



# A DEVELOPMENT VISION FOR INFORMAL MICRO-ENTERPRISES IN PHILIPPI EAST INDUSTRIAL AREA

Report prepared by the **Sustainable Livelihoods Foundation** for the **Philippi Economic Development Initiative**

April 2018



**Authors:**

**Kayla Brown  
Andrew Charman**

## 1. Executive Summary

This document presents an area development vision including a street trader plan to accelerate economic inclusion in the Philippi East Industrial Area. The proposal is grounded on the notion of a precinct area which, for the purposes of this vision, constitutes the spatial area bounded by four roads: Govan Mbeki Road, New Eisleben Road, Sheffield Road and Stock Road. This precinct includes the core industrial heartland as well as undeveloped land zoned for industrial use and or reserved for future use by the City of Cape Town (CoCT). The CoCT has embarked on several phases of infrastructure upgrading to support the MyCiTi bus rapid transit (BRT) system which is to converge at Philippi East, accommodating six trunk routes out of 16 planned routes. The roll out and infrastructure development to support the MyCiTi BRT will require upgrades to Stock Road, Govan Mbeki Road, New Eisleben Road and possibly Sheffield Road as the current road infrastructure is insufficient to support transport needs. The infrastructural upgrade to Stock Road is currently underway. The road reserves and sidewalks of all these roads are currently utilised by informal traders to conduct business.

The infrastructure changes in Philippi provide an opportunity to formalise and develop the informal trading on public land. The CoCT recognises that the informal economy plays a significant part in the current makeup of the broader Philippi economy. Furthermore, Philippi has been recognised as an important node of economic development within the City. The centrality of the area, affordable and available vacant land, close proximity to Cape Town International Airport, major road infrastructure by way of the N2 and R300 all exist to augment growth and development for Philippi.

The objectives of the area development vision are:

- Identify the scope, scape and business dynamics of existing users of public space for street trade and micro-entrepreneurial activities.
- Analyse existing development interventions and future plans and consider their possible impact on street trading and micro-entrepreneurial activities.
- Analyse the potential to enhance inclusive economic growth within the Philippi East Industrial Area through formalising street trade and providing enhanced infrastructure and services for micro-enterprises.
- Consult with CoCT specialists and other experts on practical actions to enable economic development for street traders within the area.
- Devise a street trader plan in sites where appropriate, technically feasible and legally compliant with the CoCT by-laws on street trading and other legislation.
- Identify infrastructure requirements and business activators that could stimulate market opportunities for micro-enterprises and improve opportunities for economic growth.
- Assess the suitability of developing an integrated development hub within the precinct on undeveloped land.

The Philippi Economic Development Initiative (PEDI) was requested to draft an informal trading strategy and precinct development vision by the CoCT Area Based Service Delivery (ABSD) management team for Area South. This task was then undertaken through a partnership between PEDI and the Sustainable Livelihoods Foundation (SLF). In line with the organisational strategy to support township economic development, SLF entered into a joint venture partnership with PEDI to pursue the objectives of, firstly, developing a street trader plan in appropriate sites and, secondly, conceptualising a development vision to support a vibrant informal sector within an inclusive economy.

The project to formulate this vision commenced in August 2017 and concluded in March 2018. SLF was principally responsible for undertaking the field research, data analysis, spatial analysis, participatory trader engagement, design conceptualisation and report generation. PEDI was principally responsible for facilitating engagements with CoCT officials and elected representatives and providing guidance towards an appropriate area development vision.

The research and situation analysis outcome supports six high level recommendations.

- The CoCT institute a formal process to consider the establishment of an informal trader plan for Protea Road.
- The CoCT makes budgetary provision in the medium term for the formalisation of street traders in those nodes that will be directly impacted by road upgrades and the establishment of the MyCity BRT, including Govan Mbeki Road, Stock Road, New Eisleben Road and Sheffield Road.
- The CoCT makes budgetary provision in the medium term for the establishment of supportive infrastructure for street traders, which should include: additional street lights, CCTV surveillance, the provision of shelter according to requirements, provision of secure storage structures, access to electricity and water points (on a pay-as-use basis), off-road parking, the hardening of street services, the provision on ablutions and the provision of rubbish bins and refuse systems. In the case of Protea Road, a indicative cost proposal for **R5,401,825** would enable the CoCT to establish shelter for traders, harden the trading surface, and install street furniture and bollards.
- The CoCT institutes measures to persuade the owners of undeveloped land to utilise these sites, and thus preserve the commercial use of the area.
- The CoCT undertakes a reassessment of CoCT land to consider how undeveloped sites could be best utilised to enhance economic opportunities within the precinct. ERF 5268, a site on the intersection of Sheffield Road and Stock Road, has high potential for a mixed-use development on which a trading hub could be established.
- PEDI engages the CoCT, property owners and informal traders to gain support for a precinct management entity which could advance the idea of a development strategy and oversee social and infrastructural investments. In this respect the CoCT should consider expanding the current PEDI mandate and provide additional financial support to advance the process of creating a single development vision.

## 2. Abbreviations and Acronyms

ABSD	Area Based Service Delivery
BRT	Bus Rapid Transit
CCID	Central City Improvement District
CCTV	Closed Circuit Television Surveillance
CoCT	City of Cape Town
CTIA	Cape Town International Airport
FMCG	Fast Moving Consumer Goods
NEITA	New Eisleben Informal Traders Association
NMT	Non-Motorised Transport
PEDI	Philippi Economic Development Initiative
PHA	Philippi Horticultural Area
SLF	Sustainable Livelihoods Foundation
TDA	Transport and Urban Development Authority
UKITA	United Khayelitsha Informal Traders' Association

### 3. Contents

1. Executive Summary .....	1
2. Abbreviations and Acronyms .....	3
3. Contents .....	4
4. Introduction .....	7
4.1. Partnership Objectives .....	7
4.1.1. Partner 1: PEDI ( <a href="http://pedi.org.za/">http://pedi.org.za/</a> ) .....	7
4.1.1. Partner 2: SLF ( <a href="http://livelihoods.org.za/">http://livelihoods.org.za/</a> ) .....	7
4.2. Project Aims .....	8
4.3. Limitations .....	9
5. Method .....	15
5.1. Overview .....	15
5.2. Additional Notes on the Method .....	16
6. Research Findings .....	19
6.1. Micro-Enterprises Scope and Scale .....	19
6.2. Spatial Distribution of Micro-Enterprises .....	27
6.3. Nodal Dynamics .....	39
6.4. External Influences and Risks .....	46
6.4.1. Crime .....	46
6.4.2. Land Invasions .....	46
6.4.3. Trader Associations .....	47
6.5. Formal Retail .....	50
6.5. Traffic and Pedestrian Movement .....	54
6.6. Land Availability .....	59
6.7. Trading Challenges .....	62
7. Development Vision .....	64
7.1. Advancing the formalisation street trade within public space .....	64
7.2. Suggested node specific development interventions .....	66
7.3. Integrated Development Hub .....	71
8. Protea Road Trading Strategy .....	81
8.1. Street Trader Plan for Protea Road .....	81
8.2. Infrastructure Recommendations for Protea Road .....	86
9. A Strategy for Precinct Management .....	91
10. High Level Recommendations .....	94
Annex 1: List of Contributors .....	95

## Table of Figures

### Figures

Figure 1 .....	24
Figure 2 .....	25
Figure 3 .....	26
Figure 4 .....	41
Figure 5 .....	63
Figure 6 .....	70
Figure 7 .....	70
Figure 8 .....	75
Figure 9 .....	75
Figure 10 .....	76
Figure 11 .....	76
Figure 12 .....	84
Figure 13 .....	83
Figure 14 .....	85
Figure 15 .....	89
Figure 16 .....	90
Figure 17 .....	90
Figure 18 .....	91

### Images

Image 1.....	14
Image 2.....	17
Image 3.....	17
Image 4.....	18
Image 5.....	18
Image 6.....	52
Image 7.....	52
Image 8.....	53
Image 9.....	56
Image 10.....	56
Image 11.....	77
Image 12.....	77
Image 13.....	77
Image 14.....	78
Image 15.....	78
Image 16.....	79
Image 17.....	79
Image 18.....	80
Image 19.....	80
Image 20.....	88
Image 21.....	88

**Maps**

*Note: Maps are to the correct scale when printed at A3*

Map 1 .....	11
Map 2 .....	12
Map 3 .....	13
Map 4 .....	14
Map 5 .....	30
Map 6 .....	30
Map 7 .....	31
Map 8 .....	31
Map 9 .....	32
Map 10 .....	32
Map 11 .....	33
Map 12 .....	42
Map 13 .....	43
Map 14 .....	44
Map 15 .....	45
Map 16 .....	49
Map 17 .....	51
Map 18 .....	55
Map 19 .....	57
Map 20 .....	58
Map 21 .....	60
Map 22 .....	61
Map 23 .....	69
Map 24 .....	74

**Tables**

Table 1 .....	20
Table 2 .....	62
Table 3 .....	81
Table 4 .....	87

## 4. Introduction

### 4.1. Partnership Objectives

The development vision for the Philippi East Industrial Area is the result of a partnership agreement between PEDI and SLF. The partners agreed to collaborate in pursuit of the shared vision of creating a vibrant urban hub in Philippi East through formalising street trading and initiating a strategy to upscale informal trading activities and micro-enterprises. The partners were in agreement that the provision of infrastructure to support micro-enterprise should comprise a central aspect of an appropriate strategy. PEDI contributed financial resources towards the project objectives, whereas SLF provided an in-kind matching contribution in staff expertise. The project commenced in August 2017 and was concluded in March 2018.

The development vision focuses on the precinct bounded by four major roads, namely Govan Mbeki Road, New Eisleben Road, Sheffield Road and Stock Road (*see Maps 1 – 3*). For the purpose of this vision, the precinct area excludes the portion of Philippi East currently occupied as Marikana informal settlement.

#### 4.1.1. Partner 1: PEDI (<http://pedi.org.za/>)

PEDI was established in 1999 to facilitate job creation and reduce poverty in the township of Philippi and surrounding industrial sites. With these broad aims, PEDI seeks to mobilise and lobby for government interventions and investment, promote private development of the Philippi East Industrial Area and available commercial land, preserve the horticultural land from encroachment and support socio-economic development initiatives.

PEDI receives a grant-in-aid from CoCT. As agreed in the business plan with the CoCT, PEDI is required to undertake an analysis of street trading in the Philippi East Industrial Area and, subject to the results of the survey, support the development of street trading plans. This document thus fulfils PEDI's commitment towards the CoCT in respect of supporting the development and formalisation of street trading in Philippi.

#### 4.1.1. Partner 2: SLF (<http://livelihoods.org.za/>)

SLF has a core interest in supporting township micro-entrepreneurship as a means of eradicating poverty. We believe that the growth and development of informal micro-enterprises is central to the revitalisation and strengthening of township economies. In support of this objective, SLF has undertaken in-depth research in nine township localities in four provinces from 2010-2015, and thereby surveying 11,000 micro-enterprises. Three of these localities are situated within the Philippi economy catchment area; namely Sweet Home Farm, Browns Farm and Delft South.

