendors, or relocate them in the vicinity of their 'natural' or 'original' vending site.

2.1.2. The concept of 'natural market' as a way to recognize traders' spatial expertise

A concept used by street traders organisations, 'natural markets' (interview Pat Horn May 2013), has been given official recognition through its integration into the new Act. It is an original and interesting concept, as it embodies a spatial principle that many street traders will advocate – street traders need to be where their customers are – mostly in dense areas with heavy pedestrian mobility: precisely the congested areas where local authorities generally attempt at 'cleaning' from street traders in order to limit congestion. It actually reflects basic market and economic principles, entrusting market traders with a sound business sense dictating their location, and assuming that a form of balance can be found out of the game of supply and demand. For instance, if there are too many traders in one area for the number of customers, their business will decline and some traders will look for alternative location. Or, it can be argued that traders need a degree of pedestrian circulation to thrive, and whilst they request a degree of 'friction' in pedestrian flux, they do not thrive in too congested spaces. Of course, regulation is required to better incorporate other land uses, and facilitate a better balance between non-trade related uses of the street.

Figure 5 – 'Natural Markets': avoiding displacement of traders even (especially) in congested areas

"Natural market" means a market where sellers and buyers have traditionally congregated for the sale and purchase of products or services and has been determined as such by the local authority on the recommendations of the Town Vending Committee; (I.2.e)

First Schedule

(*1*) The plan for street vending shall,—

(*a*) ensure that all existing street vendors identified in the survey, subject to a norm conforming to two and half per cent. of the population of the ward, zone, town or city, as the case may be, are accommodated in the plan for street vending;

(*b*) ensure the right of commuters to move freely and use the roads without any impediment;

(*c*) ensure that the provision of space or area for street vending is reasonable and consistent with existing natural markets;

…

(*3*) Declaration of no-vending zone shall be carried out by the plan for street vending, subject to the following principles, namely:—

(*a*) any existing market, or a natural market as identified under the survey shall not be declared as a no-vending zone;

(*b*) declaration of no-vending zone shall be done in a manner which displaces the minimum percentage of street vendors;

(*c*) overcrowding of any place shall not be a basis for declaring any area as a no-vending zone provided that restrictions may be placed on issuing certificate of vending in such areas to persons not identified as street vendors in the survey;

(*d*) sanitary concerns shall not be the basis for declaring any area as a no-vending zone unless such concerns can be solely attributed to street vendors and cannot be resolved through appropriate civic action by the local authority;

(*e*) till such time as the survey has not been carried out and the plan for street vending has not been formulated, no zone shall be declared as a no-vending zone

Schedule 2

(*zb*) principles of relocation subject to the following:—

(*i*) relocation should be avoided as far as possible, unless there is clear and urgent need for the land in question;

(*ii*) affected vendors or their representatives shall be involved in planning and implementation of the rehabilitation project;

(*iii*) affected vendors shall be relocated so as to improve their livelihoods and standards of living or at least to restore them, in real terms to pre-evicted levels;

…

(*viii*) natural markets where street vendors have conducted business for over fifty years shall be declared as heritage markets, and the street vendors in such markets shall not be relocated;

(our emphasis)

The Indian law thus explicitly states that ‘overcrowding’ is not a valid reason to displace street traders – one might argue congestion is not created by traders only; and there are often design solutions to accommodate both traders and pedestrians. It reiterates the need to limit displacement and relocation of traders to very specific and minority situations – in these cases, displacement should be negotiated with traders and not affect their livelihoods. As reported by Grest (2012), this understanding is the result long-lasting pressure, lobby and negotiation from Indian street trader organisations and the state, based on grounded and experiential knowledge in street trading:

> “SEWA [a powerful street traders’ organisations in India] argues that the main focus of the Central Law for Street Vendors should in fact be on natural markets. These are generally spaces alongside busy roads where ‘the buyers and sellers have traditionally congregated for a long period for the sale and purchase of the goods as per the mutual needs of the public at large and vendors’. SEWA is calling for the continuation of natural markets, and their regularization through the creation of schematic plans which set out vending sites, and their mapping. In cases where it is not possible to schematize the natural markets, SEWA is calling for consultation with vendors and their full accommodation in nearby open plots or adjoining streets within the immediate vicinity. SEWA is calling for the formation of natural market committees comprising the vendors, police and civic authorities to manage the affairs of the natural market.” (Grest 2012: 19)

Figure 6 (below) outlines the practicalities of such negotiations, in a specific space, in the case of Ahmedabad.

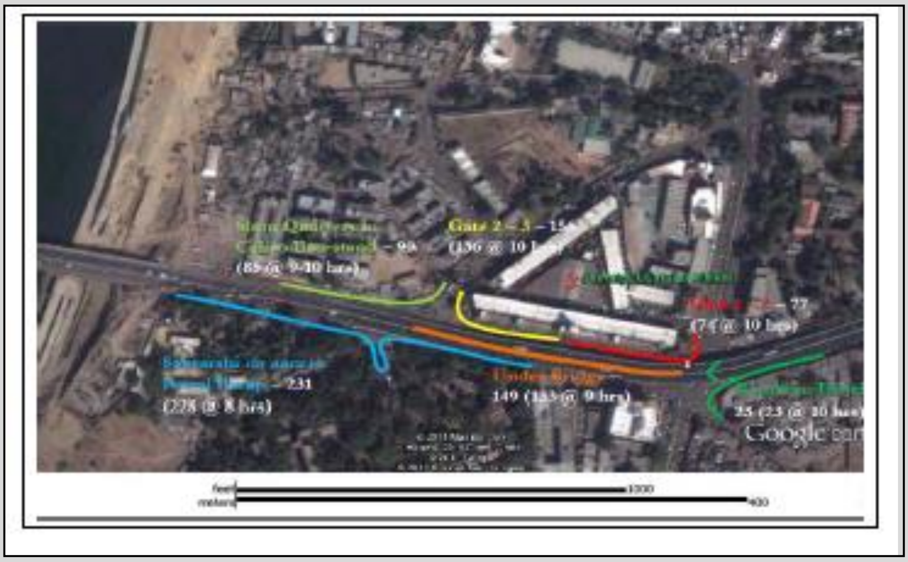
Figure 6 – The management of 'natural markets' in Ahmedabad – a practical example of a street trading regulation process in a congested area

Jamalpur 'Natural market' is a street trading area developed around a central wholesale fruit and vegetable market, in a central location in Ahmedabad. The area is also host to two hospitals and the state bus transport terminal, and is highly conducive for heavy pedestrian and customer flows. About 1,000 vendors are dependent on the natural market for their livelihood. The market activities begin at 4:00 am and reach their peak around 10:00 am. Vendors work in three shifts around the natural market: from 4:00-10:00 am; 10:00 am – 4:00 pm; and 4:00 – 10:00pm.

There were issues of congestion and of waste management in the area. In 2004, there were 900 traders operating. But only 200 trading sites were constructed, that the municipality wanted to allocate through a draw open to all Ahmedabad vendors (not even restricted to existing traders), in 2004.

In response, SEWA formed a Natural Market Development Committee, in the form of a trust. One of the key issues motivating this was the need to regulate internally the allocation of space between vendors. A severe problem of overcrowding and space constraints led to the hiring of a security guard, whose task was to prevent opportunistic occupation of space by micro traders. This is indicative of the conflicts emerging over intense competition for limited available space in a prime vending area.

In 2008 an 'overbridge'- an overpass or 'flyover' - was built at Jamalpur as part of the municipal attempt to reduce traffic congestion. The municipality wanted to remove the traders as part of the plan. The Committee, which was dormant, remobilized. SEWA lobbied the municipality to accommodate the vendors under the overbridge as an alternative to them sitting alongside the road. SEWA proposed a number of improvements and has drawn up schematic plans which it has negotiated with the municipality.



'Under the overbridge' – a linear market accommodating permanent traders

Out of the 726 vendors incorporated into the plan, 245 vendors were to be accommodated under the over bridge and 250 at the open plot beside flower market. SEWA drew up the plan and presented it to the municipality on the basis of its viability, and also for its potential for vendors to contribute fiscally for the use of the vending sites, instead of the money going to bribes for municipal police or other administrative officials.

The process of negotiation provides important insights into how SEWA managed to do this. There were many presentations to the municipal Standing Committee and the Commissioner. No municipal planners were involved. SEWA did not want them, and said "Give us the market and we will develop it by ourselves".

- SEWA divided the 'market' into areas or zones, each zone elected two vendors into the committee.

- SEWA had a meeting with the representatives of each zone (some representatives desisted and new ones were elected)

- The first task was to identify the vendors with legitimate claims to space. A SEWA grassroots team did several surveys, of each area in the market, over a period of 6 months, to see who was there, and to make sure that names were not being added just to get space. Initially there were more than 1,000 names. The Market Committee also did its own survey. Then the SEWA team sat with the Market Committee and looked at the two lists, on a case-by-case basis. Eventually a credible list emerged on the basis of the actual occupation of space. It took time to arrive at this figure, with many deliberations and meetings, all of which were video-recorded, and minutes taken. The minutes had to be signed and authenticated by the leaders, to avoid last-minute claims and legal issues. In the process a mass of documentation was created which SEWA now keeps - files for each vendor with photos and data used for identity purposes.

The full- time vendors' numbers were fixed at 214. The other vendors who were there on a part-time basis were not allocated permanent spaces- they were allowed to sell on the roadside only until 8:00 am, after which the roads had to be cleared.

- SEWA also had to decide on how much space the vendors needed. This was a particularly sensitive issue because some vendors, amongst them SEWA leaders, operate on a larger scale than others, and demanded more space for storage of their produce. The layout and size of the vending spaces under the 'overbridge' was drawn and re-drawn on numerous occasions. In the end it was decided to provide a standard 1,5*1,8 meters space. SEWA has also kept space in its layout for new entrants, or for vendors who only trade for a very short period.

- SEWA played a key role in developing the necessary levels of trust and cohesion within the Committee to allow the process to move ahead. There just was too much competition and not enough trust within the Committee to go forward on its own. The importance of strategic organizational capacity within the trader sector is to be emphasized.

- Finally a Memorandum of Understanding between the Trust (Market Committee) and the municipality was drafted. In it, the terms and conditions of the management of the space and the rights and obligations of the signatory parties were outlined.

SEWA had a substantial investment in demonstrating to the municipality that this model of negotiated relocation of a natural market is a viable one and can be replicated in other situations in Ahmedabad where markets are under threat of re-location. For it to work, it needs collaboration from all sides in constant policing and monitoring, to ensure that the spaces vacated at the roadsides during the relocation are not taken up by other vendors.

Source: Grest 2012, 27-32

This quite detailed story provides a good example of the incremental process of finding a solution that eventually accommodated most of the existing vendors, whilst facilitating high pedestrian flux in a congested area. It stresses the importance of building trust amongst traders, of sticking to principles (inclusive approach / accommodating all existing traders as far as possible), of seeking compromise locally, of finding simple designs that work for specific spaces, of institutionalising agreement between traders and the municipality, through the mediation of a traders' body (here SEWA) with experience and political legitimacy. It also shows how this dialogue between trader organizations and local authorities is a tricky and incremental process, here mediated by SEWA, which played a key role in consolidating the sector:

> '[SEWA systematically engaged in] research and preparations for the negotiations, [it also engaged in activities related to] mandate-seeking and report backs. SEWA has managed, over time, to create the necessary human and financial resources to enable it to engage in negotiations at local, state and national level. It has the capacity to deal with complex legal and town planning issues at a sophisticated technical level, and can draw on the expertise of lawyers, planners and architects' (Horn 2012: 44)

2.1.3. The Town Vending Committee, a truly participatory institution

The Act creates **participatory institutions, the Town Vending Committees**, in each city, that include municipal officials as well as street traders' representatives and other civil society bodies.

Figure 7 – Composition of Town Vending Committees under the Indian Street Vendors (Protection of Livelihoods and Regulation of Street Vending) Act, 2014

VII. 22(*2*) Each Town Vending Committee shall consist of:—

(*a*) Municipal Commissioner or Chief Executive Officer, as the case may be, who shall be the Chairperson; and

(*b*) such number of other members as may be prescribed, to be nominated by the appropriate Government, representing the local authority, medical officer of the local authority, the planning authority, traffic police, police, association of street vendors, market associations, traders associations, non-governmental organisations, community based organisations, resident welfare associations, banks and such other interests as it deems proper;

(*c*) the number of members nominated to represent the non-governmental organisations and the community based organisations shall not be less than ten per cent.;

(*d*) the number of members representing the street vendors <u>shall not be less than forty per cent</u>, who shall be elected by the street vendors themselves in such manner as may be prescribed:

Provided that one-third of members representing the street vendors shall be from amongst women vendors:

Provided further that due representation shall be given to the Scheduled Castes, the Scheduled Tribes, Other Backward Classes, minorities and persons with disabilities from amongst the members representing street vendors.

<u>(our emphasis)</u>

It is interesting to note that street trader organisations' representatives and other civil society organisations are protected from marginalisation in the Town Vending Committee through sections (c) and (d) – that guarantees that they may not constitute less than 50% of the participants in the Town Vending Committee. Moreover, provisions are made to render the street vendors' sector more representative of minorities.

More importantly even, the Act constantly refers to the role of the Town Vending Committee in the process of policy making and implementation. The Town Vending Committee, far from being a single clause at the end of the Act (as a concession to consultation), is given an important role (sometimes decision-making, often more consultative or advisory) in the various steps of policy making.

In particular:

► The Town Vending Committee carries out a survey of all existing street vendors on a regular basis, and 'ensure that all existing street vendors identified in the survey are accommodated in vending zones' (section II.3.(1&2).

► On this basis, the TVC makes recommendations to the local authority for defining both the Street Vending Plan (determining vending zones, restricted vending zones and no-vending zones, in such a way it accommodates all street vendors and limits displacement of vendors as much as possible) and the Street Vending Scheme (determining fees, conditions attached to each vending zone, to vending certificates, etc.)

► The Town Vending Committee makes recommendations to the local authority to define the local 'natural markets' (existing concentrations of street traders that should be consolidated rather than relocated).

► It also makes recommendations to the local authority about the 'holding capacity' of each vending zone – determining the maximum number of street vendors to be accommodated in each vending zone.

► If there are more street traders than 'holding capacity' of an existing vending zone, or if there are new entrants into this vending zone, the Town Vending Committee makes recommendations to the local authority about the designation of new vending zones and demarcated trading sites, possibly 'in any adjoining vending zone to avoid relocation' (section II.4.(3))

► The TVC attributes vending certificates to street traders (under conditions defined in the Scheme), and keeps an updated list of all street vendors with vending certificates (section VII.26(2)). The TVC can suspend a vending certificate if the street vendor has breached the conditions attached to the vending certificate.

Figure 8 – Functions of the Town Vending Committee in Ahmedabad, India

In Ahmedabad, where a strong street traders organization, SEWA, has lobbied to have the 2009 National policy applied, the Town Vending committee established has the following functions:

- making rules for the vending zones,
- locating the zones,
- deciding the density of vendors in each area,
- deciding the rules for registration of the vendors,
- deciding the methods for demarcating the vending zones,
- deciding the terms and conditions of vending,
- deciding the monitoring mechanism
- engaging in dispute resolution between traders and traders organizations

Source: Grest, 2012

2.1.4. Lessons for Johannesburg

① The Indian recipe for successful interaction with the traders and their full participation in management of street trading abandons a restrictive and punitive approach, in favour of an approach that is developmental. It is based on responding to the existing situation on the ground, and on local context-specific negotiations based. The principle **aim is to accommodate as many traders as possible without jeopardising the other uses of the street**.

② Traders are more likely to accept and participate into a registration process if they find a benefit in doing so. Because registration in Indian cities is a form of commitment from the municipality that the registered trader will be legalised (location and nature of trading subject to conditions), traders have an interest in cooperating in the registration system. Furthermore, illegal uses of the vending certificate by traders are less likely to happen in context where certificates are attributed liberally rather than restrictively.

This is not the way registration has worked in Johannesburg, through a system of **smart cards**[11]. The way the smart card is conceptualised has, in the light of the Indian example, a number of shortcomings.

The smart card system's aim seems to be mostly to empower the City of Johannesburg – to facilitate the control and management of street traders. Benefits for traders (other than protection from police harassment) **are not spelt out.**

[11] At the time of writing this report, we have not had access to information and data on the City of Johannesburg's smart card system, beyond the CoJ 2007 Informal Trading Policy (section 9). Our recommendations are therefore patchy and partial, and could be strengthened considerably after gaining more knowledge on the intention and the practices of the smart card system.

Figure 9 – Smart cards as restrictive and non-transparent licensing processes

Excerpt from 2007 CoJ Informal Trading Policy (section 9):

9.1 A smart card is a means to verify the issuing of licenses, permits and permissions that a particular informal trader has applied for and obtained. It will also contain information on where the informal trader has been allocated space to trade within the City and how much rental they are required to pay.

9.2 The MTC-issued smart card will constitute a tool for the administration, management and law enforcement of informal trading.

…

9.8 To this end, the DED will coordinate a process through which all affected departments and entities will compile a single, comprehensive form with sections that address all the requirements necessary to ensure that any informal trading licenses, certificates or permits that are issued are not done until all other required permits are in place

…

9.11 The MTC will decide within sixty (60) days whether or not to grant the permit. Reasons will be provided in the event where an application is declined.

Source: CoJ 2007.

Limited accountability and transparency regarding the process of attribution, allocation, or refusal of smart carts are planned in the policy (at best 'reasons' will be given to individual traders). Both DED and MTC are tasked with smart cards attribution without street traders' organisations being part of the process. No mechanism for appeal is mentioned should a trader not obtain a smart card. **Processes and documents 'required' seem multiple and complex**, as opposed to the Indian registration process for instance.

Overall the key shortcoming of the smart card system is the highly restricted number of smart cards distributed, compared to the demand – this creation of an artificial shortage risks being a recipe for corruption and illegality.

③ The concept of 'natural market', a place where traders congregate when not harassed and displaced by police or other officials, could be adopted in a Johannesburg context – in recognition that traders know best where their business should locate, with all its nuances and shifts in time (during the day, the month, the year). **Relocating street traders to 'quiet, less congested' streets or spaces such as buildings and markets does not make sense for most traders – it destroys their business.** Recognising the importance and value of natural markets and **putting specific management efforts into managing these dense and congested places as places of opportunity** for street trading would be a progressive step.

④ Unlike the Town Vending Committees in Indian Cities, Johannesburg's Informal Trading Forum is not mentioned as **part and parcel of policy making and implementation**. In the 2007 Informal Trading Policy for instance, an 'Informal Trading Chamber' is only mentioned in the last section of the policy (section 17), and its functions are not precisely defined:

> 'An Informal Trading Chamber shall be established as a forum for consultation and resolution of issues that may arise relating to informal trading throughout the City of Johannesburg.' (17.1, CoJ 2007).

Street traders' participation is therefore left as an addition to an internal City administrative process, and not genuinely integrated in the policy making and implementation processes.

⑤ These TVCs are likely to be powerful institutions because of the **organised nature of the street trading sector in many Indian cities,** with strong state and federal street vending organisations that are able to train, empower and represent them with a strong voice in city-based as well as state and federal institutions.

It could be argued that traders organisations in Johannesburg are not similarly organsied or capacitated. However, **broader institutions also contribute to build a sector's organisation**. Existing NGOs (such as Streetnet or WIEGO), NPOs who have relationships with the sectors (and in Johannesburg, the CJP which has supported traders' training in corporate governance) and academic institutions (such as CUBES, which has provided training to traders organisations for some time) could assist in strengthening the sector. **So far, the 2007 CoJ policy rather plans for individual City-sponsored training of traders (e.g. individual business skills)**, in spite of space for organizational empowerment being made in the 2007 Informal Trading Policy (CoJ 2007: section 14.8.4)**. This means support is limited to ad hoc or individual courses,** rather than supporting organisation building.

The fragmentation of the street trader organisations should not been seen as an impediment to establishing such participatory committees, but the establishment of such (powerful) participatory committees in the City of Johannesburg should be seen as a contribution – together with complementary training- to organise and strengthen the sector. It has been argued the existing Informal Traders' Forum has contributed to the further fragmentation of the sector rather than its unification and empowerment (Matjomane 2013; Horn 2014). Consideration could be given to **train traders' organisations through an independent body,** rather than only training traders individually (business skills).

2.2. Sustainable Dar es Salaam Project (SDP) – Participatory policy; area-based & street traders-led management

In 1992, a project supported by the UN Habitat global Sustainable Cities programme (SCP) – persuaded Dar es Salaam city council to pursue a new approach in planning: the Sustainable Dar es Salaam Project (SCP).

> "The underlying assumption of SCP was that what people did should be the basis of planning decisions, rather than a master plan with legal force but little basis in economic and social realities. Its goal was strategic planning without master plans, but with a pragmatic solution to urban spatial management problems, which would be continually under review and development." (Lyons et al 2012, 1018)

A Working Group on Managing Informal Micro-Trade was formed and developed action plans in consultation with academic research and street trader organisations (Nnkya 2006).

2.2.1. Setting up regulations starting from existing practices in Dar es Salaam

Below is a list of the most original and potentially useful recommendations, chosen from the list of suggestions made by the Working Group.

► The definition of vending areas is based on overall survey of existing street and market traders, with attempted limited displacement;

►Vending areas are to be negotiated with traders in participatory ways;

►Site based associations of traders are encouraged to run short management contracts;

►A variety of metal stands is designed to economise on the use of space, reduce congestion amongst pedestrians and stall holders and improve hygiene.

Nnkya (2006) illustrates the positive benefits of these measures in particular through a variety of case studies in Dar es Salaam:

► The recognition of street trader organisations in the policy and implementation mechanisms encouraged the consolidation of strong umbrella organisations (two of them started operating on a city wide basis), with effective power to influence policy and vending zones.

► The encouragement for small, area based traders association to self-manage their vending areas (markets or streets) led to the organisation of a multiplicity of area-based traders associations (up to 240 self-help groups representing about 16 000 traders in 2007). Some of these associations registered as cooperatives, in the most lucrative trading areas (i.e. the busiest inner city streets).

Figure 10 – The management of street trading in Zanaki Street, Dar es Salam CBD

In Zanaki Street, one of the busiest streets of Dar es Salam CBD, the traders (mostly fruit and vegetable sellers) formed an association called WAMBONA in 1997, which registered as an cooperative in 1998. This organisation has greatly improved the relationships between city council, property owners and traders in Zanaki Street. Each of the key stakeholders now has a defined role in managing Zanaki Street.

