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## Ethekwini Municipality Informal Economy Stakeholder Relations

27 January 2017



# PRESENTATION OUTLINE

1. eThekweni Profile
2. Background
3. Trader Organizations Concerns
4. eThekweni Municipality Informal Economy Forum
5. Objectives of the Forum
6. Composition of the Forum
7. List of trader organizations
8. Review of eThekweni Municipality Informal Economy Forum
9. International Labour Organization – Social Dialogue
10. International Labour Organization – Social Dialogue Recommendations
11. Reflections and Lessons Learnt



## BACKGROUND

- During the late 90's the most established organization representing street traders is the Informal Traders Management Board (ITMB). This is the umbrella body for the various street committees created by traders across the Durban area.
- The ITMB has worked closely with the municipality through the years, however, at present the relationship appears strained.
- There are also a number of street trader organizations, based on voluntary association, that have developed to represent traders, or specific groups amongst traders, such as foreign nationals .



## TRADER ORGANIZATIONS CONCERNS

- “Second economy” operators not well understood as a beneficiary target group, making it difficult for government to deliver services from which they can genuinely benefit and improve their living standards.
- Decentralised nature of "second economy" organizations makes effective consultation difficult to set up.
- There are different (and sometimes conflicting) interests among different interest groups within the second economy (e.g. *different gender needs*) which can result in unintended consequences at the expense of certain groups.
- Local govt. IDPs have not as yet proved to be an effective consultation mechanism for "second economy" operators to make a meaningful contribution in participatory local governance.



# ETHEKWINI MUNICIPALITY INFORMAL ECONOMY FORUM

- Since the adoption of the Informal Economy policy by the eThekweni Municipality in February 2001, there has been no structure put in place, constituting of all relevant stakeholders, to drive the Policy Implementation process forward. The Informal Economy policy points out the need for "*... establishment of a negotiating forum where all organizations would have the opportunity to gain recognition as bona fide representatives subject to a set criteria*".
- A substantial percentage of our population is engaged in informal economy activities. It is therefore important to form the eThekweni Informal Economy Forum in such a way that it is all inclusive and practically manageable.
- KwaZulu Natal Informal Economy Policy recommends that Municipalities facilitate establishment of informal actors' chambers to enhance participation and involvement of people working in the informal economy .



## OBJECTIVES OF THE FORUM

- Serve as a structure that will allow stakeholders to engage in dialogue on strategic informal economy issues, e.g. the Informal Economy Policy and the implementation thereof.
- Serve as an information sharing and networking structure, ensuring that all stakeholders share a common understanding on informal economy issues.
- Deliberate on developmental issues pertaining to informal traders and recommend appropriate mechanisms of addressing them.
- Does not deal with the day to day operation issues relating to specific informal markets or street trading sites. It will not override the mandate of the existing market or street committees
- Explore innovations around transforming the relationship between informal traders and City officials from a strained , regulatory and antagonistic to one of consultative co operation



## COMPOSITION OF THE FORUM

- The **Councillor** should Chair the Forum and **Deputy Chairperson to come from traders.**
- The Chairperson of the Economic Development and Planning Committee should ensure that the objectives of the Forum are achieved.
- The six eThekweni regions should have a maximum of **fifteen** Trader Regional Representatives.
- Each Legitimate Trader Organization should be represented by the **three representatives** deemed by the Organization should be fit to represent it in the Forum.
- Officials who are Area Managers from the different regions, should be part of the Forum.
- **The Private Sector /Durban Chamber of Commerce and Industry.**
- **KZN Department of Economic Development / Legal Department.**
- **Metro Police.**



## LIST OF TRADER ORGANIZATIONS

ANCIT	TAC	SIYAGUNDA
ACHIB	PHOENIX PLAZA	NAFCOC
MATO	THE EYE	IMBUMBA CHAMBER
SASEWA	ITMB	UBUNTU CHAMBER
ABU	REC	QINA MSHAYELI
SIMUNYE	WORKING COMMITTEE	UBUMBANO
KNUIBA	NORBA	WASTE PICKERS(SAWPA)
STREETNET	BUBULA MBONGI TRADER COMMITTEES	BEACHFRONT PHOTOGRAPHERS ASSOCIATION





## REVIEW OF THE EMIEF

- The **Councillor** should Chair the Forum and **Deputy Chairperson to come from traders;**
- The six eThekweni regions should have a maximum of **fifteen** Trader Regional Representatives;
- Each Legitimate Trader Organization should be represented by the **three representatives** deemed by the Organization should be fit to represent it in the Forum.( Two Trader Regional Representatives each from six eThekweni regions )
- Officials who are Area Managers from the different regions ;
- The Private Sector /Durban Chamber of Commerce and Industry;
- KZN Department of Economic Development / COGTA ;
- Metro Police;
- Six Councillors – Proportional representation
- Legal Advisor Services and Compliance Unit
- REGIONAL EMIEF



## ILO – SOCIAL DIALOGUE

- Social dialogue consultative meetings with stakeholders (the informal economy traders across the entire eThekweni , officials , Councillors)
- Freedom of association – retain street committees side by side with existing associations.
- Lack of knowledge and information .
- Secretariat role /function not satisfactory.
- Negotiating in bad faith .
- Limited trust between parties .
- Poor report back mechanisms .
- Representatives for Forum elected under false pretences .



## ILO – SOCIAL DIALOGUE RECOMMENDATIONS

- Sensitization workshop of representatives from all regions to discuss informal economy bylaws.
- Re election of representatives not under false pretences .
- Capacitate Secretariat on principles of social dialogue , support and facilitation of social dialogue processes .
- Build the capacity of informal traders association in the following areas \* training in association building / leadership skills / advocacy , negotiations , communication and facilitation or skills on how to conduct meetings .



## REFLECTIONS AND LESSONS LEARNT

- **Lesson 1**

Thorough consultation and involvement of all stakeholders to improve working conditions for the most vulnerable workers, with particular focus on the informal economy

- **Lesson 2**

A clear strategy for promotion & encouragement of economic opportunities based on the right mix of targeted policies, planning & regulation process.

Enhance capacity of local government authorities to adopt local economic development strategies that promote the creation and retention of decent work

- **Lesson 3**

Provision of conducive environment for more women and men, especially youth and persons with disabilities to have access to productive and decent employment through informal economy

- **Lesson 3**

Constant meetings with trader leadership & association to ensure trustful relationship

- **Lesson 4**

Seeking mandate from all stakeholders before implementation of regulations

- **Lesson 5**

Facilitation role in formulation of structures, their constitution & code of conduct



# THANK YOU

For **your** attention!