Building on our experience of the township economy, SLF has established partnerships with government and industry stakeholders to improve policy and reshape business support towards micro-enterprises. The accumulated knowledge of our research provided the foundation for a

substantial programme for township revitalisation in Ivory Park, Johannesburg. The project comprised three elements: an enterprise support programme, a business infrastructure development component and a social infrastructure programme. SLF entered in to the partnership with PEDI to advance the development concepts formulated in the Ivory Park project since these were considered appropriate to the challenges in Philippi. SLF is committed to co-investing (financial and non-financial resources) in undertaking research, identifying appropriate development approaches and testing interventions.

#### 4.2. Project Aims

The broader Philippi area is undergoing significant social, economic and infrastructural changes. PEDI has championed the development of a new access road to provide a direct connection between the Industrial Area and the N2 highway. Civil work on this road has commenced. A further significant infrastructural intervention relates to the establishment of Bus Rapid Transit (BRT) lanes and routes connecting Philippi to the City's commercial districts (*see Map 4 and Image 1*). The change and realignment of the road system will impact both positively and negatively on established micro-enterprises that utilise the street frontage, especially the numerous street traders that occupy the main transport routes within the Philippi area. Some of these traders will need to relocate their business.

The growth of the Philippi industrial economy in combination with a range of economic development interventions, such as the full development of Philippi Village, has the potential to enhance opportunities to support micro-enterprise growth and development. At present, there is much uncertainty on the place of micro-enterprises and street traders within the future Philippi economy vision. Some of the unresolved issues are:

- The scope and scale of micro-enterprise activity in Philippi that will be impacted as a result of infrastructure development?
- As a result of the changes to the road infrastructure, where are the street traders to be relocated?
- What sites within the precinct area could be released for street trade and micro-enterprise activities?
- Is there City owned land which could be 'unlocked' for small and micro business development and in what ways could this land be best utilised under different time scale and investment scenarios?
- How can small businesses be integrated into new development interventions and commercial undertakings?
- How can particular networks be developed to stimulate inclusion of small business, enable growth and promote formalisation?
- How can small businesses fulfil a role in improving safety and security and building social cohesion in Philippi?
- What infrastructure design interventions are most appropriate for the capacity and capabilities of start-ups and livelihood enterprises?
- How can small businesses in Philippi be better integrated into formal value chains?

This project seeks to address these questions as part of the aim to propose a development vision for micro-enterprises in Philippi. To achieve this aim, four requirements had to be fulfilled. The first requirement was to understand the "as-is" micro-enterprise situation. The second requirement was

to evaluate development opportunities, constraints and plans for spatial readjustment. The third requirement was to engage with all stakeholders as to the development needs and possibilities within Philippi, from trader representatives through to elected official and technical officers within CoCT to representatives of business and civil society organisations. The fourth requirement was to formulate an appropriate strategy and spatial plan, drawing on evidence and stakeholder input.

The development vision (as contained in this document) was undertaken through the following steps:

1. A project management system, reporting structure, and partnership agreements were established.
2. Technical resources, documents, datasets and plans were mobilised.
3. Existing data on informal micro-enterprise activities was analysed.
4. Trader activities within the precinct were surveyed and data analysed to identify business dynamics and spatial distribution.
5. Existing uses of infrastructure and space were investigated.
6. The availability of land for development was investigated.
7. Current spatial, economic and political development impacts were assessed.
8. Policy and regulatory constraints were considered in formulating plans.
9. Traders were engaged through a participatory planning process utilising visual methods.
10. CoCT stakeholders (official and elected representatives) were engaged on both the research findings and development recommendations.
11. A written report with design recommendations was produced and presented to the CoCT.

#### 4.3. Limitations

In undertaking the project, the partners encountered a number of obstacles. The main obstacles pertain to the access to knowledge. These obstacles have a minor implication on the outcome of the research process, though do not materially affected the results of the field research and recommendations with respect to development interventions. The main limitations were:

- Non availability of CoCT transport development plans. The partners made repeated efforts to gain access to detailed transport development plans with respect to the proposed road changes for Sheffield Road, Govan Mbeki Road and New Eisleben Road. The widening of these roads will impact on current street trading activities.
- Non availability of specific plans to accommodate micro-enterprises within BRT infrastructure and hubs. Such transport hubs have the potential to accommodate informal businesses. Although there are mixed views within the CoCT's Transport and Urban Development Authority (TDA), some advisors are in favour of the incorporation of informal business activities within transport hubs and other advisors are opposed to informal business activities outside dedicated structures due to concerns on pedestrian movements and other operational considerations, the CoCT has not made a public determination on this matter. There are no plans or technical documents specifying how informal traders could or should be incorporated in BRT infrastructure within the Philippi precinct.
- Non collaboration by certain traders in the survey enumeration process. In the course of the field survey, the research team encountered resistance from isolated individuals who did not

want to be interviewed and coordinated resistance from the meat braai operators on New Eisleben Road.

- Unplanned changes in land use. Over the duration of the study, several of the land sites that were identified as suitable for accommodating micro-enterprise and mixed-used development became occupied through a process of illegal land invasions. The study does not take into consideration the informal settlements that have since arisen and the corresponding development of micro-enterprise activities that serve these settlements.

**Map 1**



CAPE TOWN METROPOLITAN MAP



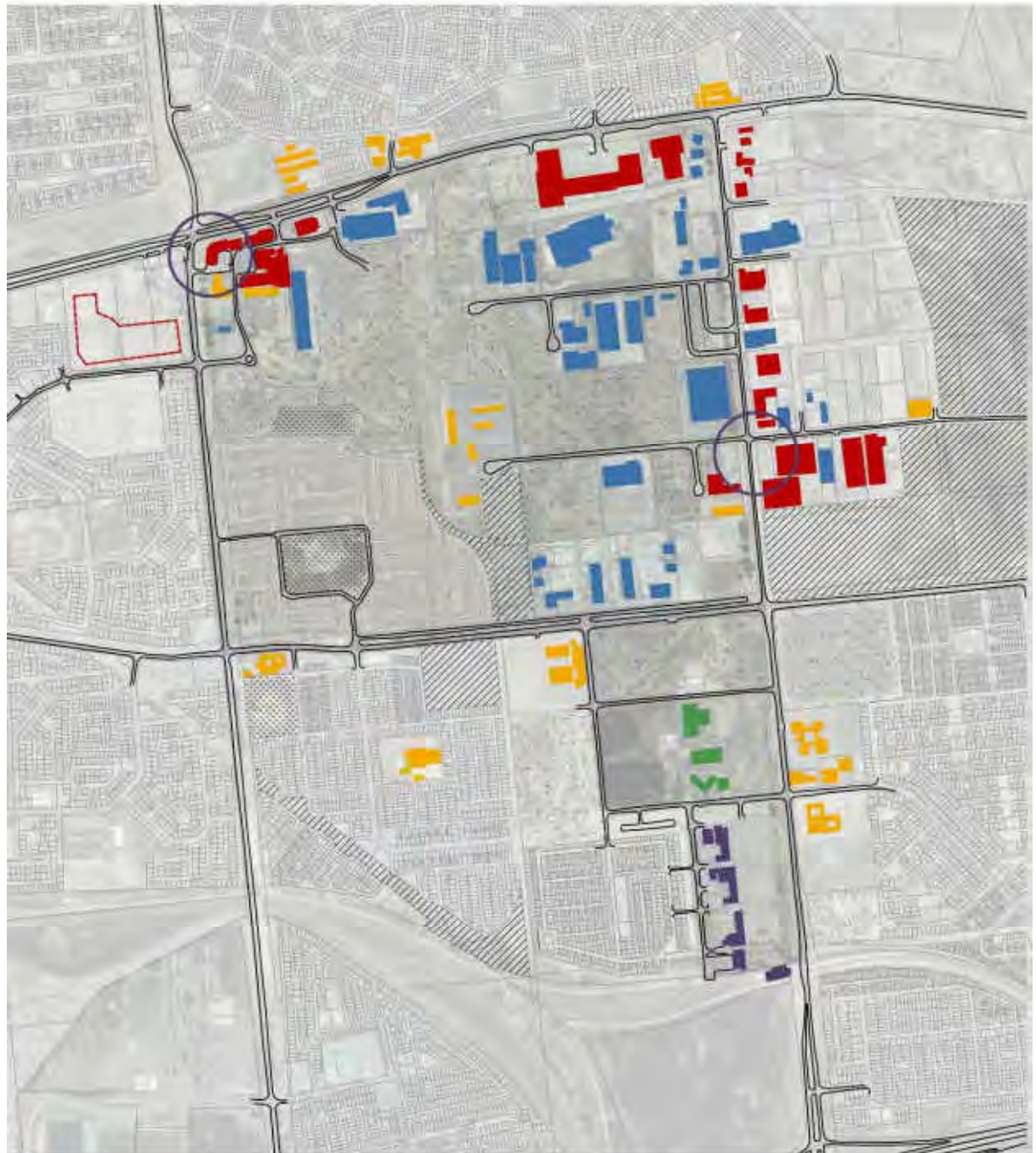
**Map 2**



AREA OF STUDY | 1:7500



Map 3



- Formal retail
- Social/civic
- Industrial/commercial
- Agricultural
- Transport
- Amaphela concentration
- Informal housing
- Unutilised land
- Retention pond

PRECINCT ANALYSIS | 1:7500



**Map 4**



- Current road-widening
- - - Future road-widening
- Future MyCiti interchange

PROPOSED BRT DEVELOPMENT IN PRECINCT | 1:7500

**Image 1**



*Stock Road is currently undergoing road-widening construction to accommodate BRT routes.*

## 5. Method

### 5.1. Overview

The project was undertaken in three main phases:

- Phase 1: a research phase, focused on the collection and analysis of data;
- Phase 2: an engagement phase, focused on consultation with traders, elected representatives in government (ward councillors), CoCT technical specialists and non-state stakeholders (PEDI and business interest groups);
- Phase 3: a design and formulation phase.

Activities in phases 1, 2 and 3 were synergised (wherever possible) to allow for feedback on the results of analysis, the formulation of proposed plans and development concepts. The analysis, concepts and design underwent several iterations based upon stakeholder input and the need to align the project outputs with CoCT development plans. The project team studied available guideline documents including the guidelines on Precinct Management by National Treasury (available at <https://web1.capetown.gov.za/web1/ECAMP/MediaAttachment/Download/5>).

The core methods utilised in the project were:

- Participatory engagement with affected traders and community representatives to inform people about the project and secure their consent. Two engagement meetings were conducted in Philippi. **(See Image 2)**
- An enterprise survey of all street traders in which data was obtained on the business activity and socio-demographic status of the trader. **(See Image 3)**
- A geospatial survey of trading activities.
- Statistical analysis of survey data.
- Rapid appraisal studies of transport services, formal retail activities, trading infrastructure, pedestrian routes, the state of security and land availability within the precinct.
- Participatory design using workshops in which trader groups were supported to provide information on their development needs and develop design concepts for implementation in Protea Road and Sheffield Road respectively. **(See Image 4 and 5)**
- Desktop analysis of development plans and policies.
- Precinct management strategy workshops with PEDI and SLF.
- Key stakeholder engagement.
- High level engagement with councillors.
- Feedback from trader organisations with respect to the proposed street trading plan for Protea Road.

A full record of all contributors is presented in Annex 1.

## 5.2. Additional Notes on the Method

The field research component focused on informal trading activities that operate on public land, including road reserves, pavements and open sites within the precinct. The geographic scope of the survey included Bristol Road and Protea Road (both roads feed into the precinct) and the public land adjacent to the Joe Gqabi bus terminus area.