The Ilala Municipal Council (IMC)[12] is responsible for formulating the regulations and by laws on informal trading: these prohibit trading in unauthorised areas, such as: in front of botanical gardens, government offices, financial institutions, religious buildings, schools, international organisations, diplomatic missions, NGO offices, hospitals. (*Guidelines for Petty Traders*, Tanzania DSCC, 1997, quoted in Nnkya 2006: 87). One could argue some of these prohibitions do not make complete sense (schools and hospitals publics typically would require convenient, proximity, managed street vending). The by-laws also require sites to be clean, specify that traders must obtain a license, pay their fee and use steel structures.

The Kisutu Ward Executive Office (KWEO) supervises implementation of the guidelines at the ward level. The IMC through KWEO, granted WAMBOMA rights to manage the space.

WAMBOMA ensures that all traders comply with the regulations, resolves conflicts, are responsible for maintaining cleanliness in the area. The cleaning is undertaken for WAMBOMA by [an external service provider] which collects litter and solid waste and deposits it in ten waste collection bins. […] WAMBOMA also employs night watchmen, thus reducing the inconvenience and cost of storage or transport. Before traders depart in the evening, they either covered their goods with plastic or canvas, or packed them in boxes and baskets, on site. WAMBOMA represents traders in negotiations with Illala Municipal Council over use of Zanaki Street. WAMBOMA provides social welfare, helping members during illness or death in the family. The associations also supports traders in administrative actions – helping renewing licenses in bulk for instance. All traders are members of WAMBOMA, each owning shares in the cooperative (5 per members maximum).

The cost for traders is composed of the following:

Estimated costs for traders in Zanaki Street/ WAMBOMA cooperative (2006)

joining the cooperative	in TSh	In Rands*	Comment
new applicants to WAMBOMA coop-application fee	2000	60	
new applicants to WAMBOMA coop-entrance fee	5000	150	
identity card fee	1500	45	
one share of WAMBOMA	5000	150	5 shares allocated to each member - can be bought incrementally
one month contribution	1000	30	
total upfront cost	14500	435	

monthly cost	in TSh	In Rands	Comment
WAMBOMA monthly contribution	1000	30	
Application form and licence from municipality (nguvu kazi licences)	2450	74	once off application form and year licence TSh29400 (to be renewed every year)
Service levy paid daily	7200	216	daily TSh100 for night security, Tsh100 for garbage collection, TSh100 for toilets - 6 days a week
total monthly costs	10650	320	

*Nnkya's figures are from 2006. It was not possible to get the currency of Tanzanian shillings into SA Rands at this date. Based on rough estimates (equivalent contribution to service costs, e.g. R9 daily for services for instance) we hypothesised the equivalent value in Rands would be TSh1000 for R30 (currency in 2014 is TSh1000 for R6.4). Please consider costs indicated as very approximate - their value is indicative only.

[12] Dar es Salaam has 4 local government authorities: Dar es Salaam City Council that coordinates activities of 3 Municipal Council of Ilala, Kinondoni and Temeke. Each of the local government has a Mayor who heads the political structure (councilors) and the Municipal Director who head the administrative structure (staff). Ilala Municipal Council comprises 56 ward councillors. Source: http://www.metrovancouver.org/2012SCI/ContextStatement/DaresSalaamContextStatement.pdf.

The money collected from members is deposited with the Cooperative & Rural Development Bank, which covers administrative costs and pays a yearly dividend to members. In 2002 each member for instance received TSh10.000 (possible equivalent to R1000, see note mentioned above).

The source however did not mention how many traders were concerned, and whether all of them were able to become members of the cooperative. A common issue reported with cooperative management of street trading instead of traders association, is the entry cost, that might be unaffordable for a number of traders (Lindell and Appelblat 2009).

Source: After Nnkya, 2006, pp.91-93.

Unfortunately this participatory and inclusive approach was short-lived, and did not last much beyond the UNDP Sustainable City Programme (1992-2007). There was soon a backlash in national and municipal policy against street traders (2007 legislation), leading to massive evictions and destruction of street traders' stalls and assets. This was interpreted by Lyons et al. (2012) and Lyons and Coleman (2007) as the consequence of both the discomfort of a number of officials in specific ministries and local level department towards this participatory (strategic rather than blue-print) policy practice, and the lobbying power of business cum political elite against street trading in the name of global city streetscapes.

2.2.2. Lessons for Johannesburg:

① An approach **relying on street trader practices**, based on large scale survey of existing street trading activities and on **attempts to consolidate trading activities where they are** (in negotiated ways), with a variety of locally adapted vending stalls designs, represents a bottom up approach that is progressive and sustainable.

② Inclusive approaches that give **traders organisations a real role** in defining policies, implementation and management, foster street traders ability to organise and formalise their organisations (city wide federations, area-based traders organisations, cooperatives). How to best further support this formalisation of traders' organisations would require additional research (cf existence of a Cooperative Bank in Tanzania).

③ Small area-based associations of traders together with decentralised municipal authorities (ward or precinct, and regional level) seem to provide a sustainable and developmental combination to manage street trading in a dense inner city area. Existence of a third player – here the Cooperative Bank- seems to play a role in further ensuring the financial sustainability of the model and preventing corruption and mismanagement of funds.

④ The issue of **government officials' culture** (dominant vision and understanding of street trading as temporary and not worthy of a 'world class city') has proved crucial in the lack of *political* sustainability of the model. Dominant visions and ways of planning need to be challenged. This can be done through specific officials' training, educational programmes and broader public campaigns.

2.3. Bangkok – Trial and errors, finally abandoning the restrictive approach

The street trading management system used in Bangkok is not fully presented in existing literature (Kusakabe 2006, Yasmeen and Nirathron 2014, and other, more general literature not quoted here). Yet, street trading management in Thailand policy is often quoted as a case of 'best practices', and some features of the 'model' are worth highlighting.

This lack of documentation of a 'model' might stem from shifting political approaches to street trading. Like in many other places, policy towards street trading at the metropolitan level has shifted a lot over time, in what Kusakabe (2006) calls '**trial and errors'**. Periods of tolerance and legalisation continue to alternate with period of stricter regulation, depending first on the **national economic growth context** (street trading is often tolerated much more in periods of economic crisis and rising unemployment), and secondly on **the personality of the governor** of the metropolitan region (Kusakabe 2006) – a developmental approach to street trading is rare as it is running against dominant discourse, even though buying from street traders is considered a national cultural trait and is an everyday practice even for middle income groups. Overall however, the trend has been **to regularise more and more street vendors** and **open more and more street vending areas** in the city. There is now general acceptance in policy circles that street trading is part of the culture, and key for economic growth and poverty alleviation.

2.3.1. Dimensions of the Bangkok street trading experience

► Amongst street trading, **street cooked food** vending constitutes a considerable part of activities. Whilst this places particular constraints on hygiene and food safety regulation (which have been improving), eating in the street ('public eating') is a culture that is widespread and a practice that several income groups (not only the lower income groups) have adopted (Yasmeen and Nirathron 2014);

► In Bangkok, **pavements broader than 2 meters are considered acceptable** for street trading. This shows a different meaning of 'congestion' and pavement 'carrying capacity' than in our South African cities.

Figure 11 – The relative meaning of congestion: street trading in Bangkok

Sernsukskul & Suksakulchai 2011

► For a metropolitan area of about 8 million people, there are about 40 000 street traders, **half of which have legal status as street vendors**. They are vending in 730 designated vending areas (2013), and this figure has been regularly rising (from 494 in 2004 to 667 in 2008 and 730 in 2013).

► The number and location of vending zones are decided by district vending committees including street traders; they also decide on allocations.

► The process for regulating street vendors entails the following

▪ It **always starts with a survey** of street vendors: those who have been practicing this trade are allowed to continue their occupation;

▪ **Trading demarcation is simple** – spray paint is used to draw the lines for specified areas, each of which is well numbered. In some trading areas specific trading stalls are constructed and provided for traders.

▪ Identity cards for vendors are created, including trading times and goods sold;

▪ Officers from the Department of Sanitation and Environment of each district are assigned to **collect the cleaning fee**. Every 15 days, the fee is collected for 150 baht (about R50 in 2014) per one square metre per month with a receipt given to the vendor.

► Legalising the traders has had many **positive spin-off effects** (Yasmeen and Nirathron 2014):

▪ Traders pay an affordable cleaning fee, and the fees collected by municipal officers (every two weeks) **generate municipal revenue**. It has partly, although not completely, replaced bribes paid to officials and local mafias[13].

▪ The legalisation of vendors has allowed an **increased application of by-laws**, and for instance better food hygiene

▪ Street traders were asked to clean their trading site; but also **one day in the week was declared trading-free** (e.g. no trading on Wednesdays), in order for cleaning services to have access to the pavement for cleaning.

▪ The vending permit has been used **as collateral**, so that traders have easier access to **bank loans**. Furthermore a specific Development bank (The People's Bank), under the supervision of the Government Savings Bank, provided legalised street traders with low interest rate loans. The vending permit has also served as **social security** for street traders: this was linked to a broader national policy, the 2002 Universal Coverage Scheme, that gave all legally recognised workers, including in the informal economy, access to health care coverage.

2.3.2. Lessons for Johannesburg

① **Instability and change, 'trial and error', are the rules** rather than the exception when it comes to street trading management. Johannesburg is not an exception in this respect. Testing and learning the lessons from past mistakes are important in this process. Education of street traders, officials and the broader public to overcome respective prejudices is key to building a reasonable consensus on the place of street traders in cities.

② Converging with the Indian case, **a less restrictive approach** to trading, combined with a participatory approach, have led to better municipal revenue, less corruption, and better application of by-laws and regulation by street traders.

③ 'Street congestion' is a relative, context- specific notion. Technical norms regulating the 'carrying capacity' or 'degree of congestion' of a street should be discussed and made pragmatic for each local context. It may be that residents of Bankgok have a different understanding/ tolerance of street congestion to that of South Africans, seeing higher densities as normal urban life (cf pavement minimal width for street trading is set at 2 meters, not 3 as in the City of Johannesburg). What it says is that street **congestion is partly subjective. Whilst a general threshold must be defined in municipal by-laws,** there might be a need for **allowing specific, locally negotiated and agreed upon guidelines adapted to local circumstances.**

[13] "Certain areas are designated for vending in Bangkok with a fee of approximately 300 Baht per month per vendor (US$10 per month per vendor) for the maintenance of sidewalks that goes to the city. However, fines are also imposed on vendors who do not abide with the charges paid to city officers, or to a person of power such as a mafia who collects them en masse. According to *Thai Recent*, the online Thai newspaper, each year 100 million Baht (US$3,320,000) are collected from vendors by Bangkok city officers. […] The same amount or more is collected by the mafia." (Sernsukskul & Suksakulchai 2011).

④ Complementing the Indian case, **certificates of vending can prove an asset for street traders** (used as collateral for loans and giving access to social security system), rather than being used in a predominantly 'control and restrict' type of approach. This increases the incentive for traders to register, renew their registration and pay their fees. However it must be noted that the nature of these assets **depends on broader, national policy frameworks**.

2.4. New York– Questioning, testing and simplifying technical norms for a more sustainable approach

What follows has not been applied (or at least is not documented or accessible at the present stage of the research) – but is considered an inspiring approach to discuss and debate **existing technical norms framing prohibited vending space**. They illustrate that, as much as technical norms and precise definition of trading activities need to be set up, they are social and political constructs: sometimes arbitrarily defined, and always constructed by cultures, contexts and traditions more than by 'technical' universal requirements. They highlight the fact that **these technical norms can and should be questioned and debated, to best adapt to local circumstances**.

> "Regulations governing the use of public spaces such as pavements currently have behind them a logic which is partially derived from technical criteria based on function, or on health and safety considerations, and partially from an aesthetic which is more culturally specific and firmly embedded in (western) notions of proper planning and layout." (Grest 2003: 17)

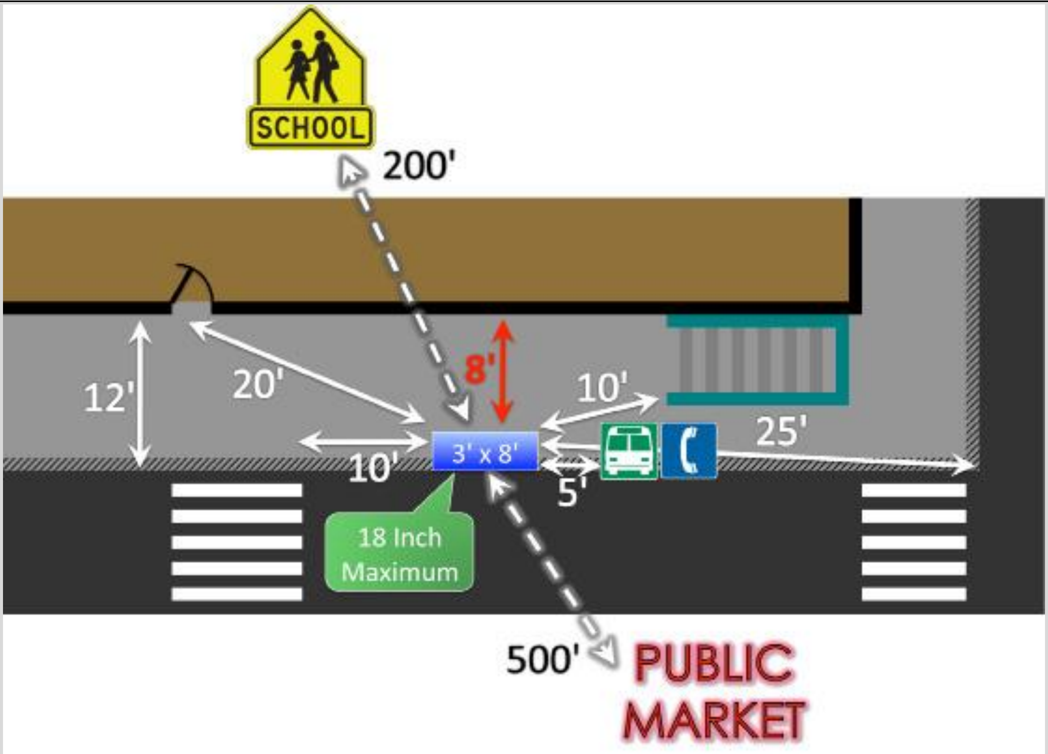
> "The perception of overcrowding and congestion must be considered in context. Colleagues from India and South America have indicated that many of their cities face significantly more congestion and overcrowding in their informal markets. It is also very possible to increase municipal services such as cleaning and policing to accommodate and respond to the intensity of activity in the market spaces." (JDA 2013)

2.4.1. University of Columbia – modelling the effects of new regulations

A report by the University of Columbia (Browne et al. 2011) interestingly explores graphically the difference that specific by-laws make, and projects spatially what a slight difference in the technical requirements would mean, in terms of space available for street trading and for pedestrians.

Figure 12: Norms framing location of vending sites in New York

In terms of existing regulations in New York, "vendors must maintain a minimum distance of:
- 20 feet from building entrances [approx 6 meters]
- 10 feet from crosswalks, subway entrances, and driveways [approx 3 meters]
- 5 feet from newsstands, bus shelters, and payphones [approx 1,5 meters]
- 200 feet from public and private schools [approx 60 meters]
- 500 feet from public markets [approx 150 meters]"



(Browne et al, 2011: 34)

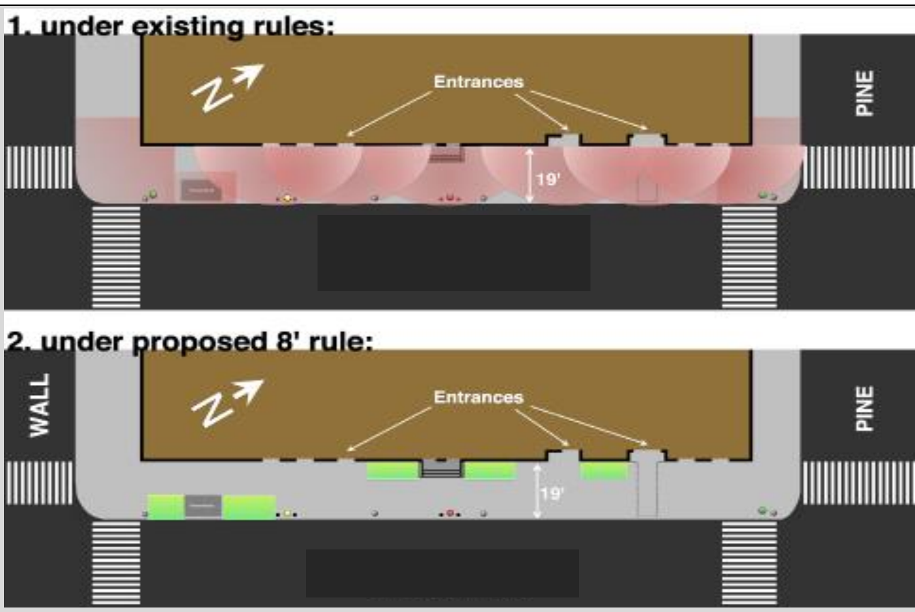
Based on research showing that the number of infringements to municipal by-laws is growing, that regulations themselves are too complicated and difficult to apply (for both vendors and municipal officials), the report proposes a simplification:

"New York City's existing placement restrictions cause three significant problems. First, they limit the supply of (and demand for) products sold by street vendors and they prevent the development of improved cart arrangements. Second, they do not maintain adequate pedestrian circulation. Third, they are overly restrictive, inflexible, and complicated. For these reasons, the City should enact the "8 Foot Rule" [8 foot is about 2,65 meters] which would replace the problematic minimum and maximum distances with a simple, flexible rule, based on two main principles. First, vendors must always maintain an 8 foot clear path, and second, vendors must not restrict access to adjacent buildings. Specifically, the 8 Foot Rule would include the following basic provisions. It would require that street vendors:

• Maintain an 8 foot wide clear pedestrian path along the sidewalk,
• Not restrict the ingress or egress of the abutting buildings,
• Not obstruct police and fire services, and
• Not block display windows, signs, and street furniture.

As a "principles-based" rather than a "bright-line" rule, the 8 Foot Rule simultaneously simplifies the restrictions and increases their flexibility. Bright-line rules, such as the existing placement restrictions, are composed of objective factors, which leave little room for varying interpretation. In theory, bright-line rules should be easier to apply in a predictable consistent manner. In the New York City case, this reasoning breaks down, because the rules are so complex that they cannot be reasonably followed or enforced." (Browne et al. 2011, 66-67)

The authors applied their proposal graphically, and showed that the new '8 foot rules' would open more space for trading in a number of streets:



The authors then tested whether the new, simplified principle (the 8 foot rule) negatively affects pedestrian traffic.

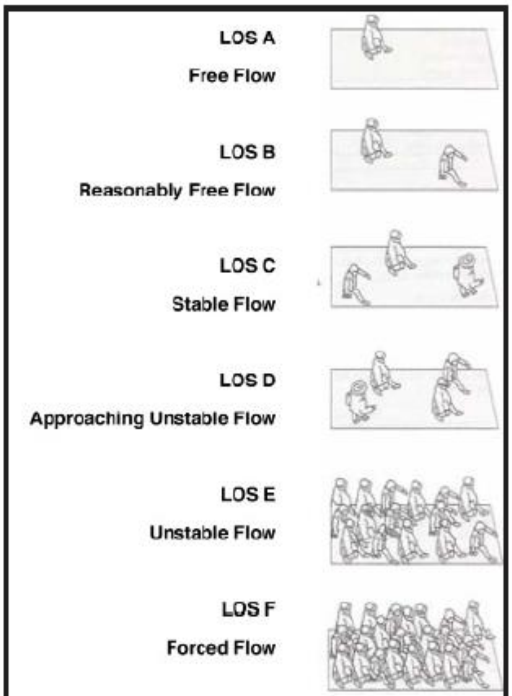


Illustration of pedestrian level of service grades. Source: New York City Department of City Planning Pedestrian Level of Service Study, 2006.

Lower Manhattan's Busiest Sidewalks

Street	Block	Period	Pedestrian Volume/Hour**	Sidewalk Width	LOS* With Clear Path Of: 6'	8'	10'	12'
Broadway	(east sidewalk, from Wall to Pine)	Midday Peak	4,200	12 feet	D	C	B/C	B
Wall Street	(north sidewalk, from William to Hanover)	AM Peak	3,000	12 feet	C	B	A/B	A
Wall Street	(north sidewalk, from Nassau to William)	PM Peak	2,700	18 feet	C	B	A	A

*Graded by Level of Service per the Highway Capacity Manual.
**Extracted from New York City Department of City Planning, Pedestrian Level of Service Study, 2006.

"This simplification of placement restrictions would also help to maintain and in some cases improve pedestrian flow as measured through Level of Service (LOS) analysis, which grade sidewalks from "A" to "F." Pedestrian Level of Service (LOS), as defined in the Highway Capacity Manual (HCM), is calculated by counting pedestrians who cross a point over a certain period of time (usually 15 minutes), reducing that figure to pedestrians per minute and then dividing by the effective width of the sidewalk (Transportation Research Board, 2000). The resulting figure is called the flow rate. A planner may then look up the flow rate in a table to determine the pedestrian LOS grade, ranging from "A" (free flow) to "F" (virtually no movement possible)." (Browne et al, 2011: 70)

Testing the level of pedestrian flow according to the rules applied (space allocated for pedestrian flow in specific streets) allows the study to demonstrate that the 8 foot rule would guarantee 'reasonable to stable' flow of pedestrians.

Source: Browne et al. 2011.

In New York, the existing regulations request vendors to maintain a minimum distance of 3 meters from intersections; the new recommendations (tested only on pedestrian flows, not on motorcars traffic) suppress this rule altogether. In Johannesburg, the 5 meters prohibited vending zone around intersections might have its specific reasons; but it could also be discussed, in particular in line with evidence that the City of Johannesburg itself has infringed on this rule, by demarcating vending spaces in areas within the 5 meters area around intersections[14].

2.4.2. Lessons for Johannesburg

① Technical norms defining prohibited, restricted and allowed vending zones vary from country to country. They are only partly "technical requirements" and should be subject to scrutiny, to make them **adapted to local contexts, easy to apply and to enforce**.

②Too many and too complex regulations can only lead to infringements – by traders but even sometimes by city officials- and to impossible implementation (that in itself is likely to cause corruption). It is better to have **a simple, universal rule that is not too restrictive** – and perhaps leave it to area-based management committees (see below) to define complementary, more locally adapted and agreed upon, 'home' rules.