The research on street traders was conducted over a three month period. The research process and the analysis of data adhered to the approach, pioneered by SLF, known as the 'Small Area Census Method'. The survey target was both mobile and stationary traders. As the survey utilised a census approach, all traders were included in the research, irrespective of the infrastructure from which the traders operated or products/services offered. An online data management system was used to capture information that contained a questionnaire tool with 32 variables. The survey was applied to 378 micro-enterprises. GIS and mapping techniques were used to spatially analyse the distribution of businesses and the clustering of certain businesses around specific nodes.

An economic scoping exercise was undertaken to identify the businesses trading Fast Moving Consumer Goods (FMCG) from commercial sites within the precinct. The study documented all formal businesses operating from private land, including businesses situated within the three major shopping malls: Shoprite centre, Philippi Plaza, and Goal Centre.

Through desktop research and utilising publically accessible data, the team undertook a land analysis of under-used sites in the precinct. The land values reflect the CoCT valuation. As stated above, some of these sites have since been appropriated in land occupations.

To advance the research process and deepen community engagement, a participatory design workshop was held with informal traders. It was decided to hold two separate workshops as the participants were drawn from distinctly different nodes. In selecting participants, traders operating within the nodes of Protea Road and Sheffield Road were prioritised as a consequence of multiple considerations, including: i) the co-operation of the trader organisation, ii) the potential of the respective sites to accommodate the proposed development interventions.

*Image 2*



*One of two Initial participatory engagements with affected traders.*

*Image 3*



*Experienced SLF field researchers conduct interviews for the street trader survey.*

*Image 4*



*Image 5*



*Two participatory design workshops were held with a group of traders from Protea Road and Sheffield Road, in order to understand the major challenges that traders face and to imagine innovative and creative solutions to these challenges.*

## 6. Research Findings

### 6.1. Micro-Enterprises Scope and Scale

**(See Table 1 and Charts 1 – 6)**

The survey identified 378 businesses within the precinct. The team was able to conduct 313 full interviews with business owners, employees and helpers. There were 27 incomplete interviews due to a lack of co-operation from the interviewees and disruptions due to the high volume of customers at the time of the interview. 14 businesses refused to be interviewed for varying reasons, including opposition to the idea of formalising street trading. 15 businesses that were seemingly shut down as well as 9 churches were recorded.

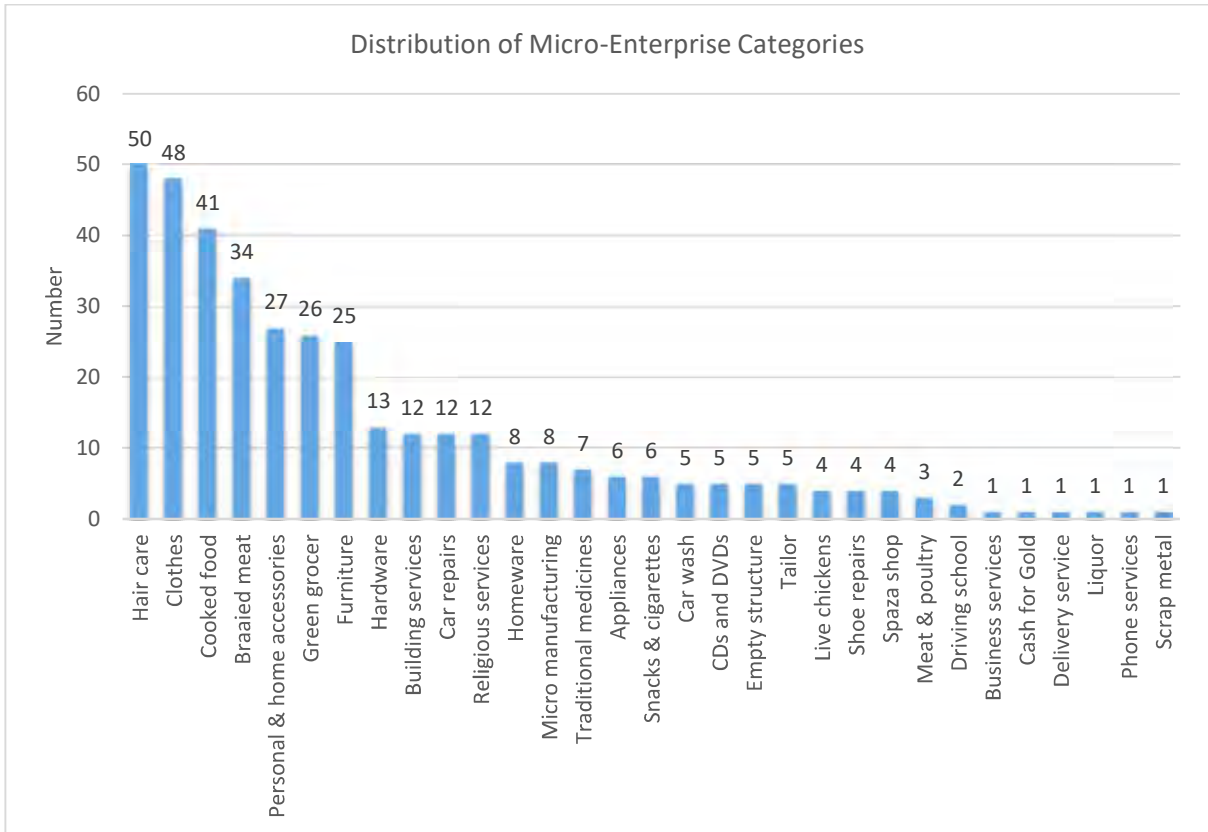
The main findings were:

- The surveyed micro-enterprises are spatially located either on the road reserve (63%), on the sidewalk (14%) or on open ground (14%). A smaller number of traders operate from private properties (8%) where these properties encroach onto the road reserve.
- The ten most common business categories are (number of businesses in parenthesis): Hair care (50); Clothing (48); Cooked food (41); Braaiied meat (34); Personal and home accessories (27); Green grocer (26); Furniture manufacture (25); Hardware (13); Building services (12); and Car repairs (12).
- 54% of businesses are male-owned, with 61% of owners being South African citizens. Other frequently identified nationalities are Zimbabweans (18%), Nigerians (5%), Malawians (3%) and Congolese (3%).
- On average, owners have owned their business for 6.7 years and have been trading at their site in Philippi where they were interviewed for 5 years.
- The average age of business owners is 39 years.
- The 378 businesses identified employ 308 people.
- SLF is of the opinion that 63% of all businesses are small, survivalist businesses with limited growth and development prospects.
- Approximately two thirds of the businesses are solely reliant on pedestrian customers, whereas 22% rely on both pedestrians and vehicle access.
- Active traders' associations were encountered in Protea Road and New Eisleben Road and 16% of traders reported an association to some form of trader organisations.
- 64% of the traders have shelter from the rain. 20% of business owners rent the premises or land their businesses operate from. The cumulative monthly rental that traders pay for infrastructure is R47 850 per month. 24% of businesses utilise water and 25% utilise electricity. Access to water and electricity is especially important for hair salons.
- The researchers also identified a range of trading structures (*see Figures 1 – 3*). The most numerous structures are shipping containers (25%), shacks built from corrugated sheets (23%), and semi-fixed structures such as those made from posts and tarpaulin or plastic sheeting (12%).
- The researchers found that 18% of traders used portable furniture of a variety of forms and 16% had no structure or furniture. Using conservative cost estimates, we calculated the value of trader infrastructure to be worth at least R1.7 million.

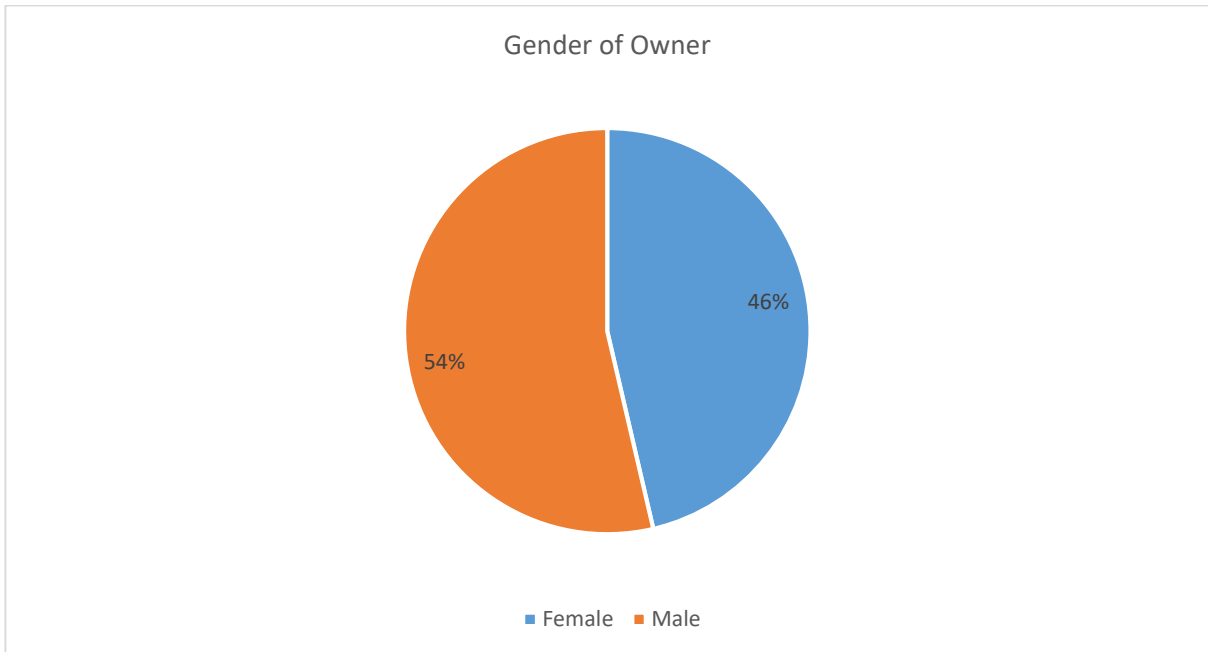
**Table 1: High Level Data Summary**

Total number of businesses identified	378
Total full interviews	313
Part interviews & waypoints	27
Refused interviews	14
Businesses seemingly shut down	15
Churches	9
Average age	39
Average time in business	6.7
Average time trading in current Philippi location (years)	5.0
Owners with more than one business	47
Number of employees	308
Gender (Male)	54%
South African traders (% of total)	61%
Use of specialised equipment (no of traders)	179
Shelter from rain (% total)	64%
	1,687,200.0
Estimate Value of Infrastructure (Rand)	0
Predominate means for customers to access business (no. of traders) : vehicle	23
Predominate means for customers to access business (no of traders): pedestrian	204
Predominate means for customers to access business (no of traders): vehicle and pedestrian	85
Number of traders belonging to a traders association	60
Number of traders renting infrastructure	74
Cumulative rental of infrastructure (Rand)	47,850.00
Number of traders utilising water	89
Number of traders utilising electricity	96
Average monthly expenditure on electricity	182
Economic scale of business: Survivalist (% of total)	63%
Economic scale of business: Non-survivalist (% of total)	34%