In this respect, one could question the following elements of CoJ current regulations:

- one could discuss whether the 5 meters restriction to trading around an intersection is the right norm (by-law 9(i), CoJ 2009a), as well as the rule known orally as 'no trading on pavements less than 3 meters wide' (by law 10d(ii) stating trading sites should leave 1.5 meters at least for pedestrian circulation and 0.5 meters between trading site and kerb line). The reason for discussion of these norms is that they are often infringed (and apparently also by the City's own demarcation), and are probably not always relevant in all street contexts[15].

- the multiplication of other (informal? not formalized in by-laws, to the knowledge of the writer at that stage) rules cited as justification by number of decisions currently being made– stating for instance that street trading should only occur on 'short streets' (CoJ 2013a, 2014).

This might be linked to other departments' intervention, such as the Department of Transport, whose contribution to define the sector is presented as crucial by a JDA report (JDA 2013), and whose technicians and associated engineering consultants are apparently central in the 2014-2015 process of re-demarcating trading spaces[16], outside of the public gaze as it is seen as a merely technical exercise. But transport engineers' inputs and rationale have not been debated in public nor with traders; some certainly could be debated; and some have actually been contested in several written submissions sent to the City within the 2014 process mentioned above (why would all 'mobility corridors' and 'BRT routes', especially around stations, unquestionably be 'street trading free' areas? Generally, the technicisation of what is also, and perhaps primarily, an important political decision seems a political means to avoid both public scrutiny and debate. It also fails to recognize the integrated nature of street management (land use, economic development, poverty alleviation/ social welfare, public space and transportation issue), and embedded local knowledge on what works and what does not in a diversity of inner city contexts.

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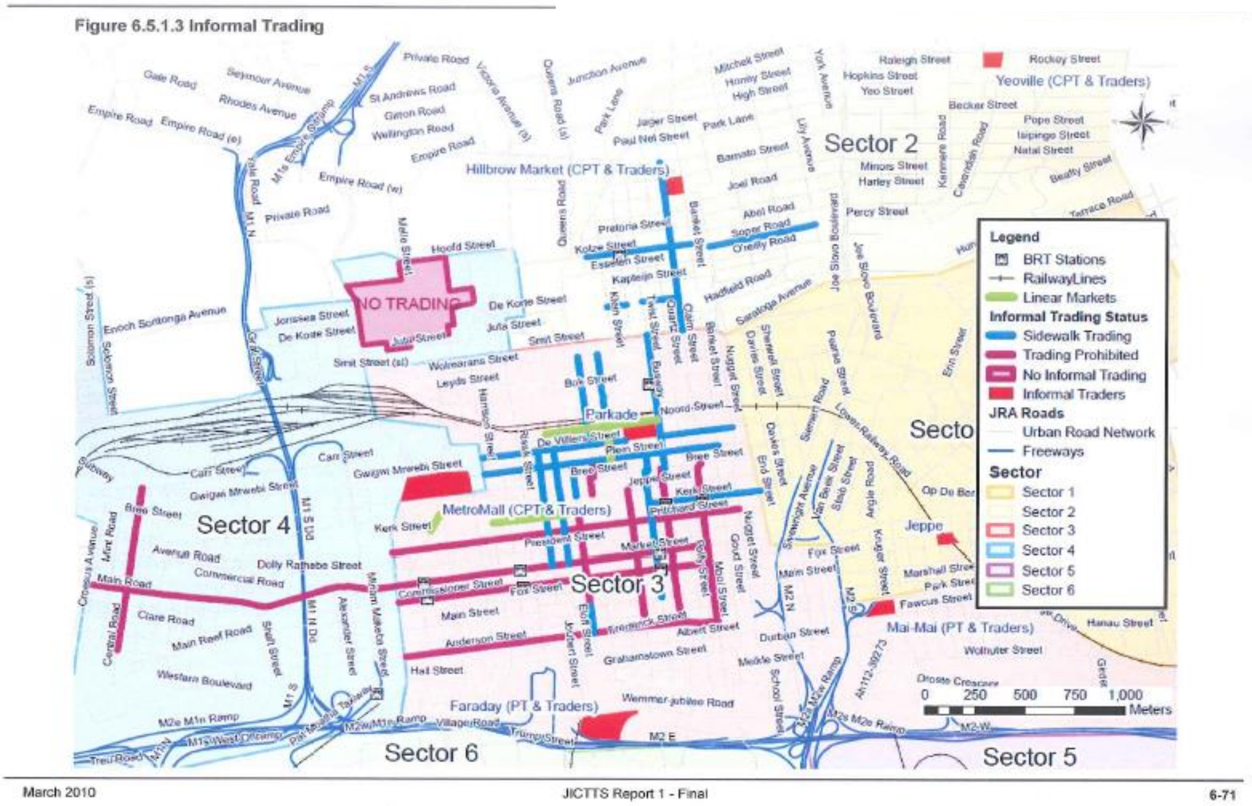
[14] Personal communication, SAITF leaders.

[15] In the case of Yeoville, where pavements are said by City officials to be 'too narrow' for trading, a number of research findings and street-adapted designs convincingly argue the opposite (Abed 2014).

[16] As mentioned by a DED official in the public workshop organized by the City of Johannesburg, 'Informal Trading: Inner City Promulgation and Designation of Trading Areas', 29 July 2014.

Figure 13 - Markets, streets prioritized for street trading and linear markets in Inner City Johannesburg



Source: Inner City Traffic and Transport Study 2010, quoted in JDA 2013.

More generally, the spread of restricted areas across the inner city (as shown in the map below) seems to reflect far more the history of local and *ad hoc* agreements between City officials and business organisations (cf prohibition of trading in Braamfontein CID, in spite of its pedestrian nature and wide pavements; the informal rule requested by many property owners that 'there shall not be street trading South of Commissioner Street'[17]), than the result of (concerted or not) technical decisions.

2.5. Traders-managed markets in Lagos, Nigeria – benefits and challenges

As mentioned previously, there is a well-developed literature on markets and their governance (even if it could possibly be argued that it also seldom goes into sufficient details on the actual management of the markets). This section of the report has not exhausted this literature, but focuses on highlighting lessons from one set of examples – traders-managed markets in Lagos, Nigeria.

This section is based on a desktop study of the management of various markets in Lagos, Nigeria – a City that has been celebrated by the famous architect Rem Koolhas as the epitome of 'informal Africa that works' – that he provocatively framed as 'chaos as a way of urban governance' (2000). This provocation has been supplemented by an in-depth analysis of internet

[17] As mentioned in the above mentioned meeting (29 July 2014, previous note). One property owner mentioned verbally that since this had been their agreement with the City, the debate on whether there should be trading South of Commissioner street should not be reopened. The author was not able to identify the nature and context of this agreement (probably an informal one) at the time of writing.

documents, newspaper articles, other academic papers, theses and research reports, which has allowed us to further unpack the practical management principles that govern these markets, echoing, but with perhaps more precise elements, academic texts on markets management in cities of the South (Lindell 2008 on Maputo markets; Lindell and Appellblad 2009 on markets in Dar es Salam; Cuvi et al 2014 on a market in Buenos Aires).

Traders - managed market in Nigerian cities and in Lagos in particular bring up mixed lessons for 'sustainable' street trading management. On the positive side, traders-led management to some extent compensate municipal lack of capacity; allows for internal rules to be developed and applied, agreed upon by traders and adapted to local contexts and environments. On the negative side, traders' 'autonomy' has strong limitations and traders-market management eventually need municipal intervention and cooperation; when markets grow and become more lucrative, so does the level of corruption and self-enrichment of trader-leaders, and so does the level of violence and competition to attain or maintain these leadership position.

2.5.1. Traders self-regulation of markets – the case of Alaba, Lagos

Alaba market is a huge informal market started by traders next to the Lagos airport, trading second hand electric and electronic goods to a West African regional clientele. What interests us here is less the way this market works economically (based on its insertion in the global economy: Koolhas 2000) than the way market traders have organised themselves to create and manage this market in relationship to the State of Lagos.

The market is characterized by a high degree of **'self' organization,** where trader associations manage the market, raising levies (based on market stalls location and size) to finance the services they provide to market traders. These services deal with garbage and refuse collection (which are in fact dumped in the vicinity of the market, where they are supposed to be collected by the municipality); safety and security (the market has its own security agency and even its own jail! It also has its own fire station, within the market); electricity (the market has its own power generator and has organized electricity reticulation). The case is not clear for water, where market's autonomy from municipal services is less likely.

The traders' management committee creates and updates a database of all traders, and checks the payment of the levy, through which it funds its own market bureaucracy. It helps solve conflict between traders, and as mentioned has its own jail facilities and security agents. The market has become so huge (and lucrative) that it is in fact managed by a number of trader associations (sometimes based on ethnicity), each one in charge of a specific and specialized section of the market. The traders in each section of the market elect their market 'heads'. The head of the overall market however is not elected but nominated by the area traditional chief. This double representative system (election of section heads and nomination of market head) however raises questions of accountability, that available literature is not providing responses to. Suffice is to say that many of the market heads (sectional as well as overall) have rapidly enriched themselves[18]; and that violent contestations around access to leadership positions are frequent[19] (as documented elsewhere for similarly lucrative and growing global markets: Cuvi et al. 2013).

However, in markets of smaller scale, and with less of an international clientele, traders-led management models for trading activities often lead to **adapted and contextualized internal rules**, that could be inspiring for street trading management models in other contexts. In Miles 12 market in Lagos (Solaja et al., 2013), a trader management committee shared leadership

[18] Chief (Dr) Nduka, president of Alaba Amalgamated Traders Association, proudly announces: "The year I made my first million, I celebrated it with a Mercedes Benz car."

[19] Okolie, I, 2013, Crisis brews at Alaba International market over alleged fraud, Vanguard, October 05, 2013. http://www.vanguardngr.com/2013/10/crisis-brews-alaba-international-market-alleged-fraud/

positions equally amongst ethnic groups, and paid a lot of attention to any sign of ethnic discrimination. The management committee ensured that rates were regularly paid to local government authorities, where each trader was registered under a specific section with a section head overseeing activities and reporting to the overall market committee in case of issues. Furthermore, all traders agreed to charge customers a modest extra levy on bulk purchases of basic goods, so as to serve as supplementary resource to maintain the market environment (ibid.).

Coming back to Alaba, and as is the case in all traders-led market management models, **a part of the levy charged to traders is transferred to the municipality** (it has started as minimal but seems to be increasing) and to the police to ensure their coordination with traders-operated 'urban' services. However, coordination between the market and municipal or public services seems to be lacking. Many market traders indeed call for increased state intervention:
- to upgrade roads and parking facilities around the market (many traders and customers complain of degraded roads due to huge traffic in and out the market[20]);
- to regulate piracy and illegal trade (with mixed feelings and mobilization from traders, some of which benefit from this type of trade);
- help solve inter-ethnic conflicts that to a large extent are much broader than the market, but have an impact of internal market conflicts
-to set up an integrated waste collection system, all the more that global environmental NGOs and institutions have started raising major issues about the environmental hazards in and around the market, linked in particular to the burning of left over electronic material[21].

2.5.2. Lessons for Johannesburg

What has been presented here is the rule rather than the exception for many markets in cities of the South – where the municipality delegates to traders the role of managing the market internally. The municipality provides specific services externally to the market, in exchange for a proportion of the fee that market traders collect internally.

① Traders generally organise themselves in sections (area-based, which often corresponds also to goods specialisation within markets), each section electing a representative. All section representatives report to (and sometimes constitute, sometimes not) the overall market management committee. What is important is **to identify the representative needs of market traders and structure the management committee accordingly,** after having identified the main lines of fracture (in Nigeria between ethnic groups; in South Africa, perhaps between South African and foreign traders; sometimes between those deemed 'illegal' and those 'legal'; between market and street traders when both operate in the same street; etc.)

② The fees levied at section level allow for the **development of a small market bureaucracy** (checking the records and payment levels, registration of traders, solving conflicts, managing refuse and security), and sometimes further services adapted to local cultures and contexts. **Part of this fee is paid to the local government in charge**, and the **model works best when local government provides the required complementary services** (bulk infrastructure maintenance

[20] Ebere O (Uchejava), 2013, The madness at Alaba international Market, Blog http://idowritestuff.blogspot.com/2013/12/the-madness-at-alaba-international.html
[21] See for instance Milmo C, 2009, Dumped in Africa: Britain's toxic waste- Children exposed to poisonous material in defiance of UK law, The Independent, 18/02. Available online http://www.independent.co.uk/news/world/africa/dumped-in-africa-britain8217s-toxic-waste-1624869.html. In this respect, the Nigerian State has tried to increase its levy on this lucrative economic sector, also in an attempt to formulate an international response to global environmental NGOs accusations. Former Nigerian President Obasanjo had set up a heavy tax on used computers imports, which raised important protests from the market traders.

and development; waste removal after its collections by traders or their service provider; prompt police service).

③ The benefit is **shared responsibility** (between traders and local authority) for market management; **adaptability of house rules** as based on traders everyday needs and experience.

④ The risks are that the **local government withdraws** its responsibility in management. This increases traders' feeling of autonomy and perhaps impunity and might lead to increased **traders' corruption and perhaps use of violence** to access lucrative leadership positions – especially in big markets with a big turnover (i.e. survivalist trading is not predominant).

A strong partnership with local authorities, mechanisms of checks and balances, training for formal budgeting and transparent accountability mechanisms within the markets could curb that risk – which is less prevalent in less lucrative and smaller markets.

2.6. Privatising market management in Dar es Salam (Tanzania) - better fees collection but limited investment in markets and in traders' development

This section is based on single study carried by one of the worldwide specialists on informal trading in African cities (Lindell and Appellblad 2009). Whilst a broader engagement with existing literature focusing on the impact of privatising market management is needed, partial lessons can be highlighted from their comparative study of 9 markets in Dar es Salaam. Their study calls for caution when going the route of contracting market management to the private sector (formal private companies) and even to some extent to traders' cooperatives.

2.6.1. A comparative analysis of Dar es Salaam markets management

Lindell and Appellblad examine the impact of what they see as neoliberal reforms in urban governance, following principles of New Public Management and hypothesizing that business principles and private sector ethos should be applied in the way local government manages its assets. They document the impact on the actual management of markets, of contracting out market management to private companies. According to them, contracting out the management of markets to private companies has

► Increased the rate of fees collection, shared between the private companies' own profit and municipal revenue (this has been positive for the municipality)

► Not led to better maintenance of markets, nor to investment into market infrastructure: private companies with limited interest and expertise in trading and urban markets have mostly seen markets as a way to raise fees, not as an urban asset worth investing in. (the contract also did not include specific investment and development duties from the private companies). The privatisation of market management was therefore not conducive to better markets and market users' experience.

► Led to oppression and sometimes physical violence against market traders – whose voices where not heard by the new private management, and who could seldom reach the municipality to complain about the new private management. Traders' intimate knowledge of the market and trading patterns was not taken into account by private management, and the main relationship existing between traders and management was around payment of fees. The private management structures thus raised question about democratic governance.

► Contracts to private companies were often awarded to politicians or their cronies, and increased the level of corruption within the municipality overall. Traders' cooperatives and association were seldom awarded contracts to manage their own market, in spite of some having formalised proper structures to be entitled to the contract.

► It was also found that traders cooperatives managed markets were not more democratic than private companies managed markets. Although they had more expertise on markets and trading issues and were thus more able to maintain and develop markets, they proved quite exclusive as only a minority of traders could afford to be part of the cooperatives. Cooperatives were analysed as less inclusive than market traders associations, leading to divisions amongst the traders depending on their level of income, and finally exclusively focused on profit making at the expense of traders' development objectives.

2.6.2. Lessons for Johannesburg

① International evidence seems to show that **municipalities are best placed to the task of managing markets** and developing traders and their participation into the formal economy, possibly through a dedicated municipal department or agency able to meaningfully include trader organisations, and to coordinate various municipal departments' inputs: economic development and planning mostly, but also waste management and other service-providers.

In the absence of capacity of a **municipal agency or department**, one might consider temporarily contracting out markets (whether traditional or linear markets or streets considered as markets) to formal private companies or traders cooperatives. However, the Tanzanian example invites caution.

② **Street trading, and markets, are not always, and perhaps not mostly, 'commercially viable' nor about profit making.** They are also, mostly (for street trading), survivalist and partly developmental (aimed at supporting informal traders' formalisation and growth). Private companies are driven by generation of profit and are unlikely to be able to carry any developmental functions. In this respect, the failure of MTC to carry its mandate was partly attributed to the unrealistic (and unique in South Africa) expectation that the entity make a profit on street traders and on informal taxi operators' fees (Shisaka Management Development Services 2004b).

③ If privatisation of markets management is nevertheless the way chosen by the City of Johannesburg, there might be a number of issues to consider when **awarding tenders**:

- Markets and street trading require **a specific expertise** – to grow, diversify trading opportunities and be conducive to a vibrant and inclusive city. Not all private companies have this expertise – it is not only about 'good management', it is also about place-making and trading business logics.
- **Contracts with private companies need to be specific and explicit** on trading infrastructure development – it is not only about fees collection and payment of a proportion of this fee to the municipality. The broader and the more precise the municipal vision is for the place and role of trading in the inner city, the better.
- **Strong mechanisms for accountability to traders**, including for the renewal of the contract with the private companies, should be devised – so that private companies have an incentive to respond to traders' needs and claims.
- **Support should be given to traders themselves** to formalise and consolidate their association, and potentially be given preference in the tender process. Institutional and organisational support could be organised to help training and advising the sector.

2.7. Elements of the eThekwini street trading management 'model' – Constructing institutions for a participatory and progressive approach

The eThekwini 'model' for developmental and inclusive street management has often been praised in national and international literature on street trading. However, it is difficult to find the exact presentation and analysis of the 'model' and its principles – at least from a municipal management perspective. Perhaps because it is a complex institutional and political history, with roots in the transitional period – the eThewkini informal trading policy and implementation are said to have their origins in the innovative project management of the Warwick Triangle Market (Grest 2000, 2002, 2003). Many illuminating papers unpack the changes in City of eThekwini informal trading policy (Skinner 2000, Lund and Skinner 2005), but they seldom comprehensively go into the practical details of implementation and management – such a story probably remains to be fully captured and formalised. Furthermore, what constituted the 'model' seemed to have been short-lived, with a number of backlashes linked in particular to change in political and administrative officials in the City (Horn 2005, 2014). This too has put a limitation to analyses of the 'model's principles and practical implementation.

This section attempts to present and reflect on the key principles and implementation institutions and tools that have been highlighted by a number of authors (Skinner 2000; Grest 2000, 2002, 2003; Shisaka Management Development Services 2004b; Lund and Skinner 2005; Horn 2014).

2.7.1. A 'model' in progress

The 'eThekwini model' (rather named 'eThekwini moment', or 'eThekwini initiative', by some authors due to its short lived nature) was born from an innovative policy experiment – the inclusive upgrading of the Warwick Junction market (mid 1990s-1999), based in particular on the ongoing pressure of a well-organised street traders organisation, the Self-Employed Women's Union (SEWU) (Horn 2014) - which led to an attempted institutionalisation of a progressive 'street trading model', between 1999 and 2001; with "selective policy implementation and regression" (Skinner 2008) between 2001 and 2005 (Horn 2005). It rested on several key principles and institutions:

► **The recognition that busy and congested places are both areas in which street traders want to trade; and those in need of high levels of urban management**. The aim was therefore not to relocate traders out of these congested (and business) zones, but rather to accommodate and regulate them precisely there, through the definition of 'management zones'. The whole of eThekwini inner city was defined as a 'management zone', with only a minority of inner city spots prohibited for street trading ('when it can clearly be proven that the presence of street trading would be detrimental to the City's economy'), in line with the 1991 Business Act:

> "Trading in public places should be prohibited in carefully selected key spots (not areas), within management zones, which have high cultural or tourist significance (except in agreement with the caretakers of such places). This should be done according to carefully considered criteria, and only where there is clear evidence that the presence of street traders detracts from the cultural or tourist significance of such spots … The move towards management zoning offers the possibility of introducing the idea of flexible restriction" (eThekwini 2001, quoted in Shisaka Management Development Services 2004b: 17)

► **The acknowledgement that markets "have not always been successful**", and the adoption of an approach "to develop markets *only in areas that are demonstrably profitable* locations to trade", as a complement, not a replacement, to street trading. At a certain stage there was even a "moratorium on the development of new built markets until the existing ones are properly managed, and are supplied with adequate human and operational resources." (Shisaka Management Development Services 2004b: 17)

► **Explicit subsidy to the informal economy, rather than a profit-making (and even a cost-recovery) approach**. Whilst the municipality and the traders themselves have accepted the fact that the ability to trade on a variety of public spaces has a cost, there is also a wide recognition that street traders are mostly survivalist and that municipal subsidisation of their management has medium and long term benefits for the city (rather than missing the target and chasing the poor away with too high trading fees)[22].

► The originality of the policy also lies in its **uniquely participatory and area-based approach** (Grest 2002, 2003). The processes of engagement with communities at large (including but not restricted to traders) to define and implement informal trading policies have been long and complex; they have required a strong and long-lasting investment from the municipality[23].

► These processes have emerged from the experience of **area-based management** in Warwick Junction, with a specific project manager, strong links with the relevant city departments (Planning, Business Development, Health, Police in particular), an office on site that proved crucial in fostering participation, and a 'users and residents' committee linking to the project management (Grest 2002).

► The experience of an empowered street trading organisation (SEWU) ongoing pressure on council, led to the **establishment of a federation of street traders** organisations in 1995, the Informal Traders Management Board (ITMB). This board, thanks to SEWU influence, was trained to make strategic inputs into policy making processes.

► Importantly, in parallel to the ITMB board, **a multi-stakeholder forum** was set up to tackle the problems of regulating street vending and informal trade. The forum consisted of DITSBO (Dept. of Informal Trade & Small Business Opportunities), the ITMB, formal businesses (Central Business District), City Police and elected Councillors in the eThekwini CBD (Horn 2014: 6).

► **Based on these existing relationships between traders and the municipality, a new informal trading policy has been developed**. A Technical Task Team (TTT) involving officials from relevant departments and experts (from academia and NGOs such as WIEGO), in regular and repeated consultation with street traders' organisations through the ITMB, framed a number of options for the new Informal Economy Policy (high regulation and restrictive approach, low regulation and laisser-faire, intensive and developmental management) that were submitted to the Planning department. The third (intensive and developmental management option) was eventually approved in Council in 2002 (Grest 2002: 50).

► Following the adoption of the new policy, an **Implementation Working Group** (IWG) was created, including relevant city officials, the ITMB, and local NGOs with expertise on street trading: WIEGO, Streetnet, and the Legal Resource Center (LRC) as advisors (Horn 2014: 7). This ensured the inclusive and participatory implementation of the policy.