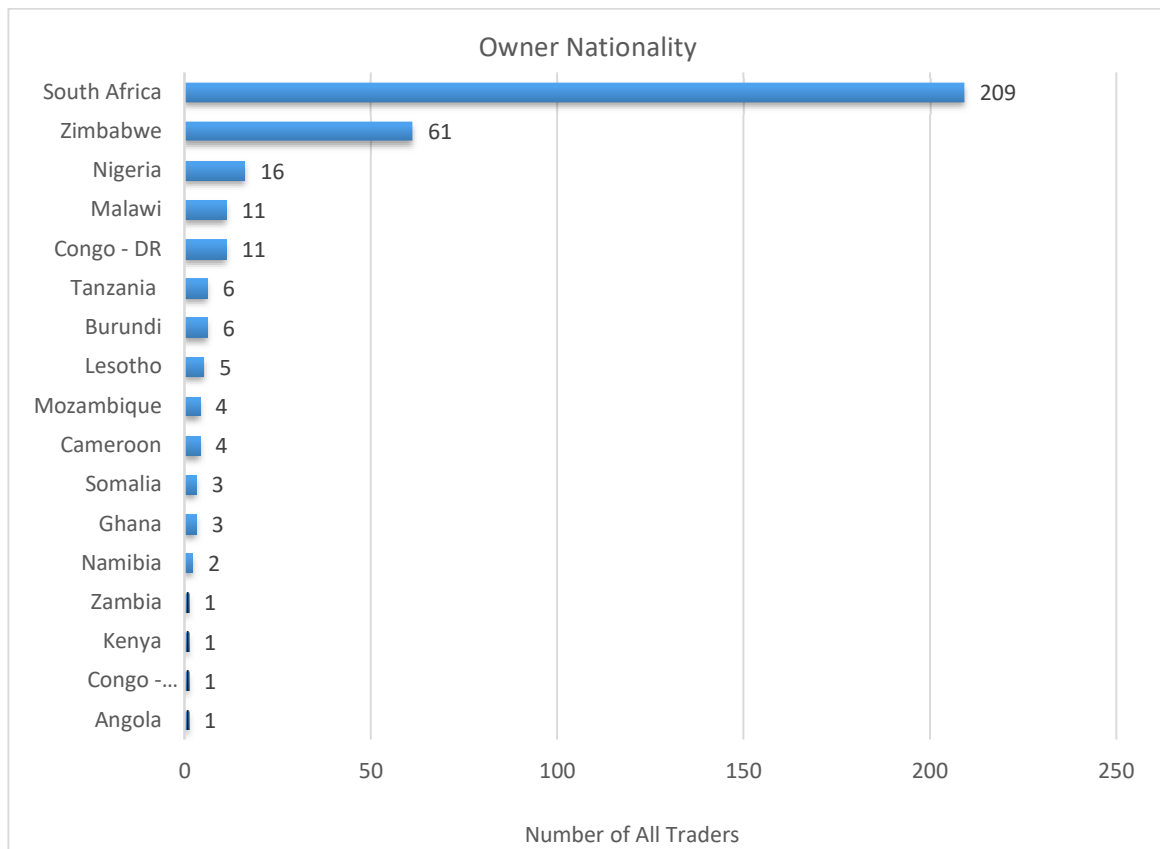
**Chart 1**



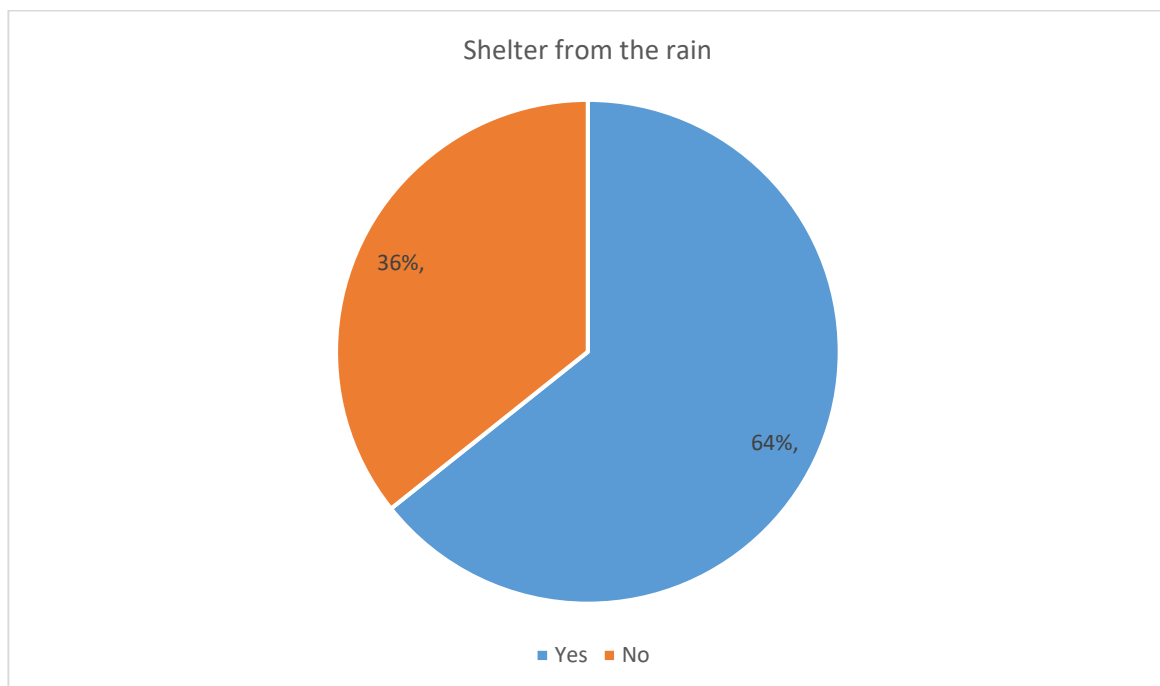
**Chart 2**



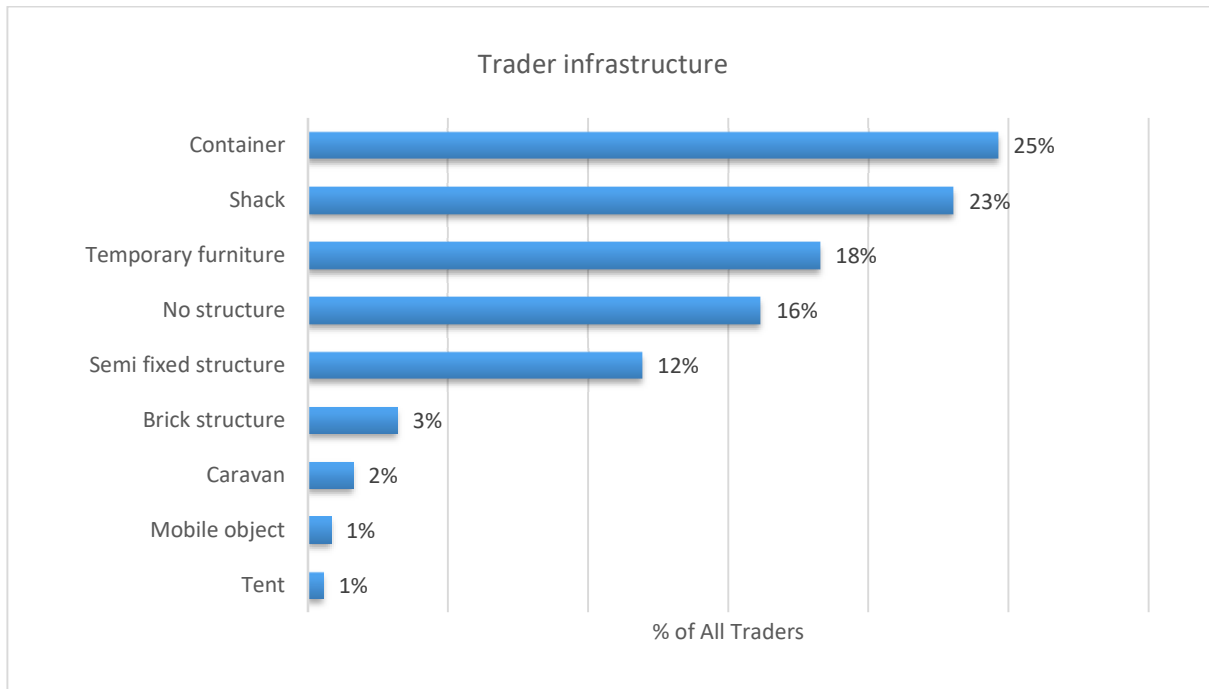
**Chart 3**



**Chart 4**



**Chart 5**



**Chart 6**

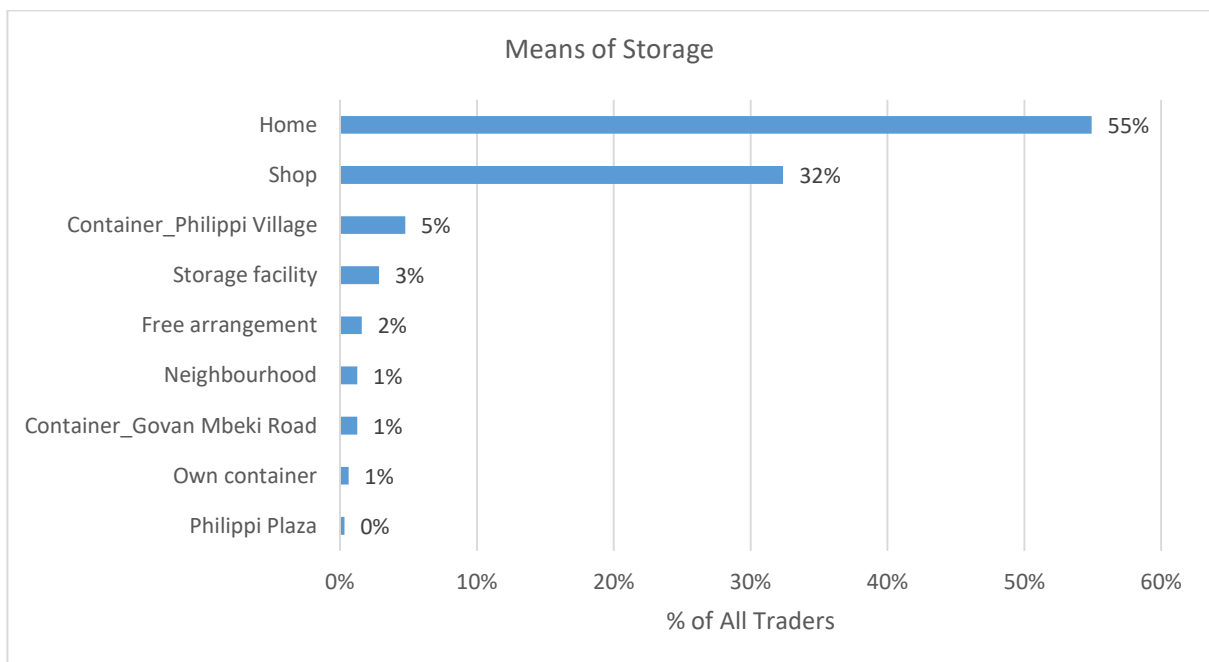


Figure 1



1. No Structure



BUSINESS COUNT: 61

Trading directly on a sidewalk or open ground is an easy way to display one's goods without needing to transport heavy trading infrastructure. However, these traders are dependent on good weather for trading and need to transport the goods to off-site storage each day. If clothing is being sold, a plastic waterproof sheet weighed down with bricks or stones is used to protect the items.