► This approach has allowed for **grounded, negotiated, flexible solutions to be found to respond to practical issues encountered in the street,** such as the use and management of public toilets; the use of electricity by street traders; health and hygiene issues related to specific trades (e.g. bovine head cookers) (see Grest 2000: 8-12, for detailed examples). The participatory and area-based approach has led to informal traders' buy in, pride and sense of ownership in their areas, and subsequent increased involvement in public space management voluntary

[22] In 2004, the fees were therefore very low compared to Johannesburg's: R120 for a basic site per year (not per month as per Johannesburg MTC) (Shisaka Management Development Services 2004b: 22).

[23] This has taken place in the specific context of divided IFP-ANC politics at the time, and the need for institutions to build legitimacy amongst residents and users, and overcome sometimes violent divisions (Grest 2002).

activities that 'resolved a number of management issues like crime and cleaning' (Skinner 2008a: 12)

Many of these participatory and decentralised institutions were disbanded or restructured under the new City manager, Mike Sutcliffe, from 2004. DITSBO was restructured and split between different units and departments (informal traders management falling under a newly created Business Support Unit); the IWG and the multi-stakeholders platform ceased to hold meetings; the IMTB was restructured to be more fully under city officials control (Horn 2014). Then,

> "The BSU (Business Support Unit) started a system of creating divisions between those with permits and those without permits – an action that was in complete contravention of the letter and spirit of the inclusive Durban Informal Economy Policy. The work of the IWG (Implementation Working Group) in creating an inclusive regulation system was eliminated in a few months […] The feared crackdown against street vendors and informal traders without permits came in May 2005. By this time, with an estimated 25,000 street vendors in Durban, the BSU had issued traders' permits to fewer than 1,000 informal traders. The next months saw demonstrations by street vendors and informal traders which became bloody when traders without permits attacked traders with permits and *vice versa*. Litigation action was taken against the municipality with mixed results. Interestingly, a study of the views of the private business sector also showed dissatisfaction in this sector about the crackdown." (Horn 2014: 8-9)

2.7.2. Lessons for Johannesburg

① The **principle that traders should be accommodated in dense inner cities areas**, and benefit from more intensive urban management (cleaning and policing services; access to infrastructures and facilities), subsidised by the municipality, is a strong principle that appears original to eThekwini and in line with international best practice. It contrasts with the dominant view held in parts of the CoJ, that traders' management should generate a profit (through MTC); and that street traders should be relocated out of busy inner city spaces.

② **The general caution towards markets** is the way policy in the City of eThekwini has integrated research results – that markets are a type of trading space but cannot 'replace' street trading; that market developments without attention to customers footfall is detrimental to traders' livelihoods and dysfunctional in cities economies. **This lesson has yet to be fully integrated into CoJ informal trading policy and implementation.**

③ It has been argued that the street traders sector is 'too fragmented' in Johannesburg to organise meaningful participatory processes. It was also the case in eThekwini[24]. Divisions and lack of organisational and strategic capacity cannot be overcome overnight, and they are very easy to manipulate to weaken the sector.

Explicit municipal support for capacitation of the sector, through **a third party independent from council** offering training and advice for traders organisation (such as specialised NGOs in constant contact with street traders organisations), is a key way of addressing the issue[25]. It is not very costly, and mainly rests on the credo that capacitated organisations contribute to better policies and implementations – rather than playing divide and rule politics in order to incapacitate the sector and limit its participation and possible 'challenges' to top down policies.

④ In eThekwini, participation did not occur only through a federation or forum of informal traders organisations. Complementary spaces for interaction were set up, such as:

[24] Divisions might even have been stronger, in an IFP-ANC competition context – hence perhaps the extra effort done by municipal authorities to overcome them in the transition period.

[25] It has been done successfully in Johannesburg with the taxi industry, in order to build a participatory dynamics around the BRT. In this sector CoJ's governance and management has been very innovative.

- the **multi-party stakeholders forum** (meeting every two months) with street traders, city officials, business representatives, city councillors;

- A **technical task team working in close cooperation** with the street traders forum to design sustainable policy[26];

- the **Implementation Working Group** (following through the implementation of policy, always an issue, as shown in international examples), with city officials, NGOs and traders forum representatives.

- Finally, **area-based market and street management committees**[27] ensured on the ground resolution of issues in flexible and participatory ways, ensuring their efficiency and traders buy-in.

It is likely that the **multiplicity and institutionalization** of spaces for interaction between city officials and street traders organisation, as well as the attention given to **build street traders organizations capacity to intervene strategically** in policy and implementation, have been key to the eThewekini model.

[26] It is not clear from exiting documentation what was the status of the multi-party stakeholders' forum in this process.

[27] Limited evidence has been found so far on how these area-based committees worked. We are busy documenting it through direct interviews.

CHAPTER 3.

LEARNING FROM INNOVATIVE PRACTICES IN JOHANNESBURG

In Johannesburg, paradoxically, it is the private sector – and in particular the Central Johannesburg Partnership (CJP), an inner city business coalition that has influenced inner city regeneration since the mid-1990s – that leads the way in piloting (relatively) sustainable street trading management models, at the precinct level. This section first questions why it is not the municipality that has done so, in spite of its rather progressive strategic and policy documents, and its official mandate towards managing street trading. It starts to unpack the reasons for the failure of the dedicated municipal agency, the Metropolitan Trading Company (MTC). This section then examines the rise of the partnership (which could be termed a 'reluctant delegation') between the municipality and the Central Johannesburg Partnership, for the management of street trading in Johannesburg. The last part of this section zooms in and examines two precinct-based street trading management initiatives led by the private sector: one existing since 2005 (in a City Improvement District: the Retail Improvement District), and one being developed at the time of writing, as a pilot project around Park Station, by an alliance between CJP and a trader organization, SANTRA.

3.1. Johannesburg – Why is a model of property-owners-led management of street trading more efficient and inclusive than the City's? Starting to unpack the failures of MTC

The institutional location of the management of street trading has shifted over the years, in South African cities (Skinner 2010). During apartheid, the management of street trading generally was under the ambit of municipal police departments (focusing on control and repression of 'illegal' street trading). The post-apartheid era led to its repositioning into Business / Economic Development units / departments within metropolitan councils – in the hope of a more developmental approach to street trading. In Johannesburg, due to the 'corporatisation' of urban governance in the early 2000 that consecrated to the establishment of autonomous or semi-autonomous 'Municipally Owned Entities' (MOE), street trading became a function of a separate entity, the Metropolitan Trading Company (MTC). MTC was initially supposed to be self-sufficient – generating a profit used to fund its operating and capital budgets; reporting both to an independent board, and to the Department of Economic Development (then Economic Department Unit, EDU).

3.1.1. Where should street trading management sit institutionally?

The question of the institutional location of street trading management is an important one, as street trading activity hardly can be contained in any single city department. Street trading has of course an economic, entrepreneurial dimension – and can be conceived as one form of trading within a multiplicity of trading forms; as part of a value chain in which it constitutes a reticular distribution system coming the closest to customers. But the majority of the street traders, even though they consider themselves as 'entrepreneurs', are survivalist and not thriving micro-entrepreneurs: their management therefore might also require social and community services types of interventions. More importantly perhaps, the management of street trading, a complex operation due to the intense competition for space in inner city business nodes, largely exceeds the competencies of economic development units. It centrally requires the regulation of land use conflicts, and cannot (should not) be disconnected from development planning, mobility and transportation patterns, and urban redevelopment initiatives – necessitating the sustained involvement of the Planning department and of the departments or entities in charge of urban management (currently Region F, for the inner city); and perhaps the more *ad hoc* involvement of Johannesburg Development Agency and the Transportation department.

The idea of a specific municipal entity or task team – that would be organizing inter-departmental cooperation and interventions, but would remain accountable to both the administration and the Council - does therefore make sense. It is however not the way the Metropolitan Trading Company has been conceptualized: the question of its autonomy from existing City departments was far more central (at least initially) in its establishment than the need to coordinate and bridge between different municipal departments. It soon became an implementing agency of the Department of Economic Development, with however (linked to its MOE status?) very limited transparency on how it worked.

The City of Johannesburg established the Metropolitan Trading Company (MTC), in 1999[28]. Originally MTC's aim was to build and manage markets as a complete replacement of street trading – a number of street traders were to move into those markets, and the rest would be declared illegal. After the 2007 [passed in 2009] City of Johannesburg Informal Trading Policy introduced smart cards to be allocated to street traders (CoJ 2007), MTC's functions were - only implicitly and with a degree of confusion- also aimed at managing street traders and collecting street trading fees[29]. Even after 2009 however, MTC's official mandate seems to have remained the same in spite of this policy change: incrementally doing away with pavement trading, and aiming at integrating street traders into markets (including linear markets).

> "[The MTC] is busy establishing an informal trading database for the entire city. All informal traders will be registered with the MTC, with the audit and registration working as an amnesty for all those traders who are not on the MTC database. […] The MTC is on the verge of rolling out a smart card for all informal traders in areas managed by the MTC. […] The smart card system will aid by-law enforcement and monitoring. […] The company, together with the department of economic development, has undertaken a study to identify possible linear market areas in the inner city. <u>The aim is to move away from street trading in its current form into a more viable trading environment</u>."[30] (<u>my emphasis</u>).

The City recognized challenges pertaining to MTC management in a number of reports, such as the DED mid-term report (2008):

> "As part of its commitment to improving trading conditions on the city's streets, the DED has completed a study of linear markets and has started with construction of the linear structures. <u>The project has been slowed by management problems experienced by Metropolitan Trading Company, the delivery agent of the programme</u>. As a result a new steering committee has been established under the chair of the Economic Development Department to improve the roll-out of this programme […]. The Metropolitan Trading Company has started issuing smart cards to all informal traders in areas managed by the Metropolitan Trading Company. […] <u>There are considerable challenges inherent in monitoring and tracking an informal, highly mobile and transitory sector</u>." (CoJ 2008, DED mid-term report, <u>my emphasis</u>)

[28] It is difficult currently to reconstitute MTC's full history, in the absence of access to MTC archives. More research is certainly needed in this respect.

[29] In 2005 MTC fees structures did not include any mention of street traders (only market traders and taxi drivers) (MTC 2005). At the time of writing, the researcher did not have access to more recent documents from MTC, but testimonies from several traders indicated that the fee was about R120 per month on average.

[30] CoJ official website, undated. http://www.joburg.org.za/index.php?option=com_content&do_pdf=1&id= 1291, accessed 15 May 2014.

How to understand these challenges?

3.1.2. MTC: A confused and ill-adapted mandate

The fundamental ambiguity of MTC's objectives and mandate (asset management –markets, or management of people – the traders) has been stressed as one of the key factor explaining MTC's failure in its task. As early as 2004, a consultant report (2004 Shisaka Management Development Report) had highlighted that MTC's mandate was not adapted to its task, stressing the blurred definition of MTC's objectives, translated into a level of confusion on its institutional position. The report underlined the damaging effect of the absence of clear mandate for MTC, and of the lack of political decision on whether MTC was only to manage assets such as markets and taxi ranks (in which case it was advised MTC should fall under Johannesburg Property Company); or if it was also or even primarily to manage people – street traders (in which case it could remain in the Economic Development Unit / Department of Economic Development) (Shisaka 2004a).

Fundamentally, the ill-adaptation of MTC's mandate to the goal (the management of street traders and the streets) can be linked to the (unrealistic, we argue) vision that street traders will all ultimately be accommodated into markets. This form of wishful thinking arguably led to a lack of investment in the framing of adapted tools and institutions to manage the streets 'in the meantime', where in effect street trading management was left, at least formally, to the municipal police. Some other institutions were formed by MTC, such as elected block leaders amongst traders working with MTC officials operating at the street level: but these structures remain quite opaque[31], and do not replace an institution focused on street trading management.

The Shisaka report had suggested various possibilities to remedy this institutional confusion: a refocusing on the maintenance of assets (market and taxi rank infrastructure), leading to MTC being accountable to Johannesburg Property Company (JPC); or a redefinition of MTC mandate around a more people-oriented and developmental agenda, in which case it could remain accountable to the Department of Economic Development.

The MTC 2011-2012 annual report seemed to announce MTC's integration into the City, under a new Department of Economics and Transport, but in 2013 the decision was taken to rather bring MTC into another municipal entity, Johannesburg Property Company. This confirmed that MTC is still centering its activities on assets rather than on people's management.

3.1.3. MTC's lack of financial sustainability

The lack of financial sustainability of MTC (initially supposed to have made enough profit to cover its costs but in fact largely subsidized by the CoJ through the transfer of operating funds) might have been one reason for the ultimate restructuring or 'disbanding' of the MTC. Some argue that fundamentally the management of street trading should not be a profit-making activity, but should aim at only attempting to recover its costs (Pernegger 2001, Shisaka 2004b); others rather stress that this should be subsidized by the state, as traders are largely survivalist (Dobson and Skinner 2009).

Others emphasize the political nature of the challenge in collecting fees from traders in Johannesburg (Pernegger 2014). An example of the mixed nature of the challenge (affordability/ political issue) can be found in market traders' arguments advanced for failing to pay their rentals (Rice 2006): traders newly settled in markets complained of decreasing business compared to the turnover they had had in the street, and that they felt it was unfair to pay for markets whilst new (illegalised) street traders had appeared and started operating in the street. In the case of Metro

[31] See below, 'An attempted decentralized management'.

Mall, this inability to collect the fees was attributed to inconsistent decision-making amongst various stakeholders in the City (Pernegger 2014): whilst MTC was trying to evict non-payers from the markets and taxi ranks, politicians were sensitive to the pressure on the ground, and the Metropolitan Police were often seen as not fully applying the by-laws interdicting trading on the pavements. However, one could argue that this sensitivity to the claims of civil society (mostly felt by politicians and officials, including police, closest to the ground), even if framed in clientelistic forms, is precisely the sign that the policy was and is not adapted to suit local needs.

3.1.4. Alleged corruption

Rumors of corruption within MTC abound, overwhelmingly reported and sometimes documented by street traders (Matjomane 2013, Clark 2014, Horn 2014, Bénit-Gbaffou 2014a). Broadly speaking, one might highlight that any public practice that artificially produces scarcity of a public good, produces (by the same token) a 'rent' for officials responsible for the allocation of this good – as the offer is far too restricted to accommodate the existing demand. Restricting considerably the number of vending sites (and imagining against all odds and international as well as national experience, that markets can fully replace street trading sites) can only lead to the 'illegalisation' of many existing and new traders, and create huge temptations and opportunities for corruption, to say the least.

It is notorious amongst traders that MTC managed areas have not been conducive to traders' development – where traders were subject to police harassment, complained about disorder, litter, insecurity, lack of responsiveness of municipal authorities (Bénit-Gbaffou et al 2012). Possibly there is an issue of capacity and funding, in MTC as well as Region F in charge of urban management. Surely, the slow and opaque process of rolling over smart cards to street traders has contributed to MTC's unsustainability and uneven management of street traders: inconsistencies in policy, clientelist allocation of trading sites, petty corruption in the public sector in collusion with some trader leaders, the (illegal) sale by some street traders of their vending rights to new entrants (as the policy does not accommodate them). All these practices can be linked to the structural effect of what can be called **the 'public production of scarcity'**: a deliberate, political choice to restrict the number of legal trading space, even though this is at odds with demand for trading spaces from traders, that have not been proven to be excessive, in respect to existing inner city spaces and to customers' practices in a thriving African city.

Figure 14- How many traders, how many legal traders, in inner city Johannesburg?

1) The number of existing traders in CoJ inner city today remains at best a 'guestimate', as there is no updated survey of street traders that is available to the public[32]. Pernegger (2001) mentions the figures of 10 000 traders in 2001 for the inner city. An undated City document (probably around the same date) confirms this number, possibly based on a survey. In 2013, trader organisations talk of 7 000 traders removed from the inner city by Operation Clean Sweep, a figure largely echoed in the press[33]. The Johannesburg Development Agency (JDA) estimates the number of traders at between 6 000 and 8 000 currently (JDA 2013).

However inaccurate these figures might be, and whilst it is clear that the number of street traders fluctuates (in particular according to the state of the economy), it is far from the 'explosion' announced by the City since 2000. The long standing failure of municipal management of street trading, aggravated by its complete collapse after operation Clean sweep, are more likely to blame rather than any exceeded (never defined, always mentioned as if this could be scientifically calculated) 'carrying capacity' of the streets, for the perceived current chaos of inner city streets.

[32] DED insists such a survey exists, but that the number could not be communicated (CUBES workshop in DED, 29 September 2014).

[33] See for instance Mabugane K, 2013, Johannesburg street hawkers' talks with city collapse, Business Day, 25 November. http://www.bdlive.co.za/national/2013/11/25/johannesburg-street-hawkers-talks-with-city-collapse, accessed May 2014.

2) More surprisingly, the number of *legalized* traders, through the delivery of smart cards, is almost equally difficult to assert. There are many different traders status between legality and illegality. Being registered in the City or in the Central Johannesburg Partnership databases; having a smart card; having a lease and proof of rental payment; having a demarcated trading site – are different ways of defining 'being legal', that are not always articulated and are certainly difficult to navigate.

A 2012 MTC report indicates that at the end of 2012, 2 729 smart cards had been allocated, for an objective of a final 4000 smart cards that were supposed to be rolled over (MTC 2012: p. 10; p. 25). A 2013 report by JDA confirmed that, amongst the estimated 6 000-8 000 traders in 2013, 2 700 street traders were registered; but it indicated that only 800 trading sites had been demarcated. In 2014, the DED confirmed that there were 2 700 registered street traders, on the two existing databases – the City's and the CJP's (the latter counting approximately 1 000 traders in 2012, mostly in the Retail Improvement District, but also in the Central improvement district and other discrete locations). Importantly, traders' leaders themselves did not know, even in approximate numbers, how many smart cards had been allocated and how many sites demarcated. This in itself is telling of the complexity of the process, but also of the lack of proper engagement between the traders and the City, and perhaps also the difficult coordination between various city entities and departments.

It is unclear today if legalizing 4 000 (possibly half or more of existing traders) is still the desired City target. The latest written document presented to the traders (CoJ 2013a) offered less than 1 500 trading legal sites for the whole of the inner city, and the document voted in Council (2014) called for a more restrictive approach to street trading. However subsequent workshops between the City and traders (2014) promised to provide for all 3 700 traders registered on the two, public and private, databases. A further engagement with DED and its political head (late 2014), after some pressure from street trader organisations, mentioned the fact that the City was considering, in the medium term, the creation of 7 000, if not 10 000 legal trading sites[34].

3.1.5. Attempted decentralized management?

Some of this alleged corruption and patronage might in fact also result, at the bottom level, from attempts to manage street trading at the lowest level – to promote flexibility, responsiveness, and a form of decentralized area-based management: interesting but challenging principles that it would be useful to further unpack. Apparently (decentralized) **MTC 'street managers'** were in charge of one or several streets in which street trader operated, working in close cooperation with **'street block leaders',** trader representatives elected at the block level under the auspices of MTC/DED[35]. According to some block leaders, a trader wanting to trade in a particular block or street would approach the block leader, and be recorded on the block leader and street manager's list, to then be integrated into the MTC inner city wide street trading 'waiting list'. These forms of micro-local level of management both provide a welcome flexibility, a degree of power of block leaders and street traders self-management, but it also generates a level of opacity, and creates opportunities for patronage and bribery[36].

The secrecy, or at least opacity, surrounding the working of MTC however prevents us from reflecting further on this model of management, learning from its mistakes but also perhaps from its possible innovations – and generally from its experimentation of a balance between the need for transparency and clarity, and the necessity of micro-local flexibility and participation.

3.1.6. The vicious circle of mismanagement

More broadly however, MTC's dysfunction reflects, we argue, the fallacies of CoJ generally restrictive and unsustainable approach – that we have termed the 'public production of scarcity' – where the City unilaterally decides on a very restricted number of legal trading sites, without

[34] See Moatshe R, 2014, Hawkers' fruit bruised by legislation. *Mail and Guardian*, 22 August; and CoJ-CUBES-SERI workshop, City Council, 17 September 2014.

[35] See Bénit-Gbaffou 2014a for a brief glimpse onto this system, accounted by several trader organization and block leaders. Unfortunately there is very limited official information on this system – more research on this issue is currently underway.

[36] On the close link often existing between democratic decentralization and micro-local clientelism, see Bénit-Gbaffou 2011.

genuinely considering how much more sustainable trading sites could be created in response to both traders and customers demand.

This approach has been, in spite of its failures to successfully manage street trading in Johannesburg inner city, repeated over the years and never fundamentally questioned, and illustrated in innumerable documents:

> "A major problem of the sector relates to the sheer number of informal traders. There are an estimated 10 000 traders in the inner city and only about 10% of these can be accommodated in markets. It is clear that the sector cannot accommodate all the traders. […] It is also clear that there is a limit to the number of traders the streets can accommodate." (CoJ undated, probably around 2001).

> "Demand for trading space has consistently outstripped supply and <u>the City has tried to meet this demand by designating an increased number of inner city streets as trading areas</u>. It has become clear that the <u>City's approach of designating an increasing number of trading areas</u> have resulted in the carrying capacity of the urban environment in the Inner city being exceeded." (CoJ 2014, 32.3, <u>emphasis mine</u>).