2. Mobile object



BUSINESS COUNT: 4

While mobile traders are relatively scarce in Philippi, using a bakkie or mobile object to trade from allows for both the display and transport of goods. It is useful for fruit and vegetable traders to use a bakkie as they need to get fresh products from surrounding farms regularly. Traders with a bakkie are less reliant on good weather as a vehicle can also provide shelter.



3. Temporary furniture



BUSINESS COUNT: 68

Using tables, crates or shelves is an easy way to raise goods off the ground for better display. Often an umbrella is also used to provide shade from the sun. Food products such as snacks, fresh fruit and vegetables and meat as well as hardware and electronics are often placed on a table instead of the ground. These traders still rely on off-site storage and largely on good weather. However, unlike using the sidewalk, temporary furniture protects goods from water that collects on the ground after it rains.

Figure 2



4. Semi-fixed Structure



BUSINESS COUNT: 45

Semi-fixed structures are made up of a metal or timber frame that is permanent as well as a variety of temporary elements such as plastic sheeting, tables, crates, shelves and chairs. This is an effective way to create shelter, allowing one to operate regardless of the weather. However, traders still depend on off-site storage for the temporary furniture and retail goods. These types of structures are used by sellers of clothes, braai'd meat and personal and home accessories.



5. Container



BUSINESS COUNT: 93

If able to afford it, a trader can benefit hugely from the container's provision of storage and shelter. Most containers are owned by an external person and rent generally ranges from R800 to R1400 a month. Services such as salons, building services, fast-food and tailors often make use of containers as well as retailers of large items such as appliances and furniture.



6. Shack



BUSINESS COUNT: 87

Usually made from a timber frame and clad with corrugated sheeting, shacks provide both storage and shelter to a business. A shack is usually less secure than a container and is also less expensive. Hair salons, furniture, cooked food, green grocers and welders are the most common users of shacks for trading. In Philippi, many small churches also use shacks to operate from.

TRADING INFRASTRUCTURE ANALYSIS



Figure 3



7. Caravan



BUSINESS COUNT: 6

All of the caravans in the area sold cooked food and had a few seats inside for customers. This is still quite a rare and new trading infrastructure type with only 6 in the entire area. The caravans are all stationary rather than mobile objects, and they provide traders with storage and shelter.



8. Tent



BUSINESS COUNT: 2

There are only two tents in the area and both are very large and used for church services. They both make use of containers to store sound systems and chairs, as the tents themselves are not secure enough to use as storage. Instead, they provide shelter and space to large congregations on open and unused pieces of land.



9. Brick structure



BUSINESS COUNT: 12

Brick structures are usually attached to private dwellings but encroach onto the public space of sidewalks or road reserves. Brick structures provide businesses with a very secure space to store goods as well as shelter from the rain. Spaza shops often make use of brick structures as they are often located in the front yards of private dwellings.

## 6.2. Spatial Distribution of Micro-Enterprises

The analysis of the data is represented geo-spatially in order to understand the spatial dynamics of micro-enterprises in the precinct (*see Maps 5 – 10*). This spatial analysis indicates nodal dynamics in the spatial position of enterprise categories and clustering (*see Map 11 and Chart 7*). The following analysis disaggregates the data into 8 sub-areas which include both streets and nodes:

### **Shoprite Node (*see Chart 8*)**

- 50 businesses were identified in this site. We conducted 41 full interviews, 3 incomplete interviews and were refused interviews 6 times.
- The three most common business categories are: Clothing (26); Personal and home accessories (8); and Green grocer (5).
- 42% of the businesses are male owned and South Africans own 52% of businesses. Only 2 people are employed in this site.
- 36% of the businesses have shelter from the rain. None of the businesses in this node pay rent. Only 2 use water and none use electricity.
- 66% of businesses in this node are viewed to be survivalist.
- The majority of businesses (42%) operate using no structure and display their products on the ground. The estimated value of infrastructure in the node is R32 600.

### **New Eisleben Road (*see Chart 9*)**

- 69 businesses were identified in this node which is popular for pork braaing. We conducted 54 full interviews, 9 incomplete interviews and were refused interviews on 3 occasions.
- The three most common business categories in this area are: Braaiied meat (14); Furniture manufacturer (9); and Building services (8).
- 64% of businesses are male owned, and 61% are South African owned. 81 people are employed in this node.
- It should be noted that the braaiing businesses are agglomerated in a unique spatial cluster. The furniture manufacture and building services are spatially separate from the braai cluster and are located towards the intersection of New Eisleben and Sheffield Roads.
- 87% of the businesses have shelter from the rain. 13 businesses rent land/infrastructure with a cumulative rental of R7 050 per month. 31% of the businesses utilise water and 24% utilise electricity.
- 30% of businesses are viewed to be survivalist. The majority of businesses (67%) operate from either containers or shacks. The estimated value of infrastructure is R367 000.

### **Bristol Road (*see Chart 10*)**

- This is the smallest node with 16 businesses. 15 full interviews were conducted and one was incomplete.
- The three most common business categories are: Hair care (5); Braaiied meat (2); Cooked food (2). Male owned businesses are at 56%, and 56% of all businesses are owned by South Africans. 15 people are employed in this node.
- 94% of all businesses have shelter from the rain. 8 businesses rent land/infrastructure with a cumulative rental of R2 450 per month. 8 businesses utilise water and 13 utilise electricity.
- 63% of the businesses are viewed to be survivalist by the researchers.

- The majority of businesses in this node (44%) operate from shacks. The estimated value of infrastructure is R113 400.

#### **Sheffield Road (see Chart 11)**

- 93 businesses were identified in this site. We conducted 72 full interviews and were refused interviews three times. There were 11 businesses that were seemingly closed and 7 churches.
- The three most common business categories are: Hair care (28); Cooked food (16); and Furniture manufacture (13).
- 40% of the businesses are male owned. South Africans own 52% of all businesses. 83 people are employed in this site.
- 90% of the businesses have shelter from the rain. 25 businesses rent land/infrastructure with a cumulative rental of 15 950 per month. 35% of businesses utilise water and 41% utilise electricity.
- 44% of businesses are viewed to be survivalist.
- The majority of businesses (51%) operate from shacks, whilst 40% operate from containers. The estimated value of infrastructure is R637 600.

#### **Joe Gqabi Node (see Chart 12)**

- 24 businesses were identified in this node. We conducted 17 full interviews, 5 incomplete interviews and were refused interviews twice.
- The three most common business categories are: Cooked food (8); Hair care (6); and Car wash (2).
- 58% of the businesses are male owned and South Africans own 25% of businesses. 39 people are employed in this node.
- 88% of the businesses have shelter from the rain. 13 businesses rent land/infrastructure with a cumulative rental of 8 300 per month. 45% of businesses utilise water and 50% utilise electricity.
- 29% of businesses are viewed to be survivalist.
- The majority of businesses (63%) operate from containers. The estimated value of infrastructure is R189 000.

#### **Protea Road (see Chart 13)**

- 61 businesses were identified in this site. We conducted 56 full interviews and 3 incomplete interviews. There were 2 business that seemed permanently closed.
- The three most common business categories are: Personal and home accessories (10), Clothing (8) and Green grocer (5).
- 43% of the businesses are male owned and South Africans own 67% of all businesses in this node. 43 people are employed in this site.
- 43% of the businesses have shelter from the rain. 6 businesses rent land/infrastructure with a cumulative rental of R5 300 per month. 5 businesses utilise water and another 5 utilise electricity.
- 62% of businesses are viewed to be survivalist.
- The majority of businesses (51%) operate using temporary furniture. The estimated value of infrastructure is R197 400.

**Stock Road (see Chart 14)**

- 25 businesses were identified in this site. We conducted 22 full interviews and 2 incomplete interviews. There was 1 business that seemed permanently closed.
- The most common three business categories are: Clothing (7); Cooked food (4); and Live chickens (4).
- 44% of the businesses are male owned and South Africans own 68% of all businesses. 14 people are employed in this site.
- 16% of the businesses have shelter from the rain. None of the businesses in this node pay rent. Only 1 business uses water and none use electricity.
- 72% of businesses are viewed to be survivalist.
- The majority of businesses (48%) operate with no structures. The estimated value of infrastructure is R44 000.

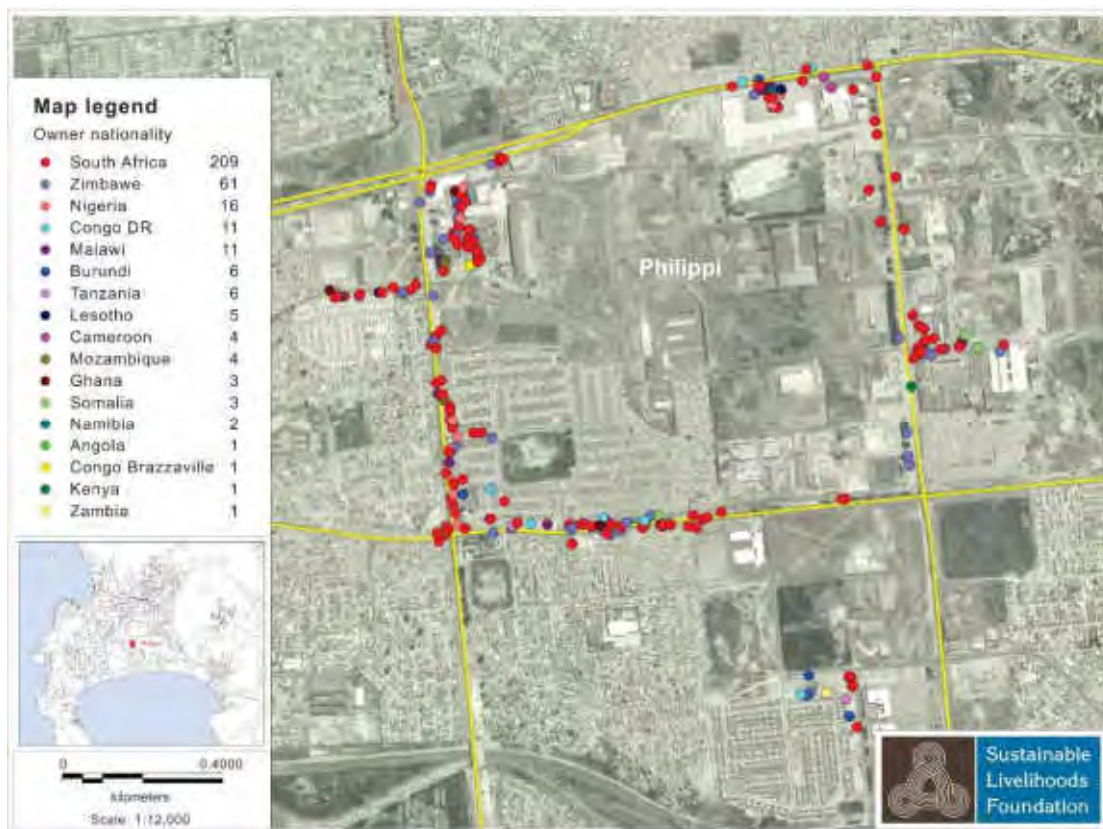
**Govan Mbeki Road (see Chart 15)**

- 40 businesses were identified in this node. We conducted 36 full interviews and 4 incomplete interviews.
- The three most frequent business categories are: Clothing (6); Braaiied meat (5); and Green grocer (5).
- Male owned businesses are at 56%. There are equal numbers of South African and foreign owned businesses. 18 people are employed in this node.
- 38% of the businesses have shelter from the rain. 9 businesses rent land/infrastructure with a cumulative rental of 8 800 per month. 17% of businesses utilise water and 25% utilise electricity.
- 65% of businesses are viewed to be survivalist.
- The majority of businesses (33%) operate using temporary structures. The estimated value of infrastructure is R106 200.

Map 5: All Micro-Enterprises



Map 6: Owner Nationality



**Map 7: Rent**



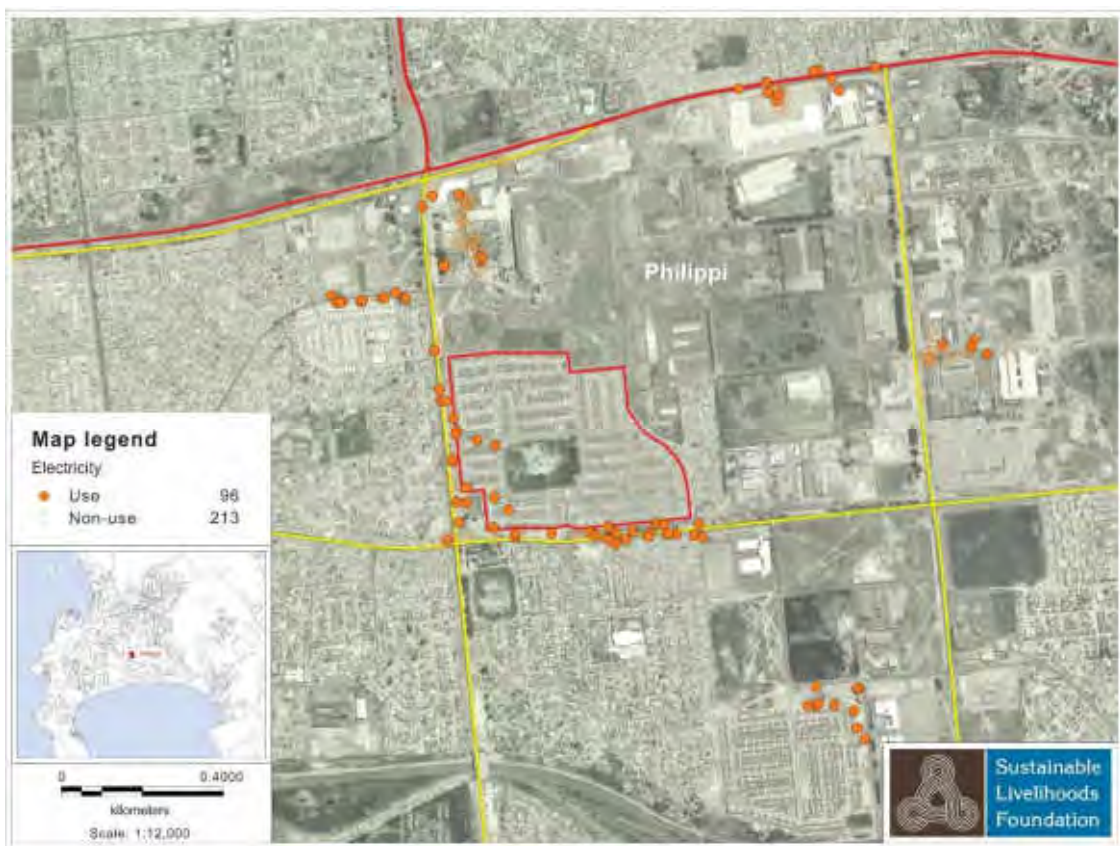
**Map 8: Access to Shelter from Rain**



**Map 9: Use of Water**



**Map 10: Use of Electricity**



Map 11

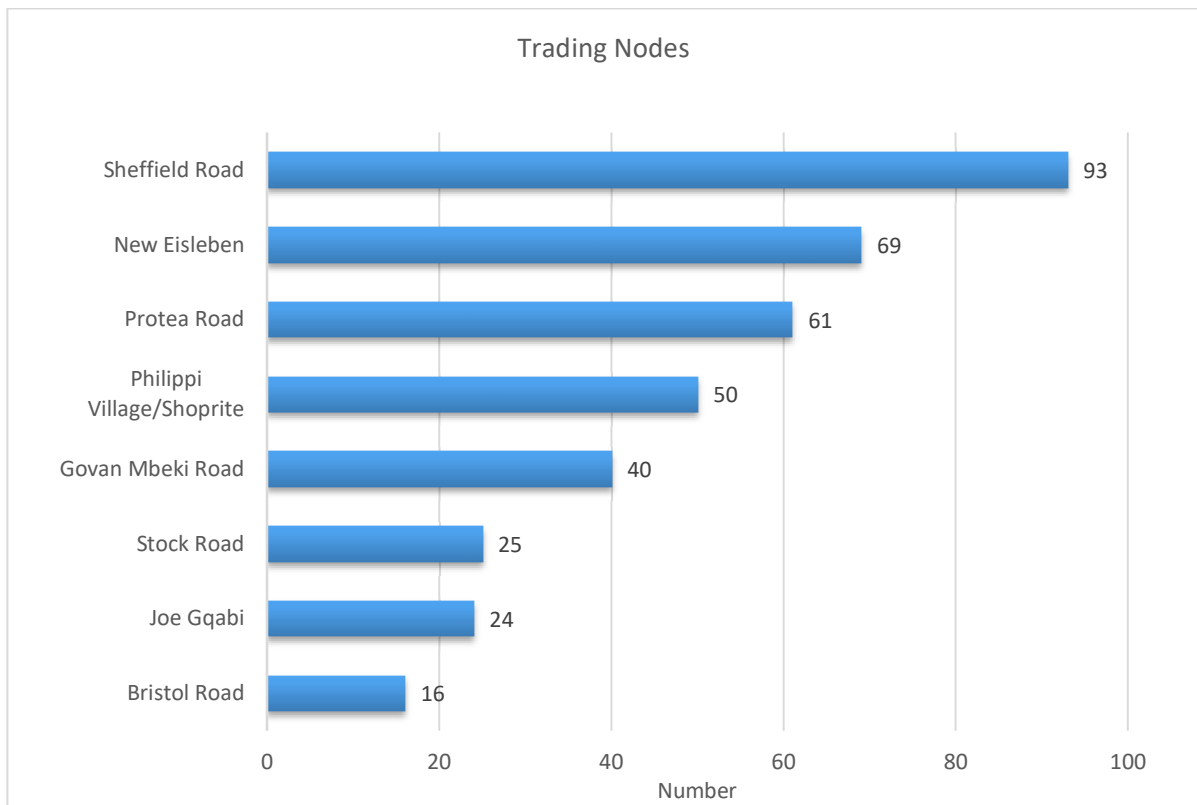


- Informal businesses
- Informal trading areas
- 1. Shoprite node
- 2. New Eisleben Road
- 3. Bristol Road
- 4. Sheffield Rod
- 5. Joe Gqabi node
- 6. Protea Road
- 7. Stock Road
- 8. Govan Mbeki Road