This 'public production of scarcity' by the City created, we argue, the impossibility of successfully managing street trading, as it generated a vicious circle of mismanagement, that could be summarized as follows:

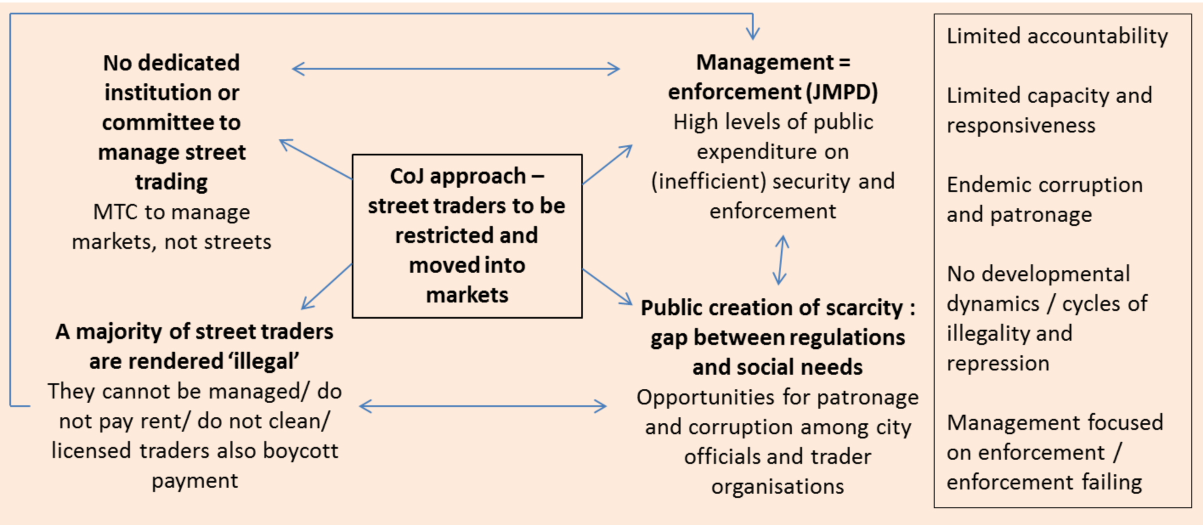


Figure 15 – The vicious circle of mismanagement in the City of Johannesburg

The fact that the majority of street traders in the inner city are rendered 'illegal', joint to an absence of institutions that efficiently manages the streets, leads to the prominence of policing as a way to manage street trading. Public resources are therefore spent mostly in policing, tracking the 'illegals' instead of exploring developmental initiatives with street traders. This makes of JMPD, *de facto*, the key managing institution for street trading: the main face of the state for street traders, and the main item on the public expenditure when it comes to street trading management. This of course distracts public energies, capacity and investment in other needs of the sector (in particular more developmental ones). It also confuses in officials and in public minds, management with enforcement. The failure of street trading management (the fact most traders in the street are not seen as 'managed', there is litter and congestion etc.) is understood as a failure of 'enforcement': the business sector keeps calling for a better application of existing by-laws[37]; traders themselves denounce the corruption of police as the main factor of failed management[38]; City officials keep promising "strong management" (meaning strong

[37] See Central Johannesburg Partnership's submission in the Constitutional Court case (CJP 2013).
[38] CUBES workshop: research support group for street trader organisations, Johannesburg: Wits University, 01.08.2014. See also Clark, 2014.

enforcement)[39]. Yet, it seems that it is rather the restrictive, possibly denialist, City approach to street trading that is to blame for the chronic failures of street trading management in inner city Johannesburg.

To adapt to increasing contradictions between official objectives (do away with street trading as such) and existing realities (growing demand for street trading space in a shrinking formal economy) – a form we could characterize as a denialist approach to street trading- the City has developed a number of practices that seldom are officially acknowledged, sometimes contradict the City's official line, and are not given appropriate policy and practical support. One can read in this way the fact that MTC started allocating smart cards without any clear plan for managing streets in which vending spaces were to demarcated (and with the objective ultimately of moving the traders to linear markets), also leading to gaps between traders allocated smart cards and traders allocated legal vending spaces (JDA 2013; Clark 2014).

Another form of 'denialism' and dealing with contradictions between official line and pressing realities, can be seen in a number of 'outbursts' of delivery of trading spaces, 'to let the steam go' without fundamentally changing the official strategic direction nor approach. That is how one could understand the sudden delivery by the City of 1000 trading stalls, in 2004 (nicknamed 'the cages' or the 'wired-cage' due to their metallic frame and their very small dimensions - 80*50cm- to fit narrow pavements), along the densest streets of Johannesburg (Bree, Plein, Jeppe, Commissioner and Von Weilligh streets and the Joubert Park Precinct), in contradiction with general policy directions[40]. Dinath and Zack argue in that sense:

> "The roll out of the 'cages' represented a yielding to real pressure on the ground. But they were counter to the policy position. The policy position of control was extreme and the pressures for additional trading space on the ground extreme […] The decision to roll out the 'cages' was a response to the reality. However it was not fully followed through with support in terms of facilities or urban management programmes to give full effect to this response." (Dinath and Zack, 2014).

While the consolidation of smaller trading stalls in narrow streets could be seen as a welcome attempt to respond to existing practices, the lack of consultation with affected stakeholders (traders themselves and property owners in particular), the absence of longer term vision, the fact some of these stalls were installed in contradiction with existing by-laws (without them being changed or questioned), and the contrast with previous or concomitant actions undertaken by the City to restrict street trading, seem to reflect an haphazard way in which this decision was taken.

The delegation of street trading management to the private sector, for areas falling into City Improvement Districts, could be understood as a third example of how the City seeks to accommodate the reality of street trading without shifting the lines, directions and institutions of street trading management within the CoJ. This informal delegation, through a formal but temporary partnership between the CJP and DED / MTC, was done almost by stealth: it is seldom mentioned or acknowledged in most official documents and public discourses[41]. It is also done somehow reluctantly, as illustrated by the difficulty with which the partnership agreement (MoU or Joint Venture) was renewed over the years and finally not renewed formally, although continuing informally.

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[39] CoJ consultation process: Inner City Promulgation and Designation of Trading Areas, Johannesburg, 29 July to 6 August 2014.

[40] Tammy O'Reilly, 'New trading facilities for hawkers', *BUA News*, 8 Oct 2004.

[41] This might be shifting, at least out of the Department of Economic Development. See for instance the 2010 Inner City Transport and Traffic Study, that explicitly calls for the creation of a City Improvement District around Park Station to better manage heavy pedestrian and transportation flows as well as street trading (JDA 2010).

3.2. A reluctant partnership between the municipality and the private sector for street trading management

Through a Joint Venture Agreement between MTC and Central Johannesburg Partnership, dating 1999[42] and renewed twice until the agreement expired in January 2008, MTC and CJP have shared the inner city territory for street trading management and fees collection.

3.2.1. Delegation by stealth?

It is not very clear where the MTC and where the CJP street trading management zones were exactly[43], which is in line with the general opacity and difficulty to access general maps and comprehensive documentation on where street trading is prohibited and where it is allowed. It seems that street trading has been allowed and nurtured mostly in the Retail Improvement District (RID) (see section 3 of the report below), and in discrete parts of some CIDs such as in the Central Improvement District.

It is not very clear either how and why the 2005 Joint Venture agreement was passed between CJP and MTC (CJP-MTC 2004), at the same time as the City of Johannesburg was passing new restrictions to street trading that declared all CIDs as restricted areas for street vending (CoJ 2005b). Qualitative case studies show that in some cases, dominant property owners have unilaterally decided there should be no street trading in 'their' CID, and put pressure on the City to be granted that authorization to prohibit trading (see Olitzki's position against street trading in Gandhi Square: Singh et al 2012). Nevertheless, CJP was delegated the management of street trading in the City Improvement Districts covering parts of the inner city: directly, then through service providers such as Kagiso Urban Management (KUM), and Urban Genesis Management (UGM) from 2009.

In contrast to MTC managed areas, street traders in the few CJP-managed area (in the RID mostly) are broadly satisfied about their work conditions (Bénit-Gbaffou et al, 2013). They enjoy a sense of security and stability, dignity and pride that was not experienced in MTC managed zones (ibid.). The physical contrast between the CJP managed area and the other inner city spaces is striking - in terms of cleanliness, security, maintenance, vibrancy of the street[44]: to the point Kerk Street became the highlight in several inner city guides tours, as the epitome of a vibrant African city center and climax of several inner city tours[45]. The principles the RID applied are presented in detail in the next section.

Therefore, whilst the strong belief of this author (also based on international comparison) is that the *municipal* management of street trading is the best possible solution, a pragmatic and context-related approach leads to explore alternative possibilities, in post-Operation Clean Sweep Johannesburg. Based on the experience of the continued restrictive approach to street trading management entrenched in City Council, and in the absence of a clear intention from the City to

[42] The first agreement was signed in 1999 between CJP and EDU. It was renewed in 2003, and in December 2004 (JV and MoU between CJP and MTC / EDU respectively). It was not renewed for 2008 (Anne Steffny, CJP Director: personal conversation, 15/05/2014). At the time of writing the 1999 agreement could not be accessed.

[43] The joint venture agreements between the two organisations (1999, 2003 and 2005) generally refer only vaguely to the areas concerned, mentioning annexures where these areas are specified, that are not available in the archives. A 2013 City document (CoJ 2013a:2) however mentions that out of 49 inner city streets demarcated for trading, 15 are 'managed by the City Improvement District', encompassing 1300 traders.

[44] This has to do with a different (more resourced but also more inclusive and efficient) management, but also to a concentration of public investment to revamp the area, through Johannesburg Development Agency.

[45] Interview with Gerald Garner, writer and tour guide passionate about the inner city, and with Jo Biutengrach, city tour guide (Past experiences), by Sophie Didier, April 2014.

adopt a more realistic, inclusive and sustainable approach[46], it might be worth exploring, at the precinct level, a more formalized delegation of street trading management to the private sector (or, better -but with limited evidence in practice so far- a partnership therewith)- to at least continue demonstrating, in a more transparent and supported way, that managed street trading can work at the local level.

Indeed, sections of the business community have been paradoxically more pragmatic, *de facto* more progressive and inclusive, than the Johannesburg City Council in the last decade, as far as street trading management is concerned – at least in some parts of the City. It has been the case of the Central Johannesburg Partnership: based on a positive experience of street trading management in the RID since 2005, CJP has since 2013 developed more direct engagements and forms of partnership with selected street trader organisations to propose ways forward after Operation Clean Sweep – more inclusive ones than what the City is currently offering traders. Seeing a niche market for the private urban management of the inner city as a whole, the CJP even seems committed to reconsider, or at least open a debate on, the prohibition of street trading in other CIDs[47].

3.2.2. Central Johannesburg Partnership and street trading in Johannesburg: from suspicion to pragmatism

The Central Johannesburg Partnership has not always been supportive of street trading. Its members and the inner city business community at large seem to be been divided on the issue[48]; and there are signs that CJP's official position has slightly shifted in time, towards a more pragmatic and sympathetic approach. In the late 1990s – early 2000s however, the CJP lobbied the City Council to extend street trading prohibition to the City Improvement Districts (CoJ 2005b); it also supported the city's intentions of locating all street traders in markets (or later linear markets) and prohibiting other pavement trading[49].

CJP has been key in creating City Improvement Districts in the Johannesburg inner city, managed through a private management company linked to CJP, Urban Genesis Management (UGM) – formerly by Kagiso Urban Management. City Improvement Districts (CIDs) are areas in which a majority of property owners (at least 51% of property owners representing at least 51% of property values) agree to pay an extra levy (on top of existing municipal rates and taxes), to be spent in the CID area for urban management. Property owners elect a Board of property owners, who decide how this funding should be spent – and often delegate the everyday management (of extra cleaning and security management generally) to a private company such as Urban Genesis.

46 As indicated by CoJ 2014: pursuing a restrictive approach to street trading, sticking to the idea of creating markets, buildings and linear markets as a complete alternative to street trade, failing to analyse the reasons for its own failure in management.

47 Conversations with CJP and SANTRA leadership, May 2014.

48 See the regular outbursts of business sector representatives in the media o in public settings against street trading – in reality often against lack of managed street trading, but systematically confusing the two and calling for trading-free pavements. Cf also Singh et al. 2012.

49 See CJP 2006 proposal to CoJ for the banning of all sidewalk trading in favour of managed linear markets; and CoJ 2006 reports on a meeting between EDU and Property Owners, where all agree that there should be no street trading on sidewalks in inner city at all, but rather trading should be restricted to linear markets or specially provided stalls only. One should however note that there is often a degree of ambiguity on what 'linear markets' mean, as opposed to 'sidewalk trading' (in most cases linear markets meaning a pedestrianized –and therefore short- street where trading takes place, as in CoJ 2009 Informal trading by-laws). The following quote illustrates this point: "no informal trading be allowed, in the Inner City City Improvement Districts (CIDs), unless in a allocated stall within an approved Linear Market and/or a place demarcated and purpose built for informal trading (no trading on sidewalks be allowed at all)" (CJP 2006:1).

CIDs have been applauded as efficient instruments to get private funding contribution to urban regeneration, and as a way to organise supplementary urban management resources in contexts of limited municipal resources. Inner cities require extra resources due to their incredible densities and multiplicity of uses (linked to their centrality), but it does not seem that Johannesburg inner city administration (region 8 then region F) has been endowed with specifically more resources than other regional administrations in Johannesburg metropolitan area. CIDs' ability to leverage dedicated private funding for specific areas of urban management (cleaning and security, some initiatives in public spaces) can be seen as a response to these constraints – and in this sense they are pragmatically supported by most City officials. They offer a form of arrangement that has allowed for sidelining the restraints disabling municipalities from ring-fencing municipal income for the purpose of area-based expenditure (2003 Municipal Finance Management Act) – an important limitation to (much-needed) dedicated funding for inner city management.

CIDs have also been criticised as forms of privatised governance, where decision-making is delegated to property owners and where democratic accountability to other, in particular less privileged city residents and users, is suppressed. International literature documents well how the private management of public space generally leads to the displacement or eviction of the poorest, inter alia beggars and street traders (cf Miraftab 2007; Morange 2015a, for the case of Cape Town street traders in particular). The opaque or unilateral way decisions are taken on whether CID should or should not accommodate street trading (for instance their complete prohibition in Braamfontein and the South Western CID: Singh et al. 2012), the lack of public debate at an inner city level on spaces open or prohibited for trading, is testimony to this lack of democratic accountability[50].

Street trading, being an important dimension of street and public space management, became an area of focus of the Central Johannesburg Partnership (CJP). The CJP, possibly first out of a refreshing pragmatism ('street traders are here to stay and it is better to acknowledge them rather than to deny their presence, as it allows us to at least manage them') signed an joint venture with MTC, so as to manage the street traders that were on CID territory. The first occurrence of this JV was in 1999, the agreement being renewed end of 2004 (CJP-MTC 2004); but it failed to be renewed for 2008. CoJ Department of Economic Development explains this non-renewal by the fact CJP demanded to be paid by the City, as a delegated service provider managing the area – to the amount of R90.000 per month invoiced to MTC[51]. CJP argues that such payment has only been claimed once, to the amount of R43.000[52], as it became clear that CJP was unable to recover the cost induced to CJP for street trading management, from traders' rents, as initially envisaged. Nevertheless, CJP continued informally (without an updated agreement with the City) to manage trading in selected CID areas, through Urban Genesis Management, and is currently reformulating an agreement with the City of Johannesburg.

The Retail Improvement District (RID) was born in 2005 out of this agreement. Unlike other CIDs such as Braamfontein or Gandhi Square, the RID positively integrated street traders in several of its streets. The successful street trading management model piloted there (and importantly supported by massive public investment through JDA: refurbishment of pavements, linear market construction, BRT routes and stations), accommodates between 700 and 900 street traders, many of which are affiliated to SANTRA, some to JOWEDET[53]. This experience has

[50] One could argue however that there was not much more clarity nor any meaningful public debate on non-CID inner city spaces prohibited for street trading during that period.

[51] DED official, in CUBES-DED workshop, 'In quest for sustainable models of street trading management – Part II', 29/09/2014, Johannesburg.

[52] Interview, CJP Director, 05/02/2015.

[53] SANTRA (South African National Traders and Retailers Alliance) and JOWEDET (Johannesburg Well of Development and Training) are two street trading organisations present in the area. See Wafer 2011, Matjomane

laid the ground for engagements between SANTRA and CJP, and the construction of a certain level of trust. It is in this context that the two organisations have proposed, in the immediate aftermath of Operation Clean Sweep, to test a street management pilot in Park Station.

It is these two street trading management models, experienced at precinct level, that this section aims at presenting – the first based on an existing model, the second an emerging pilot project.

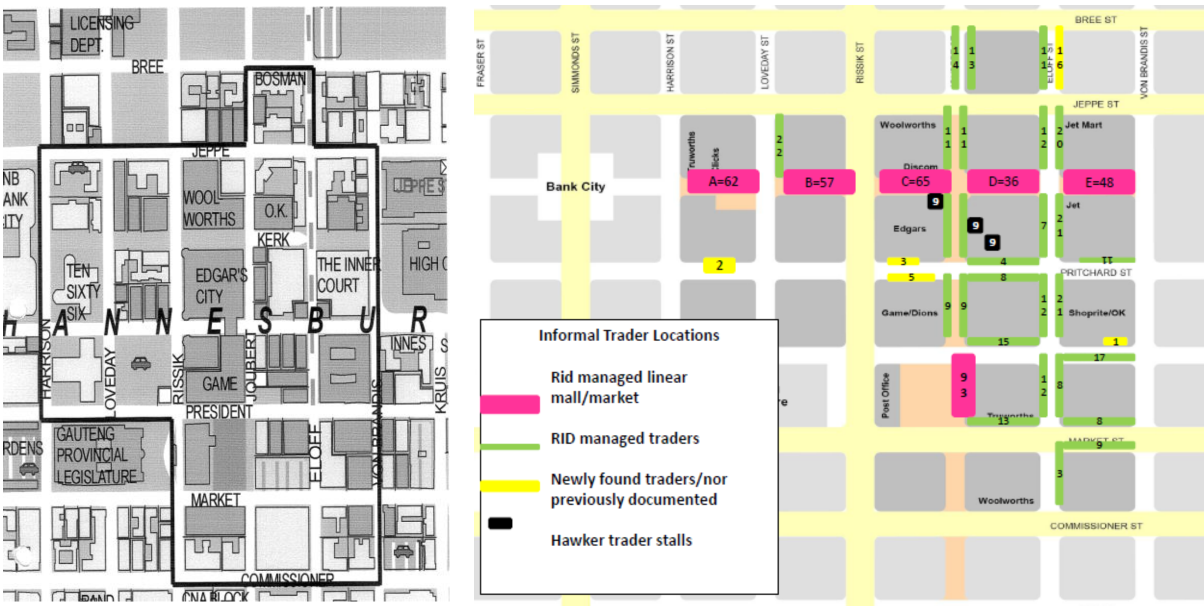
3.3. The Retail Improvement District (RID) – street trading management cross-subsidised by property owners' levy

This sub-section is based on students' research, edited for circulation (Bénit-Gbaffou et al. 2013), supplemented by subsequent engagements with both SANTRA and CJP. It is based mostly on interviews with the major stakeholders[54], and not on long term observation or experience – therefore possibly some of the practical shortcomings of the model might be overlooked. Nevertheless, the model appears generally successful, with a number of limitations that will be discussed below.

3.3.1. The Retail Improvement District as a street trading area

The Retail Improvement District was established in 2005. Its boundaries run from Jeppe Street to the north, Commissioner Street to the south, Von Brandis Street to the east and Harrison to the west. In 2010, its Board of Directors consisted in representatives from major developers investing in the inner city: Afhco, Edcon, Redefine Property, Cityprop, Jozi Housing, and City of Joburg.

Figure 16 – Boundaries of the Retail Improvement District, and location of street trading



Sources: Kagiso Urban Management (undated, possibly 2005), RIB Business Plan: Proposal. Kagiso Urban Management, 2008, Retail Improvement District. Phase 1 & 2: Status Quo, Visioning and Action Plan.

2013, and Bénit-Gbaffou 2014a for more information on street trading organisations operating in Johannesburg inner city.

[54] SANTRA representatives and traders, CJP leadership, Urban Genesis Management (senior and on the ground employees), City of Johannesburg (DED officials; JDA project managers).

The RID accommodated about 950 traders in 2008, and 716 traders in 2014[55], around 22 blocks. The traders are trading from a variety of trading sites. Two linear markets have been built on pedestrianised streets (Kerk and Joubert), and are often referred to; but other forms of trading sites have also been developed, that allow for a great diversity of traders (Abed 2011): demarcated sites on Joubert street, foldable metal stalls on Rissik and Pritchard along Edgar's shop[56], carved out trading niches into Shoprite's blind wall on President. This diversity of trading sites – size, form, location – is arguably part of the success of the model, that accommodates a diversity of traders: some selling books, African beadwork and gold fishes, other vending more basic goods such as fruit, pencils, chips and junk food (see illustrations below).

The RID is managed by a service provider, Urban Genesis Management (UGM), paid by the RID property owners' board with the property owners' CID levy. This levy amounted to R3M in 2006[57], R4,6M in 2010[58], R5 in 2011[59]. Fees collected from traders by UGM, in the form of rents, play a limited role in UGM income – it is not entirely clear at this point whether they were supposed to go into CJP/the Joint Venture or into UGM account. Rents have indeed been collected erratically, partly as a consequence of the lack of consolidation and renewal of the formal partnership between CJP and MTC-DED (authorizing the former to replace MTC in collecting the monthly fee from traders); also perhaps because they were not essential to the financial sustainability of the model. In 2007 for instance, traders' payments amounted R80.000 for the year (plus R12.000 paid to Edgars, who manages 11 stalls in the RID), or about R7500 per month overall (about R10 per trader per month on average, for 712 traders)[60].

3.3.2. Three main non-state actors - and the City

The management model rests on three main stakeholders: the City Metropolitan Trading Company (MTC) (that used to report to the Department of Economic Development; is now subsumed under Johannesburg Property Company), delegating street trading management to the Central Johannesburg Partnership (CJP), itself contracting a service provider (Kagiso Urban Management, and Urban Genesis Management since 2009). Street traders themselves played a marginal role in decisions and management.