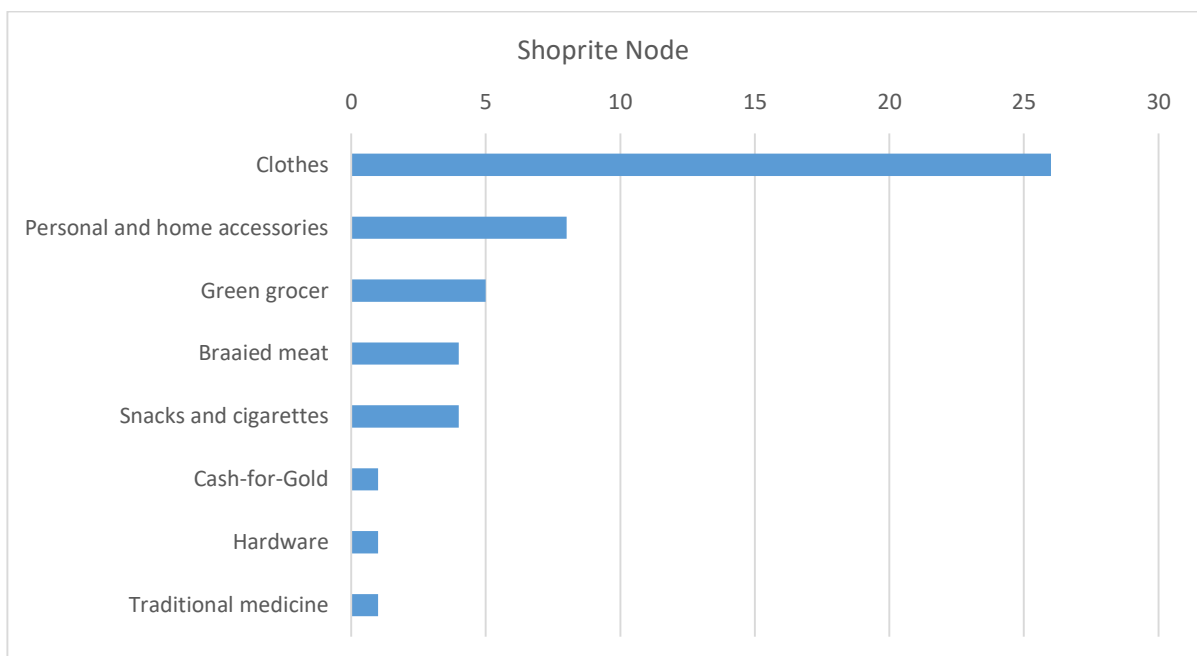
INFORMAL TRADING AREAS | 1:7500



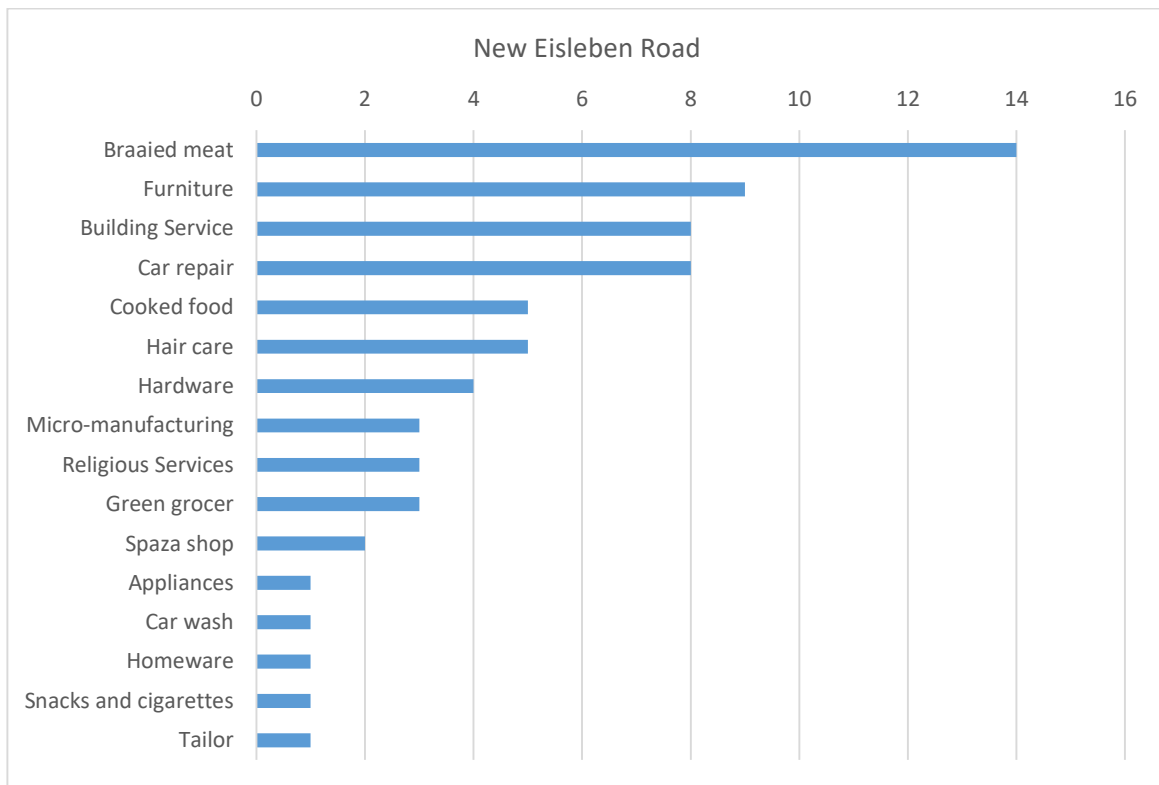
**Chart 7**



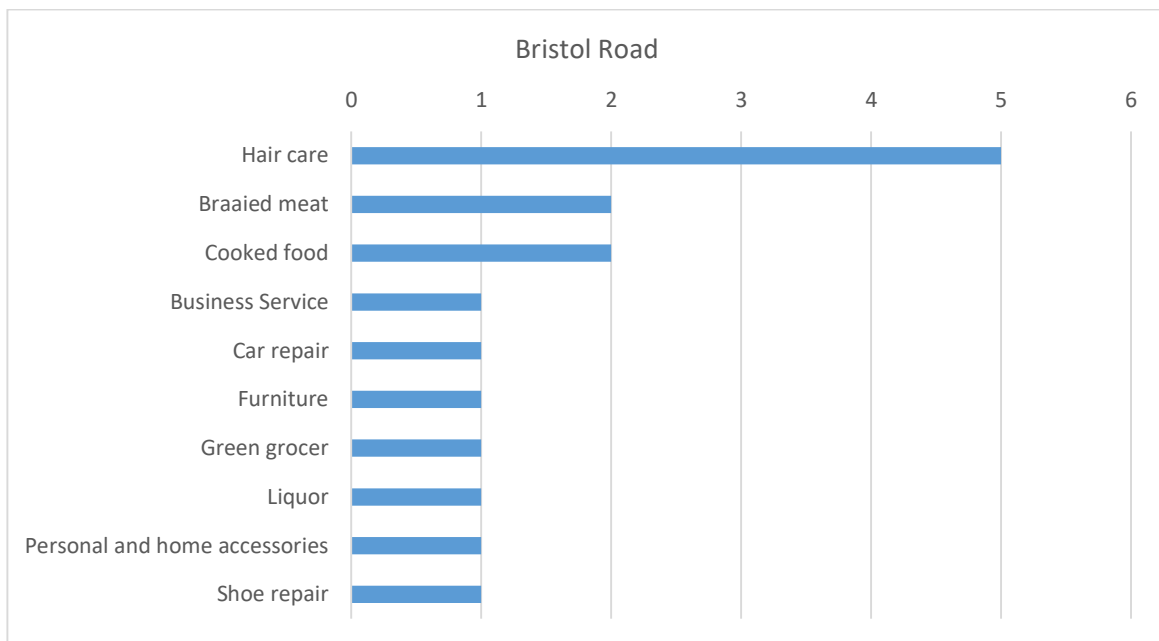
**Chart 8**



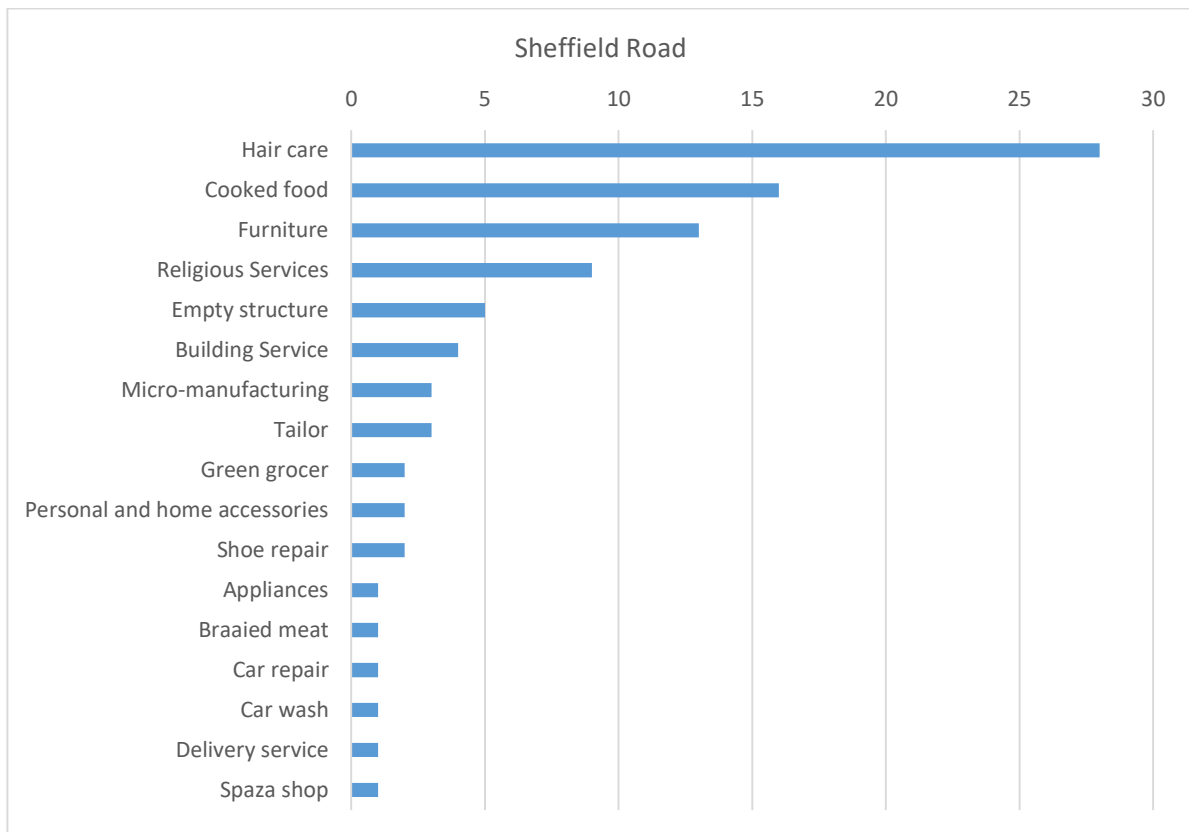
**Chart 9**



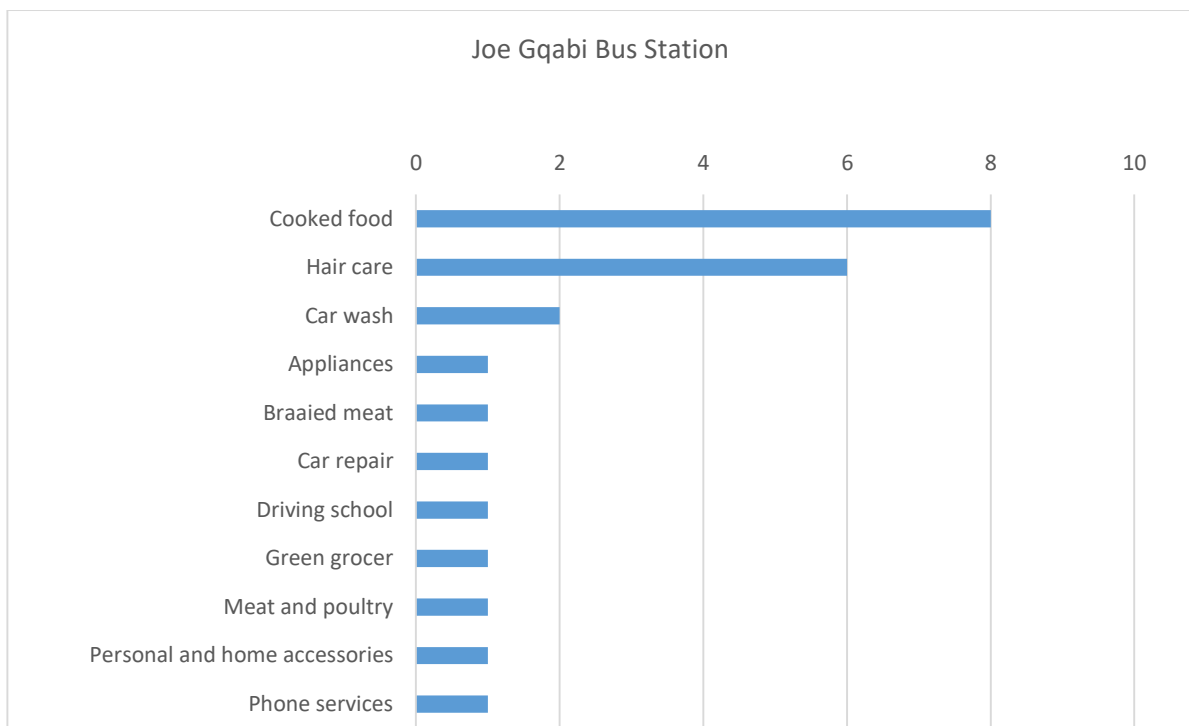
**Chart 10**



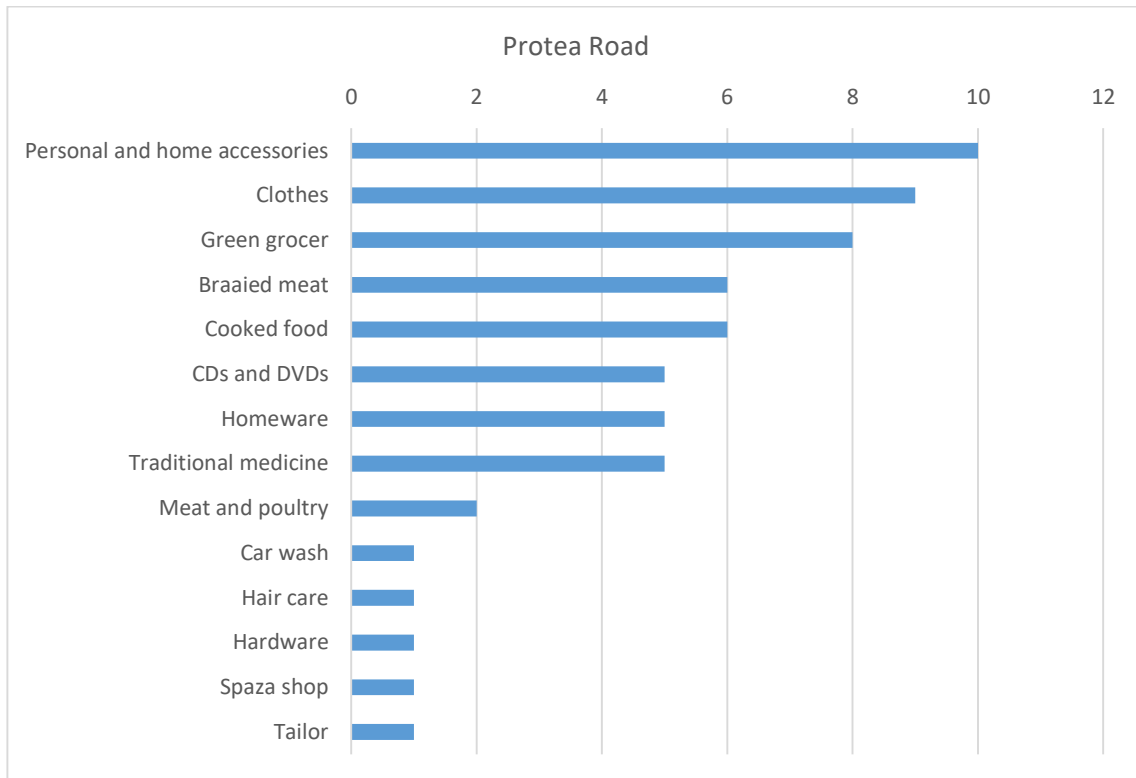
**Chart 11**



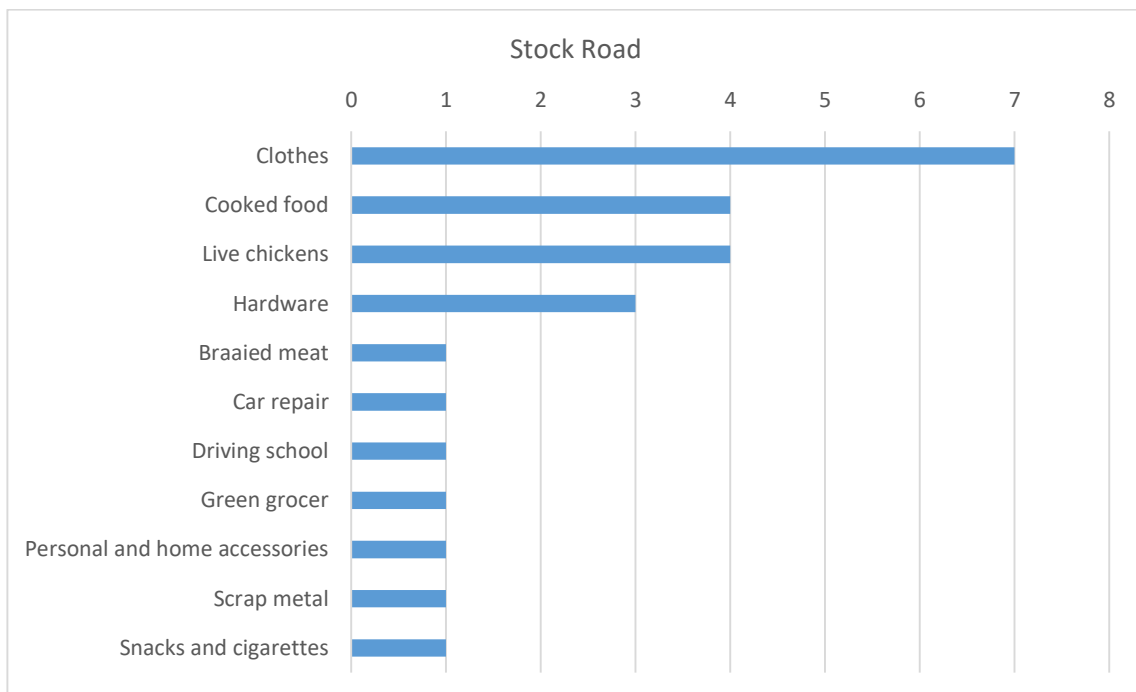
**Chart 12**



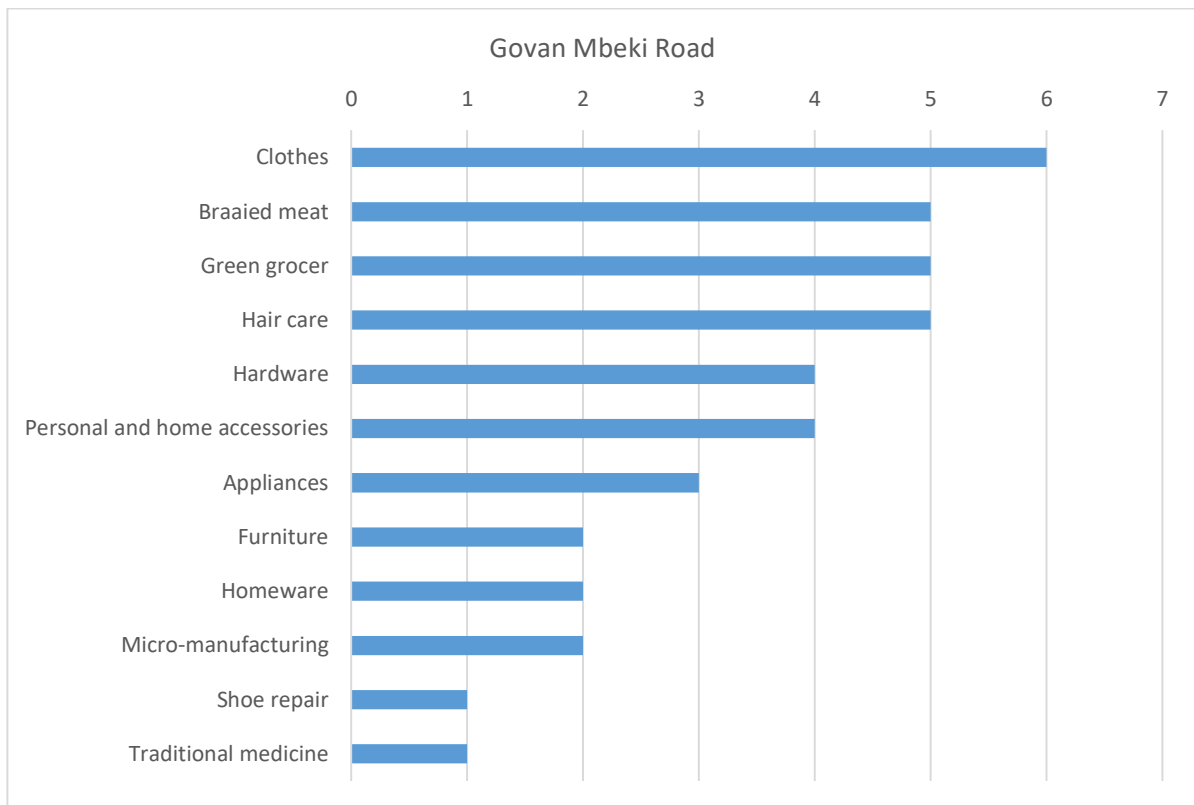
**Chart 13**



**Chart 14**



**Chart 15**



### 6.3. Nodal Dynamics

Each of the 8 informal retail areas have their own unique trading dynamics (*see Figure 4*). The trading nodes are strongly activated by formal retail activity from buildings situated within the precinct. The densely populated residential settlements that surround the precinct provide the main customer base for both formal retailers and the informal traders.

#### **Shoprite Node (*see Map 12*)**

The Shoprite Node is situated at the corner of New Eisleben and Govan Mbeki Roads and is activated by a large Shoprite shopping centre that draws residents from surrounding settlements by foot and by private car or informal taxi (*amaphela*). The shopping centre contains 27 formal shops including banks and ATMs that contribute to the commercial activity in the area. The road which cuts through the shopping centre is dominated by the movement of the *amaphela* taxi's ferrying consumers to and from the shopping centre. The node can be divided into the Shoprite parking area which contains 26 businesses mostly selling personal and home accessories, clothes, snacks and fresh fruit and vegetables; and the empty plot alongside the magistrates court's (opposite Philippi Village) which contains 24 businesses mostly selling second-hand clothes. The Shoprite parking area is directly activated by the surrounding formal shops, while the magistrate's court cluster is activated by the pedestrian route that cuts through the site leading to the shopping centre.

#### **New Eisleben Road**

New Eisleben Road is a busy road and informal retail corridor between Govan Mbeki Road and Sheffield Road. The businesses along this road are activated by both vehicle traffic and pedestrians walking between the residential settlements and the Shoprite centre. The retail corridor can be divided into north New Eisleben comprised of mechanics (outside the Shoprite node); middle New Eisleben comprised of the pork braaiers; and south New Eisleben which contains many furniture and hardware shops as well as building services and zozo (shack) manufacturers. The three sub-areas are clearly dominated by very specific retail clusters of "car" (north), "food" (middle) and "furniture and hardware" (south).

#### **Bristol Road**

Bristol Road is a residential road off New Eisleben Road. The researchers documented businesses up to a distance of 100m from the New Eisleben Road intersection. Business types varied greatly with an emphasis on salons, cooked food and residential based micro-enterprises including a shebeen and a shoe repair business. The businesses along this road are activated by the surrounding dense settlement and the pedestrian route along Bristol Road that connects the settlement to the high street and surrounding shopping centres.