► **The Central Johannesburg Partnership** established a Joint Venture (JV) with the City (MTC), for a period of 3 years renewable annually. The purpose of the joint venture was for CJP (through KUM and later UGM) to administer trading stalls rental collection and administration[61] - along the following lines (summarized here):

- CJP's responsibility was to manage and maintain the stalls, whilst MTC was retaining the function of allocating the stalls to traders.
- Traders (agreed upon by the JV) were to enter into rental trading stall agreement with the JV, and to pay rentals to the JV bank account
- MTC was to solve conflicts between traders, with JMPD, as alerted by CJP
- CJP and MTC were to meet monthly with JMPD and possibly traders representatives

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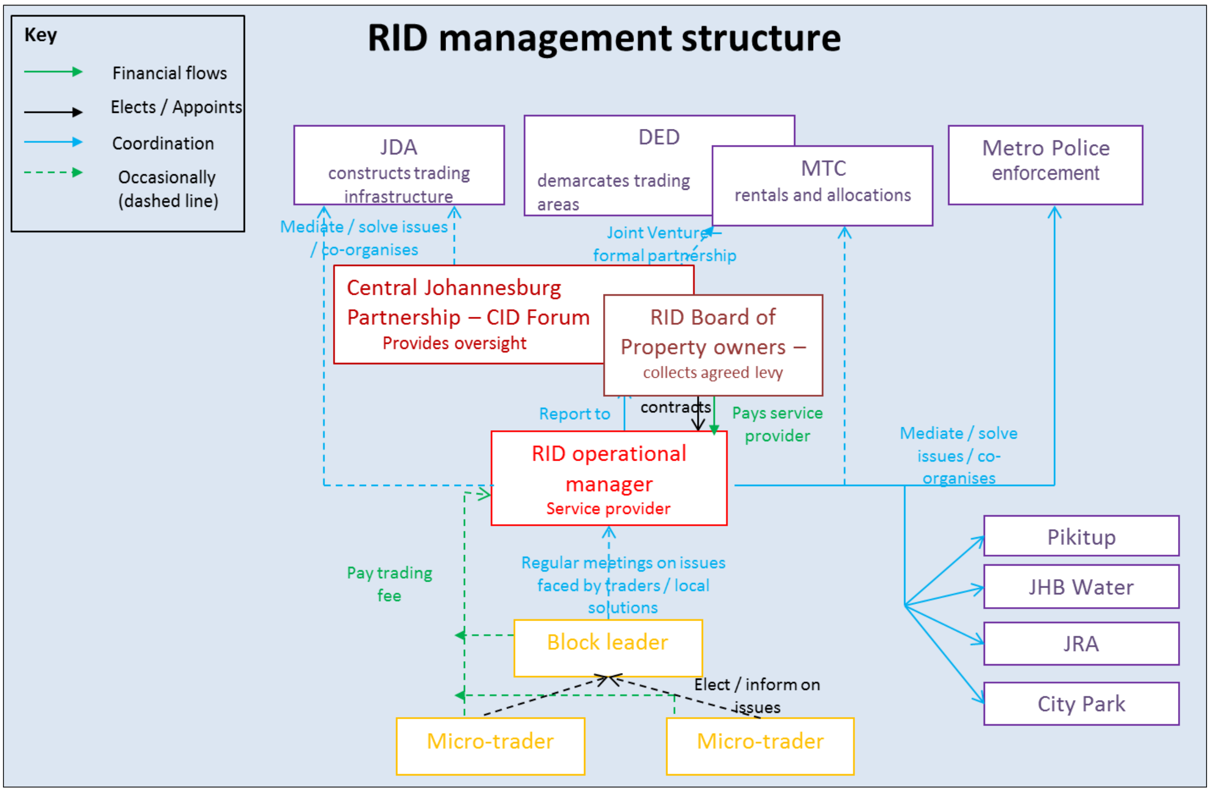
55 CJP street traders list, 2014. The story of this decreasing number of traders has not been fully documented. There is evidence of a letter written by JOWEDET, one street trader organization, to the South African Human Rights Commission, complaining about traders being removed from their trading spaces in the RID. THE SAHRC wrote to the Central Johannesburg Partnership in this respect (December 2009), which relied that there was no available legal trading space in the RID to accommodate these traders, and this was the responsibility of MTC.
56 Some of which have been destroyed by the JMPD during Operation Clean Sweep.
57 Kagiso Urban Management (2005), *RIB Business Plan: Proposal.*
58 Urban Genesis Management, 2011, *Retail Improvement District: Annual review, 2010-2011 Report.* Presented to the RID AGM.
59 Personal communication, CJP Director, August 2014.
60 CJP 2009, CID informal traders income and expenditure 2008-2009, excel file communicated by CJP.
61 Summary of CJP-MTC JV agreement (2004). See note 33 above.

- CJP administration (and KUM, later UGM, administration) was to be paid from this account; the surplus to be shared between CJP and MTC (75/25).

Practice however departed from the joint venture's principles. First, CJP ended up having its own traders' database, separate from the MTC database, and managing 1000 to 1300 traders in total (720 to 950 in the sole RID). Secondly, the funding of the model seems to have worked differently: CJP being unable to levy rents from traders, eventually requested MTC/DED to pay for their management and coordination services (but there does not seem to be a formal amendment to the agreement)[62]. UGM finally took charge of the extra cost of managing street traders, through the levy paid by property owners in the CID, when managing street cleanliness and security more generally.

The relationship between CJP and the service provider is complex, as staff and personnel have been shifting from one organization to the other, and the service provider working with CJP also has changed, from Kagiso Urban Management to Urban Genesis Management[63]. Broadly speaking, CJP was performing the role of lobbyist, strategist, coordinator and mediator between the service provider (KUM-UGM) and City departments and municipal entities (especially JDA, DED and MTC).

Figure 17 – The RID management structure



[62] The CJP 2014 proposal for street trading management in Park Station (rejected by DED) goes in that direction: it is proposed that the City pays CJP (for a minimum of R100.000 per month) for this delegation of street trading management; CJP would release funding to Urban Genesis upon completion of the traders' management tasks. The City would receive normal traders' rental fees, collected by street traders under CJP/UGM monitoring (CJP 2014a).

[63] There is much fluidity between CJP and the private companies specializing in urban management, that CJP is contracting – we are not in a position here to provide a full story. In 2009 a former employee of KUM created UGM, and several members of CJP worked for UGM. The current director of CJP has been directing UGM at the end of the 2000s. In 2014 the manager of UGM (who had been a member of CJP) resigned from UGM and created his own management company, SAID, South Africa Improvement District.

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► **The service provider** (KUM-then UGM) managed the streets and the traders on a daily basis:

- Through security and cleaning personnel, as well as a coordinator for the RID (also coordinating the CJP street traders database)
- Through (not that regular) meetings between UGM RID coordinator and traders block leaders (reporting and solving issues)
- Through (attempted) coordination between UGM and Pikitup's cleaners
- Through regular meetings with JMPD, and ad hoc calls in case of crime in the RID
- Through occasional meetings with MTC, DED, JDA (capital investment, policy change, broader issues) – although this more strategic task was generally conducted by the CJP.

Figure 18 – A diversity of trading sites and stalls in the Retail Improvement District


© Abdul Abed for Yeoville Studio 2011. Linear markets in pedestrianised streets (Kerk and Joubert)


© Abdul Abed for Yeoville Studio 2011. Foldable stalls (Edgars on Rissik)

© Abdul Abed for Yeoville Studio 2011. Trading sites (yellow demarcation) on Joubert Street.

© Abdul Abed for Yeoville Studio 2011. Carved niches in blind walls and narrow streets (Shoprite)

The service provider (UGM) derived its resources from payment from the RID Board of Property owners (RID levy). Its expenditure was mostly on security and cleaning staff (with a degree of supervision) and administrative coordination (of cleaning and security staff; interface with traders; interface with property owners, CJP and the City). See below for more details.

► **Street traders** were secure in their trading stalls, not subjected to JMPD harassment, worked in a clean environment, and reckoned that 'the RID is much better managed than MTC managed areas' (Bénit-Gbaffou et al 2013). In terms of their participation in management of their street, their role was limited and could be described as follows:

- They exerted control over one another, produced safety for pedestrians by their presence, and prevented external traders to settle
- In case of crime or conflict, they reported to the RID security agents on the street or to the RID administrator.

- They (were supposed to[64]) pay an affordable rent for trading in the area (although with a variety of levels and status – some to CJP, some to MTC, some to Edgars: depending on location and type of stall).
- As in the rest of the City, and in close relationship to DED-MTC, they elected block leaders who could report claims and requests to UGM coordinator[65].

3.3.3. Street Trading Management costs

UGM approximate expenses in the RID totaled consisted in 2014 of R2,7M for street security, R1,8M for street cleaning, and about R600.000 for administration/ coordination, per year. Information is here incomplete and scattered, but this is what could be gathered through various documents, complemented by oral statements from different parties. One needs to stress that expenditures for the RID (in particular admin expenditures) are difficult to estimate for a specific area (the RID), as many staff (especially at managerial level) share their time between several CIDs. Expenditures related to the presence of street traders are even more difficult to isolate – as these are UGM expenditure for street management in general, as in any CID. The specification of costs for the RID is therefore an approximate exercise.

Figure 19 – Estimating the costs of managing traders in the RID: a daunting task

Staff for RID management (2014) – 716 traders / 22 blocks		
	number	**cost/ month**
Security	14 Foot patrollers	
	4 Scooter drivers	
	2 controllers	
	1 Supervisor on a scooter	
	2 scooter drivers	
total	23 security officers	R225 000
Cleaning (day):	1 Supervisor	
	15 cleaners	
	8 cleaners	
Cleaning (night):	1 supervisor	
	1 shared truck	
total	26 cleaning staff	R150 000
Administration	2 admin	R50 000
Total	51 staff	R 425 000

Source: UGM 2014.

NB:

(1) Admin costs cannot be attributed to the sole RID, as managers are affected to several CID areas

(2) Cleaning and security expenditure are not for traders only, they are part of urban management costs in any CID. UGM estimates broadly that street trade increases the cost of urban management by about 25% overall.

[64] As mentioned above, payment has been irregular.
[65] It is not clear, in principle nor in practice, whether their primary line of reporting was to CJP-UGM or to DED-MTC.

Indicative street management overall cost (R)	RID (2014)
For 100 traders per year	R712 300
For 100 traders per month	R60 000
For one trader per month	R600

Source: UGM 2014

This means that in the RID, an approximate R600 per trader per month is spent on urban management - excluding street and public space maintenance and repair costs. The ratio applied by Urban Genesis of staff per trader in the RID is about

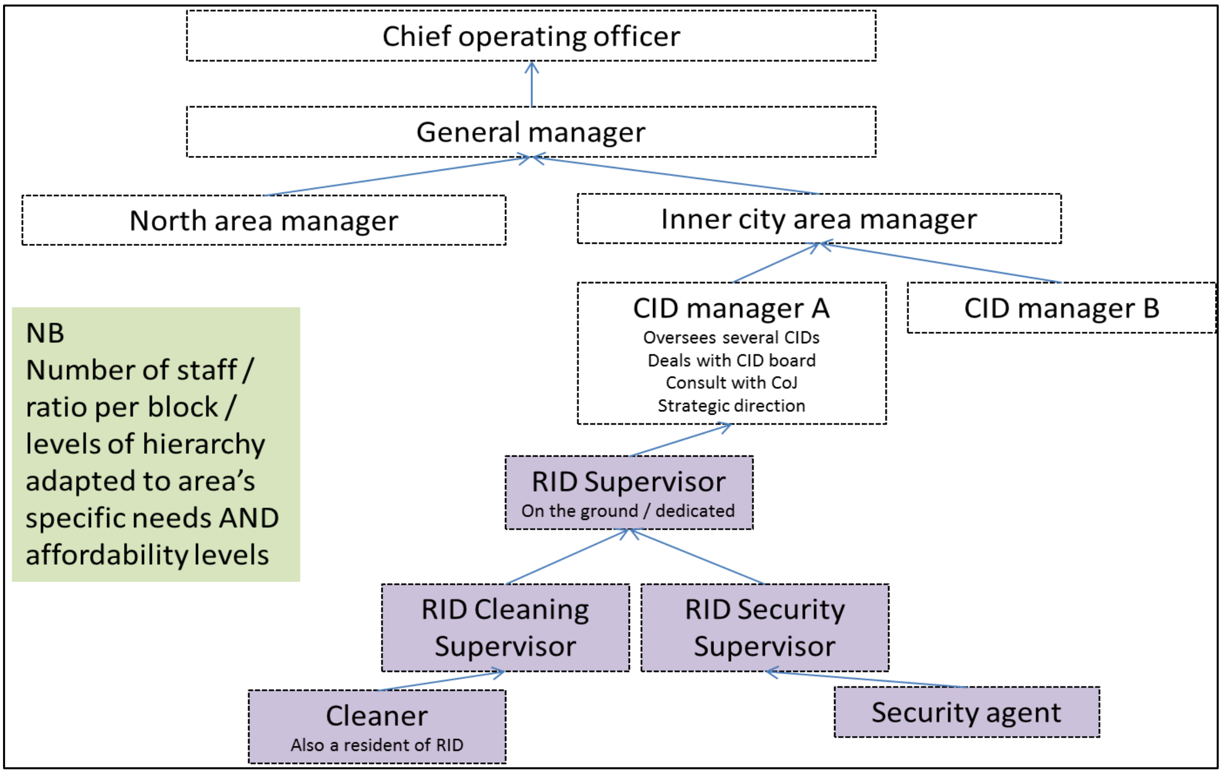
- 1 cleaner for one block, or 28 traders
- 1 security for one block, or 29 traders
- 1 administrator for 11 blocks, or 380 traders.

It would be interesting to know how different these ratios are per block, in CIDs that do not accept / have street trading. One needs to note indeed that

- RID costs are adapted to RID area's affordability levels (level of service provided by UGM depends not only on absolute needs but also affordability within each area/CID)
- This cost exclude capital investment in roads, pavements, streets' maintenance, as well as capital and operational expenditure for facilities and infrastructure for traders – costs that are still the responsibility of the City of Johannesburg.
- This cost includes overall street management expenditure, so **it is not focused on, or limited to the extra cost caused by street traders' presence.** The cost *per trader* is therefore over-stated in this estimation. It might be more relevant to calculate an overall cost for urban management per block, for instance. UGM states that the presence of a large number of street traders (cleaning and administration) contributes to a rise of about 25% of overall management costs[66].
- This costs excludes the coordination and lobbying role played by CJP, that it intended to recover through monthly traders rental payments (at a level between R60.000 and R100.000 per month). This cost does not seem to have been incurred in the model, and is explicitly framed in contemporary management models submitted by CJP to the City of Johannesburg (CJP 2014).
- The administrative costs (coordination) are difficult to attribute to one single CID, as some administrative staff is shared between several CIDs. Below is an indicative organogram of UGM showing in particular that the CID manager manages in fact several CIDs. Cleaning and security supervisors are counted as cleaning and security staff respectively. There is in fact one single RID supervisor on the ground fully dedicated to the RID.

[66] Interview with UGM Director, 15.08.2014.

Figure 20 - UGM simplified administrative structure



Source: UGM Director, 2014.

3.3.4. What works in the RID

The success of the RID model can be analysed along the four following factors:

► **Cross subsidisation** – property owners levy pay for street security and cleaning

The RID management is actually funded by the CID levy on property values (2,6% per year), totalling R5M in 2014 (for 22 blocks, 712 traders). In contrast, as mentioned above, traders' fees here are not regular and have not been levied consistently. For 2007 only, the 712 RID traders contributed about R100.000. This does constitutes a form of cross-subsidisation of street trading management, *de facto* funded by property owners. But it needs to be stressed that property owners also benefit from managed street trading: it protects them from the crime and grime associated with unmanaged street trading and that (according to property owners and developers) detracts investment and downgrades property values. It might even, by activating the streets and fostering street vibrancy and safety, create an urban quality that positively affects property values and investment.

► **A diversity of types of trading stalls** that do not impede on pedestrian flows

The variety in types of stalls allows for opening a number of streets to trading, and adapt to pavement and circulation configuration. This allows for a variety of traders (different turnout, capital, goods) to access opportunities.

► **A grounded administration** – conflict resolution, maintenance, control

Communication between traders and management is ensured first by the presence of security agents on the ground, the accessibility of Urban Genesis office and its coordinator attending to complaints, and able to upscale the issues to the City if needed, and the upholding of regular meetings between block leaders and Urban Genesis to report on and solve issues[67].

► A strong working relationship (networks; regular meetings; funding) between management (CJP/ UGM) and the City

(Theoretically) this working relationship is based on regular meetings between CJP/UGM and relevant city officials (MTC/EDU; JMPD) ensuring rapid response to issues. In practice, these meetings were probably not very frequent. However, the sustainability of the model rests on the formal agreement between CJP and the City (the Joint Venture), and its informal continuation through established networks: that allows CJP to collect traders' rents, and also gives CJP and UGM legitimacy in contacting various City entities with regards to street trading. For instance, UGM was able to establish, for certain periods of time, practical agreements with Pikitup and JMPD to coordinate cleaning and policing efforts.

3.3.5. Limitations to the reproduction of the model elsewhere

There are three limitations however to the success of (and possibility of replicating) the RID model:

► Traders not at the center of this model and in fact have limited voice or control over the management decisions (in the RID in particular and in other CIDs in general)

The governance model is not closed to traders' inputs and voices (there are meetings between block leaders and operation managers, although such meetings do not seem regular nor formal) but they are not part of the management and are not part of decision-making. Traders have therefore limited say on traders location, on the type and variety of stalls, on which streets are open for trading and which are not. This becomes even more crucial in other CIDs, whose boards have generally unilaterally decided a 'zero street traders policy', without any engagement or compensation to the traders thus displaced. While inner city property owners should have a say on the location of traders and the designs of their stalls, this certainly should be done in negotiation with street traders and their organizations.

► Sustainable finance rests of CID levy

The RID has secured steady revenue for its management, through the monthly contributions from property owners that represent a percentage of their land values. This raises a number of questions:

- Would the management model be sustainable without this steady contribution?
- Can it rest on traders fees only, will they be sufficient to fund sustainable services (cleaning, security, coordination), and will they be regular enough?

If this was to be the case,

- What are the minimal financial needs for cleaning and security services to be provided?
- What are locally acceptable ratios of traders/ street (the famous and elusive 'street carrying capacity', an eminently political, and only partly technical, concept)
- What are affordable rental levels?

More broadly, this raises the question of inner city management costs (higher than elsewhere in the city) and the possible need for a specific levy to fund it. Shouldn't property owners be expected *in any case* to contribute a higher fee for a specific inner city management contribution, and would there not be ways of institutionalizing such a levy (even outside CIDs)?

[67] These meetings however are not so regular, and during students 4 months research traders did not attend any.

► Management efficiency rests on **CJP strong lobbying power and networking with City** officials & politicians

The role of CJP in brokering the relationship with the City is crucial – not only on an everyday level to solve issues, but also to enter into an agreement with the City, institutionalizing the management model which gives it stability and legitimacy. How would a traders' structure manage to set up and maintain working relationships with the various departments and entities of the City? CJP itself finds it difficult. If proper channels and institutions of (inclusive or participatory) management existed in the City Council, this would be less of an issue.

The fact that CJP would also, at times, invoice the City of Johannesburg (MTC) for its coordination role (in the absence of traders' rental payment, that was expected to be between R60.000 to R100.000 a month), on top and above the daily cost of management on the ground carried by UGM, adds to the complexity of the situation.

More broadly, this raises the question of the lack of appropriate communication channels between traders and the City (it is a concern that it takes a powerful business lobby to mediate the relationship), as well as possibly the lack of strategic capacity of the street traders sector to carve such a relationship.

In any case, in the current institutional context, this working relationship could perhaps be built incrementally with CJP mediation, support and training to street traders organisations. This is what is explored in the Park Station model.

3.4. Park Station Traders Management Committee: a model in the making?

In the aftermath of Operation Clean Sweep, early 2014, CJP and SANTRA joined forces to put together a street trading management pilot plan around Park Station, and submitted it to the City of Johannesburg (CJP 2014a), as part of their effort to demonstrate that sustainable street trading management is possible.

3.4.1. Why Park Station?

The choice of Park Station as a pilot area for street trading management was convenient for both stakeholders. CJP has been trying for some time to have Hoek street traders managed, in the vicinity of the well managed RID (CJP 2006). SANTRA had a number of members selling around the station – a key transport and business node in the inner city where in fact many street traders concentrate (Bénit-Gbaffou 2014a), and it was therefore a strategic space to try and implement the model. Both organisations stated that if the management model could work in an area as busy and 'chaotic' as Park station, there would be scope for expanding the model in less congested and less complex areas. This argument makes sense in attempting to manage a busy and congested area – where traders congregate (in what Indian legislation call a 'natural market', see section 2.1 above) and the management of many conflicting street uses is needed. This also means that traders might be able to make higher incomes than in other, less dense trading areas – raising questions about the uneven nature of central trading space, equity in allocation, and (market related or affordable) rental level to be required in this 'prime' street trading space.

The pilot model in fact concerns three streets surrounding Park Station: Wanderers, Noord and Hoek. Existing research in the area (Lande 2014) has enumerated 411 traders in the three streets surrounding Park Station and considered for management[68]. According to SANTRA and CJP, about 220 of these traders were 'legal' traders.

[68] At the time of the survey, May 2014. A few months later, after reinforced activity form the Metro police, this number had dropped to half. This shows how number of traders in a place depend on practices of enforcement, and

Figure 21 – Boundaries of the Park Station pilot model

A survey on the nature of sold goods, type of trading stall, size of trading site, has been carried as a starting point.

Figure 22 – A brief survey of Park Station traders, 2014

	Wanderers	Noord	Hoek	Total
Cigarettes, sweets and chips, CDS	16.2%	8.8%	17.6%	14.4%
Fruits and vegetables	22.7%	58.8%	19.1%	32.1%
Clothing	24.0%	17.5%	20.6%	21.6%
Cooked food	10.5%	0%	38.4%	12.6%
Salon	10.0%	0%	1.5%	5.8%
Phone equipment	10.9%	7.9%	2.9%	8.8%
Traditional medicine	0.4%	1.75%	0%	0.7%
Blankets, pillows and cosmetics	5.2%	5.3%	0	4.4%
Total	100% 229	100% 114	100% 68	100% 411

Source: Lande, author's survey, May 2014

3.4.2. Key points in negotiating a sustainable management pilot for Park Station

The Park Station pilot model relies on similar principles than the RID model, but outside of a CID – therefore, without the levy raised on property owners. This has financial implications: the cost of the extra services is to be borne by traders through a regular fee. It also has political

the challenges in conducting surveys of existing traders, defining what constitutes a 'market' equilibrium (how many traders can fit – spatially and economically- a sustainable business it in a given local space), and what defines a (rather than 'the') 'street carrying capacity', especially in times of dominant municipal repressive approaches.

implications: the traders might be able to be more implicated in the management of their own space. Another difference is the context in which it is set up – post Operation Clean Sweep, in a moment where the City of Johannesburg is devising new policies and by-laws for street trading (CoJ 2014) that might limit or open up the possibilities available.

At the time of writing, mid 2014, the pilot model was being consolidated in discussions between SANTRA and CJP leaderships, facilitated by CUBES at the request of SANTRA (Bénit-Gbaffou 2014b, Lande 2014), and the intention was to present the model to the City for discussion and approval, a condition for its implementation as a pilot project around Park station.

Figure 23 – Park Station: Lack of management of street traders / lack of urban management

© Bénit-Gbaffou 2014. A View from Hoek Street. Lack of municipal maintenance of pavements in this dense thoroughfare seems a bigger impediment to a good street life and easy pedestrian flow, than the presence of street traders.

© Bénit-Gbaffou 2104. Lack of designated trading sites renders public space difficult to navigate – perhaps more than the sheer number of traders.

The main areas of debate were: the management costs and affordability level for traders; the number of traders to be accommodated in the pilot; and the precinct management / governance structure for the pilot. Whilst these debates were still in process at the time of initial writing, it still might be of value and relevance to reflect on the processes of debating and defining the principles informing the pilot (Kwanda 2014):

► The **financial sustainability** of the model included a rental fee requested from traders. After much discussion between CJP, SANTRA and CUBES on whether the rent should be market related or affordable, and some discussion on which traders should be included, the compromise was that a minimum of R10/ day per square meter (R50 a week, R200 a month) would be considered – allowing more entrepreneurial traders to pay more for extra trading spaces but not excluding more survivalist traders.

► As in the RID model, the **funding raised through trading stalls rentals** would be used to pay a service provider to manage cleaning and security in the area, as well as coordinate the management of the area. A quote provided by Urban Genesis in December 2013 estimated that for the three streets (costs were calculated per block, not by number of traders), one would need about 6 cleaners, 5 security officers and one coordinator, at a total cost of R100 000 a month[69]. A proportion of the funding might need to be paid to the City, for the use of public space. Depending on financial sustainability of the model, other services to traders could be envisaged

[69] SANTRA and CJP during the process enquired With UGM whether this cost could be decreased, for instance in emphasizing traders participation in the cleaning of their own stall.

at a later stage, such as facilities (storage, ablution) and social services to traders. Mechanisms to avoid corruption and limit cash circulation would be devised: payment of traders' fees into a bank account on a weekly base; service provider administrator to check payment on a weekly basis, etc.

► Debates were also held around the **'street carrying capacity'**. Initially CJP and SANTRA would only consider 'legal traders', often conflated with SANTRA members (220 out of the 410 existing traders). This raised a number of issues, of different nature. There were issues of inclusion: the model was seen by CUBES as a way to pilot a more bottom up approach rather than reproduce arbitrarily defined carrying capacity levels, resonating with SANTRA leadership's tacit credo that all existing traders should be entitled to trade. There was also the issue of affordability: UGM estimate for management costs stood at R100 000 per month – the lower the number of traders, the higher the rental fee would need to be, and the higher the risk for defaulting and financial unsustainability (with 200 traders the fee would be R500 per trader per month: with 400 it would be R250). Finally, the impracticality of antagonizing and chasing away half of the traders, when CJP-SANTRA were trying to build support and buy-in from the traders, was understood as an issue. The agreement that all existing traders[70] should, as far as possible, be accommodated in the managed street trading model, was therefore developed, on the condition that professional designers would be involved in designing sustainable spatial solutions (i.e. street trading that would not jeopardize pedestrian flows). Of course this principle would have needed to be negotiated with the City, so that the currently illegalized traders are legalized or authorized for the pilot.

► The model intended to try and **include shop and property owners**: because it was seen as important that they have a stake in improved management of the area, and to encourage their financial participation to the management model (similarly to a voluntary CID). Whilst this involvement was to be developed in a second stage (once the model was processed with both traders and City departments), a way to get buy-in was proposed - that shop owners could hire a street stall and participate in this street retail economy. They would do so paying a higher rental than street traders; but this development should also be limited and could not take precedence over existing traders.

► Finally, the issue of the Park station **street trading management committee** was on the table, but unresolved at the time of writing. The principles discussed were that this would be aimed at incrementally consolidating a traders-led management committee, but in partnership or under the guidance of CJP, to ensure accountability and foster managerial and corporate skills training. Issues not discussed was CJP's ultimate role in the management structure – not only as providing training, but also as holding a unique lobbying capacity with Council. An issue that emerged, especially in interactions with other street trading organisations[71], was the question of the institutional framing of the management committee, and the representation of traders therein. It became apparent that many street trader organisations (not only SANTRA) were represented around Park Station; yet SANTRA had played a central role in defining and driving the model (and had gained CJP trust in the RID). So, two institutional issues were left pending:

- what place to give to other organisations in the trader management committee: was there a specific, pragmatic as well as symbolic, status for SANTRA given its prominence in the process? And,

[70] Except those selling counterfeit or illegal goods who should be dealt with by SAPS. There was a level of criminality led by a few traders (SANTRA identified about 10 of them) in the area.
[71] CUBES coordinated a series of workshop with the 7 street trading organisations the most active in the inner city, throughout 2014 – at their request, to support them with research findings in their engagement with the City (see CUBES website).

- what place to give, respectively to organization leadership (who might not trade locally, but had the vision, experience, networks and strategic skill to manage a precinct), and to locally elected representatives (such as block leaders, who have been accused of being coopted by the City and not able to contest or meaningfully shape its decision)?

These questions of representation, also centrally raised in a report on street trader organisations' ambition for trader-led street trading management (Bénit-Gbaffou 2014a), have been left unresolved.

Conclusion

This chapter has established the continuities in City of Johannesburg restrictive approach to street trading in the inner city, from 2000 to 2014; and the consequences it has entailed for the management of street trading. It has argued that this choice amounts to a form of denialism of existing realities of the post-apartheid city, and has actively rendered the City unable to successfully manage street trading in inner city Johannesburg, by entering into a vicious circle of ill-adapted institutions, creeping opportunities for corruption and patronage amongst city officials and trader representatives, illegalization and criminalisation of a large number of street traders, securitization of management at the expense of a developmental mandate for the regulation of street trading.

In this context, it is the private sector which has developed the currently most sustainable forms of precinct-based management of street trading, through securing locally-based funding, dedicated security, cleaning and administrative personnel, and the (relative) ability for traders to bring issues from the bottom up, with a pragmatic and problem-solving orientation – at least in selected areas. The question on whether the business sector is open to extending this approach to other (the majority of) inner city CIDs, where street trading is currently prohibited, is crucial – the sustainability of the RID model as a street trading management model, beyond the precinct level, depends on the answer to this question.

In any case, lessons can be drawn from the private management of street trading at the precinct level. These are not perfect 'models', as acknowledged by the initiative's supporters themselves, and can be considered 'work in progress'. They are currently being refined in discussion with the City and some street trader organisations.

Genuine partnerships (rather than 'delegation by stealth') between private sector, street trader representatives and relevant City departments and entities still need consolidation, probably requiring both precinct-based and inner city-wide regular forms of engagement and negotiation. An overall spatial and management vision for the place of street trading in the inner city – which could or should be led by the City- is still missing. It cannot be provided by local pilot models, or on the basis of islands of tolerance in a sea of prohibition of street trade, although differentiated precinct-base agreements can be negotiated involving all stakeholders, provided that general principles for street trading management, and an inner city wide vision in this respect, are developed.

At the time of writing, it was not clear that the City of Johannesburg was embarking on, or willing to drive, any inclusive and transparent visioning process of this nature.

The question of institutions and specific funding (in municipal budget, through rates, taxes or levies), dedicated to the management of an extremely dense and diverse inner city, still remains, beyond the issue of street trading itself.

CHAPTER 4

WAYS FORWARD FOR JOHANNESBURG: NOT A 'MODEL', BUT AN APPROACH, A SET OF PRINCIPLES AND A SUGGESTED PROCESS

Whilst it was challenging to find one or several clear 'models' for sustainable, inclusive and developmental street trading management, there was a degree of consensus on processes leading to locally defining such 'models'.

The most progressive street trading management models have started with:

► **A census or a survey of all existing traders** (number and location), as a starting point, intending to assess the social demand for trading spaces on the basis of a market-defined equilibrium (i.e. how many traders can make a sustainable business, economically and spatially, in a given space)[72]. The census is to be done by independent surveyors, or through a joint (traders-city representatives at list) team, to ensure a level of transparency and neutrality. Importantly, it needs to be conducted in a time where repression and tracking of 'illegal' traders has been suspended, if the survey is to have any meaning. The idea behind starting with a census reflecting existing traders demand for trading spaces[73], is **to turn around existing approaches**: starting with on the ground realities and pragmatically devising management strategies and solutions to issues, rather than imagining a desired state for the city that negates (and does therefore not sustainably address) its realities.

► **The establishment of a joint committee** (whose structure vary, but always encompasses at least municipal officials and traders representatives; and sometimes other stakeholders such as local businesses, NGO, informal trading experts and researchers) with some degree of decision-making authority – or at least, a strong consultative role before strategic decisions are made by City Council. This joint committee would develop adapted regulations and management structures based on the census data.

► **The recognition as a principle that City Council should try and accommodate (and manage) as many street traders as possible**, **in the area in which they already trade** when possible, …

► … provided **locally adapted solutions are found** to limit obstacles to pedestrian flows. These locally adapted solution can include:

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[72] The assumption (perhaps problematic, and to be further researched) being that the market will define how many businesses are sustainable. Too many traders will lead to a drop in business numbers (through economic unsustainability or traders local control); too much congestion will also ultimately be detrimental to business (traders too have an interest in pedestrian flux). It is understood however that market forces cannot on their own define a management strategy, and that regulatory and design interventions can enhance the quality of a trading and pedestrian space.

[73] This survey is seen as to be done at regular intervals, for instance every 5 years: street traders' number directly reflect the state of the national economy, inflating in times of crisis and shrinking in times of economic growth. See Roever 2011 for practical advice on 'How to plan a street traders census'.

- A process of consultation with all local stakeholders to find acceptable local solutions / compromises
- Adapted design of diverse trading sites and stalls in narrow streets;
- Relocation of some street traders in the vicinity of their original trading space if needed, but if possible in a negotiated way and as last resort.

► The setting, in consultation with concerned street traders, of a **reasonable (affordable) rental fee** paid by traders (as license fee to trade in public space, and as their contribution to urban management of inner city streets).

This section aims to start reflecting on what could make such an approach feasible and practical in the Johannesburg context. As this report lacks a solid understanding of the complex inner workings of the state, as far as street trading policy and implementation are concerned within the CoJ, there are obvious limitations to these reflections. What follows is therefore primarily aimed at highlighting key areas for debate, such as:

► highlighting the un-sustainability of a restrictive approach, and the **possible financial benefits of a more inclusive and developmental approach to street trading** (especially in terms of the numbers of street traders accommodated).

► (provided such a progressive approach is used), '**getting the institutions right'** and setting sustainable participatory institutions for street trading, at the inner city level, joint with precinct- or area-based management structures;

► **reframing the street trading management issues in planning terms**, rather than exclusively in economic development terms. As much as there are issues of economic development training, business skills and understanding street trading as part of a broader economic sector; the management of street trading in the inner city specifically raises mostly land use conflicts issues where planning & urban design skills and visions are needed.

4.1. Shifting from a restrictive to a developmental approach – also of benefit to the City of Johannesburg

To some extent, the realities on which these principles are based are acknowledged in existing City documents. There is awareness for instance that

> "While it might be an option to create markets for non-impulse purchase (clothing, shoes, haircuts, street mechanics, handbags, radios, cellphones) it is not viable to move impulse purchase traders out of the pedestrian traffic. […] Doing so will simply create a vacuum that other traders <u>will</u> fill unless enforcement is implemented continuously". (CoJ 2005 - EDU strategy: 3-4)

But this refined understanding of the sector is not so far translated into policies. The same document concludes for instance (a perspective that seems to still be the current City of Johannesburg's approach) on key recommendations such as:

> "Proactive migration of all street traders into markets (offering different formats) is possible if well planned such that it is seen as a good business opportunity. Conversely it may simply exacerbate the problem as it creates opportunities for new informal traders to enter the streets." (CoJ 2005 - EDU strategy: 10)

And it defines its own approach to street trading as a 'restrictive' approach:

> "In researching global best practice, the City of Durban is rated very highly. However, […] Durban's Informal Economy Policy was based on the same Businesses Act and was in fact much more liberal than the current CoJ proposals and was certainly not looking to restrict street trade but rather to encourage and manage it. The trend in the Durban proposals was away from formal markets rather than towards formal markets." (CoJ 2005 - EDU strategy: 7)

This restrictive approach might have fluctuated over time, but in 2014, as highlighted in previous sections of this report, the trend for DED is to further restrict street trading in inner city Johannesburg, arguing the City has been too "liberal" with granting trading registration (CoJ 2014).

Whilst 'linear markets' and 'buildings' have been added to the classic 'markets' as alternative sites for trading in the inner city in the current City policy (CoJ 2014), the approach fundamentally remains the same: restrictive and based on the unsustainable and unrealistic assumption that empty streets will remain empty, and that a limited number of street traders can sustainably be accommodated in off-street vending spaces without this affecting their business. If some other departments and agencies in Council seem to develop other practices, and attempt at integrating pavement trading (alongside linear markets and buildings) (JDA 2013), the integration of such practices into DED policy documents remains timid. For instance the possibility of widening pavements, as proposed by JDA, is acknowledged in the 2014 CoJ document prepared by DED, but does not fundamentally shift the City's strategic direction.

Managing inner cities is costly:

- Because inner cities accommodate huge number of flows of pedestrians, goods and vehicles
- Because inner cities are denser than any other space in the city
- Because inner cities are more diverse than any other space – there are conflicting uses of dense space and this is what makes inner cities vibrant.

Therefore, inner city management needs are higher than in any other urban space:

- to maintain urban infrastructure accommodating these flows;
- to accommodate and manage various uses of the street.

Street trading are a component of (and by no means not the only sector responsible for) intensive street use and management needs. How can this high level management be funded and resourced? For street trading, cities have the choice between:

► The **current (restrictive) model, that is funding security or municipal police to constantly raid and monitor urban spaces**, to forbid certain uses that society as a whole needs – such as street trading, a need both for traders and customers in a society marked by high unemployment and poverty. It has been argued above that this model creates a vicious circle of street mismanagement, experienced in many cases in the City of Johannesburg, but not always fully or officially acknowledged:

- Because the model creates scarcity of trading stalls compared to the existing demand, it encourages traders to trade illegally in the city
- This starts a cycle of police repression and bribery, encouraging corruption within the public service – criminalising illegal street traders who nevertheless continue to trade (under harsh conditions) in the street
- Illegal traders do not contribute to the practice nor to the cost of management. They do not pay license fees; they do not invest in their trading space nor in cleaning and maintaining the streets;
- Legal traders become reluctant to pay as they see illegal traders not paying.

Because of this,

- the City bears the bulk of funding inner city management costs, with limited traders' contribution;
- It has a high likelihood of breeding corruption amongst its own officials, due to the constant tensions between the model and social needs;

- Management funds are mostly spent on policing the streets, rather than on urban infrastructures and economic and social development.
- And it is not very efficient as a management model, as issues of illegal trading, lack of maintenance of space by traders, by-laws infringements, police brutality and corruption, keep coming to the fore.

►**The benefits of a developmental model** that attempts to accommodate as many existing traders as possible (rather than wanting to restrict the numbers) are manyfold:

- If a vast number of trading sites are offered, the model can accommodate demand and activate the streets, as well as **increasing opportunities for traders' turnover**: entry into the street trading labour market is made easier. It is therefore **limiting the rise of illegal traders**, through increasing traders' control over the streets, and limiting the need to resort to breaching the law.
- If say 6 000 trading sites[74] are offered and traders contribute a minimum of R120 a month for a trading site (this amount can increase depending on location and infrastructure), with higher rates of payment being expected in a managed environment, **this could generate a budget of R720 000 a month or more**. It is not enough to cover the full management cost for the inner city, but it is not negligible either.
- **The challenges experienced so far in collecting rentals** from traders, stem less from a traders' culture of non-payment, reluctance or inability to pay, than from the shifting political and practical terrain in which the collection of rental operates: lack of clarity on who collects the rental, on what constitutes a legal entitlement to trading (lease, smart card, demarcated space, all of the above, one of the above?), shifting discourses and experiences of corrupt practices from state officials (Clark 2014), weak or fuzzy street trading management institutions in Council.
- If City is committed to earmark **dedicated funding to inner city management** (provided it finds a way to make it work legally and politically), it can learn from the CID/RID model, and find ways to raise a special inner city management levy from property owners as their contribution to inner city management special needs. The way this contribution is raised might take different forms and become negotiated with property owners and business coalitions. It does not seem illegitimate to charge property owners an extra levy for extra management costs in the inner city.
- Urban management funding for the inner city can then be invested in **increasing the level of services in the inner city, instead of constantly policing the streets**: cleaning staff; security staff; administration staff – possibly managed at the precinct level; and street maintenance and repair. Traders' natural surveillance of the street and decentralised governance can limit the need for policing the street. This redirection of expenditure priorities can only increase urban management efficiency and political legitimacy.

> 'In various parts of Africa, revenue from the informal sector is the second biggest after rates and taxes. Vendors pay regularly and there are simple collection systems' (Horn 2009).

Arguably, most African cities have a less powerful formal business basis than Johannesburg. Nevertheless, it has been recognised in South African cities that

> 'Council has not capitalised on street trading. […] There is money to be made. If you have 500 traders all paying R125 a month, this would be a real boost to City coffers. (Councillor, City of Cape Town, 1998, interviewed in Skinner 2000).

South Africa is not a unique case:

[74] See Figure 12 above.

> "In Peru, the Institute of Liberty and Democracy (ILD) managed to persuade some local governments to accelerate registration process from 300 to ONE day (!). Since 2004 267 000 micro and small business units have become formal (registered and paying taxes). Due to the increase in tax revenue municipalities now realize the economic value of the informal sector. Prior to becoming formal these SME were illegally taxed and the money never reached the public purse. This is one reason for much of the repressive urban measures on street vendors: unrealized economic potential. (ILO, 2005, quoted in Dimas 2008)

Increasing the number of trading stalls, shifting from a restrictive to an inclusive approach, is not only about increasing the number of traders paying fees. It is also increasing the payment level of legal traders, as the effectiveness of street management and control makes payment of a fee more legitimate: traders will hopefully feel that the services are worth paying for, and that they have an interest in contributing to an environment in which their place is recognized, acknowledged and secured. There are huge developmental, urban management, financial and political benefits to adopt such an approach.

This however constitutes a mind shift that requires changing perceptions – and possibly a champion. As Skinner argues (2008a: 13):

> "The implicit economic development policy prescriptions are that international investment should be pursued above all else. Informal activities, like street vending, in this paradigm, are seen as undesirable and their contribution to local economies is not recognized. Robinson argues that the notion of world class cities imposes "substantial limitations on imagining or planning the futures of cities" (2002:531). This imposition is particularly the case in the developing world.
>
> Shifting these perceptions remains a critical challenge. Research that calculates the contribution that street traders make to the economies of cities is a critical first step. Further, documentation of those cases where cities have included street traders in urban plans, creatively resolved conflicts between different users of public space, and developed approaches that have resulted in improved street trader management may help to introduce new possibilities particularly in the minds of spatial planners and urban managers. Finally, both research but also literature and art that celebrates the diversity and vibrant dynamic that street traders introduce into cities would also go some way to changing perceptions in the general public."

Key to this shift in perception is the hiring and training of public officials in charge of designing policies and implementing them. Dominant restrictive municipal practices and the modernist dream of the Western city, renewed and reinforced by the more contemporary "global city" imperative, are not leaving much room for innovative practices that are actually responding to existing challenges of cities of the global South and learning lessons from past mistakes instead of repeating them over and over.

4.2. Where does responsibility for street trading lie in municipalities? Rethinking the involvement of Planning, together with Economic Development, in street trading management

Street trading is a complex 'sector' from a governance point of view. Because street trading activities are so diverse – the majority of them being of a survivalist nature- it is not always clear whether street trading should be supported as a vital economic activity to the city, or (also?) through poverty alleviation, social and community development programmes[75]. What is clear is that a pure SMME approach in terms of facilitation of formalisation and business skills training – whilst useful and necessary- will not help the majority of the street traders.

In any case, whether survivalist or thriving micro-entreprises, the management of street trading especially in congested inner cities, mostly raises issues of land use conflicts - of a planning nature more than of an economic development nature, at the municipal level.

[75] WIEGO however considers a traders victory for street traders that, rather than being seen as a component of a poverty alleviation or welfare project, activities of the informal sector were now seen as part of economic planning and development (quoted in David et al. 2013: 72)

In South Africa, the history of repression of street trading, especially in urban centers formerly classified as 'white', meant that street trading, when it emerged as a municipal responsibility in the 1980s, was primarily a policing (traffic or security) function, and was located in traffic, policing or security-related municipal departments (Skinner 2000). In post-apartheid times, this function was in most South African cities relocated to municipal departments of economic development. Some researchers have wondered why it never was questioned and have argued street trading should fall under planning departments[76]. Others explain this location by a highly contextual factor: the call made by former President Thabo Mbeki for each municipality to develop and boost urban economic growth through a core, dedicated economic department that was to be the engine of municipal councils[77].

While planning departments, officials and politicians are sometimes called in during processes defining street trading policies and implementation, it seems to me more on an *ad hoc* manner than in systemic ways. Strangely, neither in Johannesburg Informal Trading Forum (Horn 2014), nor in eThekwini EMIEFF (platform establishing a dialogue between street traders representatives and the city since 2005) (David et al. 2013: 74), are officials from the Planning Department represented. In the City of Johannesburg, this is complicated by the complexity of Johannesburg governance system (not fully understood here for street trading), which also has recently shifted:

- The 'urban management' function has been delegated to the regional administrative level, without a clear articulation with either the Economic Development or the Planning Departments;
- MTC is no longer directly connected to DED, as it now falls under Johannesburg Property Company. It becomes even more puzzling how JPC can properly frame, envision, conceptualise the management of a complex issue such as traders smart cards, given that its mandate is geared towards property values and building regeneration;
- JDA is also playing a major role in new developments and conceptualizing the place of street trading therein, and has developed more inclusive practices (JDA 2013);
- The Transport Department might be given a stronger role in shaping the City, and in particular street trading in the City, under the Parks Tau mayorship, given the importance of the flagships Corridors of Freedom programme. The connection between transport and trading had been made with the creation of MTC (which as to manage taxi ranks and markets together, for a reason); it might be continued under the Transport Department.

But this issue is not specific to South Africa. Across the world, the same ambiguities prevail – street trading is the responsibility of Planning and Land use, or Economic development; or sometimes both – at national or municipal level. Street trading management specialists argue that the fact that street vending depends on several spheres of government, as well as government departments and agencies, has led to inconsistency in policy and implementation approaches: 'Street-traders have been very poorly served by this multiple – or plural - and not always coherent reform agenda' (Lyons and Brown 2009, p. 13). Lyons further argues (2009), in his recommendations for street trading policy reforms in Tanzania, that

> "Urban planning, local economic development and the formalisation of micro-trade must be considered together. In a context of constrained financial and human resources, local authorities must reconcile seemingly contradictory policy objectives. […] Although it is always difficult to reconcile the growth and redistribution elements of urban policy, the reconciliation is achievable in Tanzania today through an integration of planning policy and local economic development".

[76] Conversation with Prof Alison Todes, Wits School of Architecture and Planning, April 2014.
[77] Interview with Prof Imraan Vallodia, Wits School of Law and Commerce, 9 April 2014.

Back in Johannesburg, one could argue that the failure to manage street trading in the City of Johannesburg, the challenges encountered by the Metropolitan Trading Company, and the debacle of Operation Clean Sweep, are partly a consequence of these complex governance needs, and lack of coordination of relevant city departments and agencies.

This report is not able to make more precise recommendations at this point. This would require focused research on institutional models and their impact on street management sustainability – efficiency and inclusivity. Some case studies exist (see in particular around the eThekwini case, Grest 2002 on area-based management and the efficient cooperation between planning and economic development officials for the redevelopment of Warwick Junction; Skinner 2000; Horn 2014 on the impact that the departmental restructuring had on street trading policy implementation). Together with the above-mentioned reflections, they all point to the need for a better cooperation or institutional integration of planning along economic development for more sustainable municipal street trading policies and practices.

4.3. Participatory Governance: Reforming the Informal Traders Forum, and Setting Up a (Multi-Stakeholders) Street Trading Committee

Johannesburg seemed to have 'gotten its institutions right' (Skinner 2000), by setting up an informal traders participatory forum aimed at

> "developing policies for regularizing informal trading in the city and to create opportunities for the informal trading sector to share in the benefits of economic growth" (CoJ 2010)

However, there are a number of issues in the way this Informal Traders Forum (ITF) has been working, some of which might well be linked to loopholes in the way the ITF has been defined.

4.3.1. The 'crisis' of the Informal Trading Forum

The institution of an Informal Trading Forum has certainly been a positive step in fostering, developing and formalizing a channel of communication between Council and trader representatives. To say the least, its suspension after Operation Clean Sweep (as well as regular meetings between block leaders and City officials, in MTC and DED), have led to numerous practical issues encountered by traders being left pending and unresolved (Bénit-Gbaffou 2014a). The ITF and other forms of collective engagement, or rather the network and connections they nurtured, were certainly a mechanisms through which some practical issues were resolved. The collapse of this channel of communication (however imperfect or fraught it might have been) has left a void that makes traders' ability to solve their daily issues even more limited.

This need for regular and formal channels of engagement between traders and the City being stated, many criticisms have been raised on the way the Informal Trading Forum worked in practice (Matjomane 2013; CUBES 2014 street trading workshops discussions)- describing it as a platform for political sedation (at best) or active division of traders (at worst), and generally accused of not being conducive to traders' strategic involvement in decision-making, lacking follow up and accountability. Whilst more research on the workings of this forum is underway, there are a few elements that can be brought forward for reflection.

First, there is a lack of clarity on the real mandate and power of this forum, whose power of "guidance, oversight and advisory support" (CoJ 2010) are not included in policy or departmental guidelines. Which decisions in which departments would require the guidance, oversight and advice of this forum remains undecided. This is unlike, for instance, the Town Vending Committees set up by Indian national legislation, which have key decision powers (on registration of traders and allocation of trading certificates) and other consultative powers (they must be consulted by municipalities on creation of vending zones, restricted or prohibited trading zones (Republic of India 2014). In particular, the "guidance oversight and advisory support" are, in the Terms of Reference, mostly related to "the effective and successful implementation of the Informal Trading Policy and by-law framework" (CoJ 2010). The official website even mentions the fact that in terms of informal trading development,

> "Key programmes are the training and mentoring of informal traders under the Grow Your Business project, the rolling out of linear markets (trading areas designated for street trading in a pedestrianised environment) in the inner city, and the promulgation of restricted and prohibited trading areas"[78]

– a far cry from developmental policies, and a rather restrictive approach adopted for informal trading. This might well constitute the main shortcoming of the IFT power: its setting up coincides with the adoption of restrictive rather than developmental by-laws, that have had limited input from traders' organisations in their making.

Secondly, there have been issues in the way the ITF has worked over the years. In spite of clear enumeration of key officials supposed to sit in this forum (DED, MTC, JMPD, Regional management, JDA, Health Dpt, office of the MMC: Eco Dev and Safety and Security…), in practice, the forum has been chaired and attended by one single official from DED, with only occasional participation of other departments involved in the management of street trading – limiting the scope for impact, follow up and resolution of issues.

This has not sent a strong signal that traders were being considered and taken seriously. This has been emphasized by traders, also complaining of a lack of respect in following basic democratic and formal procedures for engagement. Many of the traders complain for instance about

- The absence of circulation of minutes and agenda,
- The disrespect of a proper period for calling a meeting (often one day before, and often oddly coinciding with traders organizations own internal meetings)
- The irregularity of the meetings – and never at the traders' initiative
- The inability of traders to propose points for the agenda;
- The lack of follow up and of feedback, rendering these irregular meetings little more than 'talk shops'

The fact that key officials have not regularly participated in the meeting, and that the Forum has been left in the hands of a single municipal official to chair and to manage, has severely limited the capacity of traders to engage. It has also given the single official power to withhold or to forward selected traders' claims (Matjomane 2013), triggering accusations of manipulation of issues and divide and rules politics.

More structurally perhaps, the lack of institutional neutrality of the facilitator of the traders' forum (a DED municipal official), means that the forum has not been the site of strategic consolidation and organizational training for the street trading sector and leadership. Strategic training for street trader organisations is clearly missing, and it is to be clearly differentiated from individual business training. It cannot be requested from a municipal official to drive this kind of training –as this would be the realm of an independent facilitator. The question is around the City's commitment and perceived immediate interest, as in the current antagonistic political context, strong, articulate and empowered trader organisations might be seen by City officials as a problem rather than an asset for street trading governance. Arguably, however, building capacitated and visionary street trading organisations and leadership would help find joint solutions and compromises, whereas fragmented, weak and patronage ridden street trading organisations make street trading governance far more challenging, less effective and less sustainable.

[78] CoJ, official website, (undated) SMMEs Development and Support: Informal Trading Development, http://www.joburg.org.za/index.php?option=com_content&view=article&id=3503%3Asmmes-development-and-support&catid=70&Itemid=78&limitstart=4. Accessed May 2014.

4.3.2. De-coupling the sector's forum (for internal debates) and the participatory (decision-making) committee?

The shortcomings of the Informal Trader Forum however go beyond the issue of its facilitation, and are of structural nature. They are linked to the confusion between two important needs for participatory governance, that the eThekwini model has disjointed (and so has the CoJ in its innovative experiment of participatory governance in designing and implementing the Rea Vaya project, in negotiation with the taxi industry):

- the need for a forum where all traders organizations debate their issues and formalize their strategic position. This forum needs to be supported but independent from the City, and perhaps facilitated by an independent party, possibly subsidized by the City for the sake of strengthening the sector's organizational and strategic capacity;
- the need for a (permanent, not *ad hoc* as is the case currently) multi-stakeholders forum or committee where policies and implementations are debated between relevant city officials, traders representatives, and other concerned stakeholders.

A participatory, multi-departmental & multi-stakeholders approach might be more complex and time-consuming to organise than the straightforward decision taken within one single department. But past and international experience has shown that such a mode of governance leads to failed management, conflict with the sector and general discontent with inner city management. The more the City invests in consolidating the sector and multiplying instances of engagement, discussions and joint decision-making (with traders and other stakeholders in the inner city) on this complex issue, the more likely it is to find sustainable solutions.

4.4. Area Based Management? Inner city wide principles with locally-agreed solutions and management

The CoJ Inner City Roadmap (2013) argues for area based management of the inner city– both through the re-establishment of a dedicated inner city office, and the consolidation of precinct-based participatory platforms:

> "Area-based management (ABM) helps to integrate the development and management initiatives of different spheres of government, line function departments, civil society and the private sector to achieve best-practices approaches to development and management. It expands the space for bringing creativity and innovation to development approaches, creates a platform for meaningful partnerships and citizen action thereby facilitating positive and sustainable social economic impacts at a local level" (CoJ 2013b: 19)

> "Each department and entity in the city has a responsibility for tasks in the inner city. Each will examine which streams of work can be undertaken at the level of neighbourhoods. These tasks will be coordinated through the Inner City Office. This means that planning, service delivery and day to day urban management will, as far as possible, be undertaken on an area-by-area basis. It also means that dedicated and accountable staff can be allocated to these areas. This will assist with reporting and follow up of issues both by City departments and entities and by stakeholders." (CoJ 2013b: 21)

This report agrees with this direction, and attempts to further the debate and discuss the modalities of such an approach as far as street trading management is concerned.

To some extent, in terms of street trading, this approach has been successful in the Retail Improvement District, and the process of engagement in the Park Station management pilot is promising – finding local solutions adapted to street configurations and local stakeholders, in an incremental, trial and error type of process.

Broader evidence on the benefits and the challenges of precinct-based management (and, for street trading, precinct-based street trading committees for instance) exists but is scattered, and still needs to be consolidated. Here are a few directions:

► Literature documents trader committees at the municipal or inner city level at best, seldom coming down to the details of the area or street level technical and political processes[79]. Many practices around the regularisation of street trading involve negotiations at street level on a wide variety of issues, with a multiplicity of stakeholders, and both political and spatial/design solutions: but these practices have still to be documented[80].

► Experiences of area-based management have been assessed on a comparative basis, generally positively. There was no time to fully explore these assessments for this research – the issue being that most of these area-based management innovations have remained exceptional, linked to a specific development project or budget, and never really incorporated into sustainable municipal management. However, forms of decentralized governance and management, not termed 'area based management', have been implemented across many cities: they do not seem to have been explicitly nor purposefully documented.

► The proliferation of City Improvement Districts across the world might be seen mostly as the rise of private management in a neoliberal era (Miraftab 2007), but it also testifies to the need of localizing management for central areas, confronted daily to diversity of land uses and complex planning and management issues. Literature on CIDs has warned about shortcomings of a CID-based approach to urban management:

- The fragmentation of inner city space between different 'islands' of disconnected private rule, where different regulations apply without sufficient consideration for the inner city and the city as a whole. This goes beyond CIDs *per se*, and talks to the challenges of coordination and consistency when it comes to decentralized management, as well as local captures of power which might contradict more general urban management or policy principles.
- The lack of democratic accountability of CID decision-making, due primarily to its structure (the CID board is primarily made up of property owners at the exclusion of other, less resources city users such as tenants, street traders, etc.); but also possibly to the time requests of such area-based management, limiting broader local involvement.

Based on this (scattered) evidence and local experience, **this report can only alert the reader to the need to balance between**

- General principles, policies and by-laws on street trading - which we argue should be negotiated in a multi-stakeholders forum, with strong and strategic street traders representation consolidated through an informal traders forum;
- And local, precinct implementation processes, involving local stakeholders and municipal representatives at a precinct level, more able to negotiate and find locally adapted solutions to specific street trading issues.

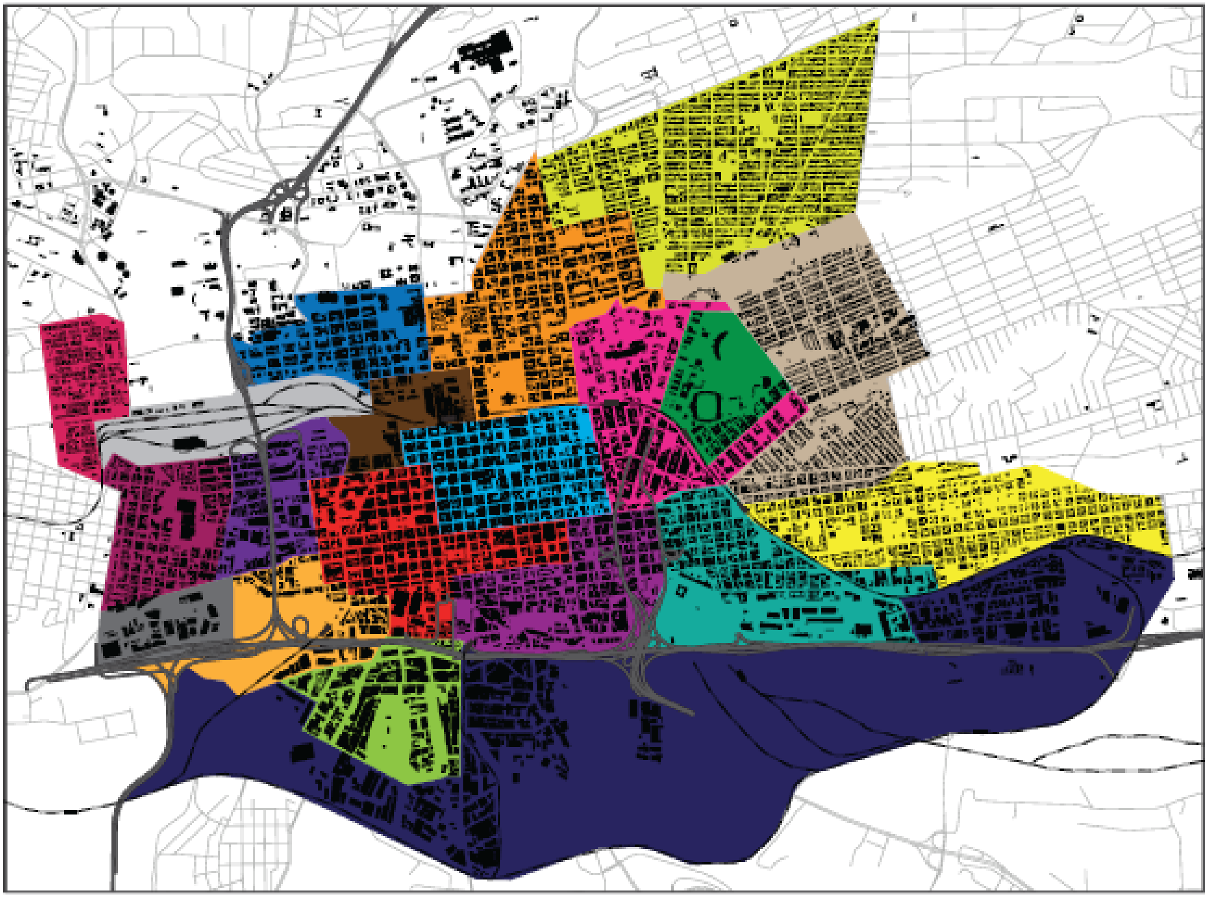
There should be discussions in particular on the following issues:

- Where each issue at stake should be decided (what is the resort of inner city and metropolitan decisions, and what should be left for precinct base negotiated decisions);

[79] Cf for instance the examples developed by Grest (2012) on Ahmedabad, quoted above: they remain the exception.
[80] Research is currently being carried by CUBES around the eThekwini experience, together with academics and practitioners involved in the area: looking specifically at the local participation processes, policy implementation and design issues involved when one engages local stakeholders around issues of street trading, at the street or area level.

- What recourses and accountability mechanisms should be implemented - for instance with precinct management committees reporting to the inner city or metropolitan trading committee;
- What would be the boundaries of such precincts - for instance, should one adopt, for the sake of simplicity, the precinct defined by the 2009 Urban Design implementation plan? (see map below).

Figure 24 – Inner City precincts, as defined by the UDIP



Source: CoJ 2009b.

These issues require important institutional shifts and redesign, and an engagement with a number of stakeholders, within the city and outside.

There is a powerful call from various stakeholders for more decentralized and participatory urban management: corporate business and its desire to expand CID coverage on the inner city, whilst realizing the need to coordinate these CIDs across the city[81]; traders organizations and their thirst for more traders participation in broader policy but also everyday management of street trading; their call for more area-based forms of engagement with city officials[82]. Both of these sectors are actually and potentially able to contribute resources to localized urban management of public spaces.

[81] Hence the creation of a CID forum in 2013, coordinated by CJP (conversation with Anne Steffny, CJP Director, May 2014).

[82] Such as this claim expressed in a Request to the Mayor, after Operation Clean Sweep (COSATU press release 28 October 2013, quoted in Horn 2014: 5): "Region ABCD must have its own forum including in other areas such as Soweto" (sic).

This call is shared by the public sector in some respects. MTC (2012) calls for Informal Trading Management Areas, to help solve intractable issues that cannot be solved at the metropolitan or even inner city level. In practice, MTC seems to have used (not unproblematically perhaps) block leaders and MTC street officials to devise decentralised forms of street trading management, matching a form of participatory engagement with mandated official capacity on the ground.

The delegation of urban management to regions is the recognition that urban management needs a degree of decentralization (but it also requires the resources to take up this function). The inner city road map's call for the revival of an inner city office, and for precinct level management, also goes in this direction. There has however been, in Johannesburg's post 1994 history, several moments where inner city forums have been disbanded by the City – possibly becoming too vocal and organized.

Certainly, there are dangers about uncoordinated decentralized management – if it equates for instance to the privatization of urban local management (see debates surrounding CIDs or traders-led big markets management, in the Nigerian markets example quoted above). This is why precinct- based management cannot be set up without a strong inner city or metropolitan interdepartmental management committee, or multi-stakeholders forum, setting up principles, strategic vision, and offering accountability, responsiveness and recourse. Thinking through, and provisioning for, efficient linkages between precinct-based committees and a larger interdepartmental management committee / multi-stakeholders forum, on the one hand; and between precinct-based committees and relevant city officials able to respond to urban management and maintenance issues, on the other hand, are a key elements of this model.

Municipalities have probably to recognize that urban management is more expensive in central, dense areas, and find innovative ways to fund the extra management needs that such central areas require. Pilot examples of street trading management in Johannesburg and the mere existence of CIDs tend to indicate such resources are possible to find. Municipalities also need to find management models that work for inner city public spaces, based on pragmatic assessment of current realities and a developmental mission that democratically elected municipalities are probably the only ones to be able to drive. This report hopes to have given elements of reflection in that direction.

4.5. Conclusion – to sum it up

Progressive (and best) practices in street trading management have adopted common steps that are recapped below:

1) Turning around the approach: from wishful thinking to problem solving

The process of developing a policy and its implementation needs to start with a census of existing traders, reflecting their number and their location, in particular identifying their places of congregation ('natural markets').

If more resources are available, the census could be turned into a survey, identifying goods sold (and possibly which goods rely on passing trade, which are more reliant on premeditated purchase); times (full time or part time trading), available infrastructure, street design and local contexts. But this survey could also be done at the precinct level at a later stage.

Traders are all the more likely to participate in the census if the approach to street trading is inclusive rather than restrictive; is participatory rather than top down.

A condition for the census to have any relevance is a moratorium on the enforcement of by-laws pertaining to the detention (or not) of legal trading documents.

2) Establishing a multi-stakeholders street trading committee, to debate issues and find agreements and compromises

Such multi-stakeholders street trading committee needs to include

- the relevant departments and agencies in the City (at senior not junior level),
- traders and trader organisations representatives
- And other stakeholders such as property owners and the private sector, residents associations, NGOs, etc.

The balance (membership, voting powers) between these stakeholders is a matter of debate and needs to be carefully thought through.

The area of jurisdiction of such a committee should be adapted to context (city wide; inner-city wide, or even two tiered).

Decision needs to be made on the role and function of this committee- which can be advisory or have decision-making capacity. It is recommended that, if advisory, the nature of its advisory intervention in processes of policy making and implementation be clearly indicated, possibly in a policy document.

The Committee is not a temporary, *ad hoc* institution during times of policy reform but should equally play a role in street trading policy implementation and management, and be a permanent structure where various stakeholders are able to debate their views and build the pragmatic compromises that street trading management requires.

3) Resourcing a Street Trader Forum to consolidate and capacitate street trader organisations

To facilitate the participation of traders' organisation in this Committee, it is important to establish in parallel a Street Traders Forum, that would elect representatives sitting in the Multi-Stakeholders Street Trading Committee.

The City could support and capacitate this Traders Forum, through organisational training via an independent body or institution (as was done for the taxi industry during the Rea Vaya implementation). A better organised street trading sector is ultimately to the benefit of the whole city (management and governance wise), and is a worthwhile and long term investment.

4) Consolidating a dedicated street trading institution with a clear mandate

A street trading institution is to be formally consolidated, with a clear mandate on the management of street trading. This institution can either be located in one of the existing departments (DED or Planning), or be set up as an interdepartmental institutions – whatever the case it cannot work without the strong cooperation of Planning, Economic Development and Urban management functions (perhaps complemented by others such as Urban regeneration, Community services and Transportation for instance).

5) Adopting a pragmatic and developmental approach to street trading: legalise all existing traders, agree on suitable trading location balancing various needs

A pragmatic, sustainable and developmental approach to street trading needs to be adopted. Overly restrictive policies towards street trade have proved unsustainable, creating corruption, illegality and ultimately mismanagement of streets and of traders. The adoption of an inclusive approach as a general principle (e.g. the attempt is to try and accommodate as many existing traders as possible, without jeopardizing pedestrian flow) is strongly advised by this report.

Policy design and implementation are to be developed based on the census of existing traders and their location, through engagement with the Multi-Stakeholders Street Trading Committee.

6) Exploring area-based management processes and institutions

It can be envisaged that more decentralised (e.g. precinct level) local management committees be established to discuss more concretely, and based on everyday experience, how and how many traders can be accommodated in each precinct. These precinct management committees however need to follow the general principles set up by policy (e.g. 'all existing traders to be accommodated as much as possible'), and be accountable to the Multi-Stakeholders Street Traders Committee, in order to avoid local power capture, NIMBY syndrome and fragmentation. They have the potential, if properly structured, guaranteeing a strong traders representation and not too heavily biased in favour of big business and property owners (which already have 'their' CIDs), to find locally adapted and sustainable solutions to street trading management issues.

Previous attempts at managing street trading along restrictive lines and top down approaches, repeated and refined in the last 15 years, have failed. Why not try something else?

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This report was written as a background document to the AFTRAX project (Alternative Formalities, Transnationalism and Xenophobia in Johannesburg Inner City) – a research commissioned to Wits University by the City of Johannesburg, and aimed at assessing existing knowledge on the informal economy, in the aftermath of Operation Clean Sweep (November 2013).
It was consolidated within the Center for Urbanism and the Built Environment Studies (CUBES) in interaction with street trader organisations operating in Johannesburg, who had approached CUBES early 2014 for research support, in particular on the question of alternative and sustainable street trading management models.

The report reviews international literature to assess findings on sustainable street trading management, and reflects on the paucity of theories, 'models' or fine-gained documented initiatives on this topic. It then explores dimensions of street trading management systems experienced internationally and nationally, and extracts lessons for the City of Johannesburg. A third section of the report analyses the nature and challenges of street trading management in the City of Johannesburg, and the rise of private management of street trading at area level in a context of unsustainable municipal approaches. The final section makes a number of recommendations for ways forward in the current Johannesburg context.

The Center for Urbanism and the Built Environment Studies (CUBES) is a research center on the City based at Wits University, in the School of Architecture and Planning, Johannesburg. Multidisciplinary in essence, it aims at bringing together cutting-edge academic research on the City, responsible practices of civic engagement, and innovative education approaches towards building a post-graduate research culture in the post-apartheid South Africa.

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