#### **Sheffield Road**

Sheffield Road contains a high concentration of traders operating out of containers located on a road reserve and on a median strip (island) between two roads. The road reserve has a clustering of salons, building services and churches, while the median is dominated by salons, food and furniture. The retail activity is supported by the surrounding residential areas of Better Life, Phola Park, Never Never and

Marcus Garvey, as well as by the pedestrian and vehicle traffic along Sheffield Road. Traders access water and electricity from the neighbouring settlements.

### **Joe Gqabi Node (see Map 13)**

The Joe Gqabi node and surrounding residential area contains salons and cooked food businesses as well as two car washes. This node is adjacent to the Joe Gqabi long-distance bus terminus but does not include the bus terminus which has its own trading plan. On an occasional basis when the terminus is active, businesses such as the car washes and restaurants are activated by the terminus. The adjacent node of street trade is also supported by the dense settlements in the area and the pedestrian route that cuts through the site.

### **Protea Road (see Map 14)**

Protea Road contains an extremely busy retail node that clusters around the Goal shopping centre; the Goal supermarket is the main attraction within the site. This retail node serves the vast informal settlement of Marikana whose residents use Protea Road as a major pedestrian route to get to the broader Philippi area. The street trade in the node is dominated by retailers of personal and home accessories, clothes and fresh fruit and vegetables that largely operate from semi-fixed structures. Two types of informal *amaphela* taxis (old Cressidas and new Avanzas) use Protea road to access informal ranks, creating a chaotic and vibrant hub of transport, pedestrian and both formal and informal retail activity.

### **Stock Road**

While there used to be retail activity along Stock Road, due to the road construction, many traders moved to Protea Road and Stock Road is currently sparsely utilised by street traders. Most traders sell clothes, hardware, live chickens or food and are spatially concentrated towards the intersection with Protea Road.

### **Govan Mbeki Road (see Map 15)**

Govan Mbeki Road contains two trading nodes, each activated by a shopping centre. The Philippi Plaza shopping centre activates a micro-node with traders selling personal and home accessories, hardware and fresh fruit and vegetables on the road reserve outside the entrance to the centre. The entrance to the Shoprite centre also supports a micro-node of traders selling clothes, braai meat and fresh fruit and vegetables on the road reserve. On the opposite side of the road to the shopping centres there is a line of containers and stalls used for hair salons, furniture and appliance sales; these businesses fall outside the precinct.

Figure 4



MAIN AREAS OF INFORMAL RETAIL ACTIVITY

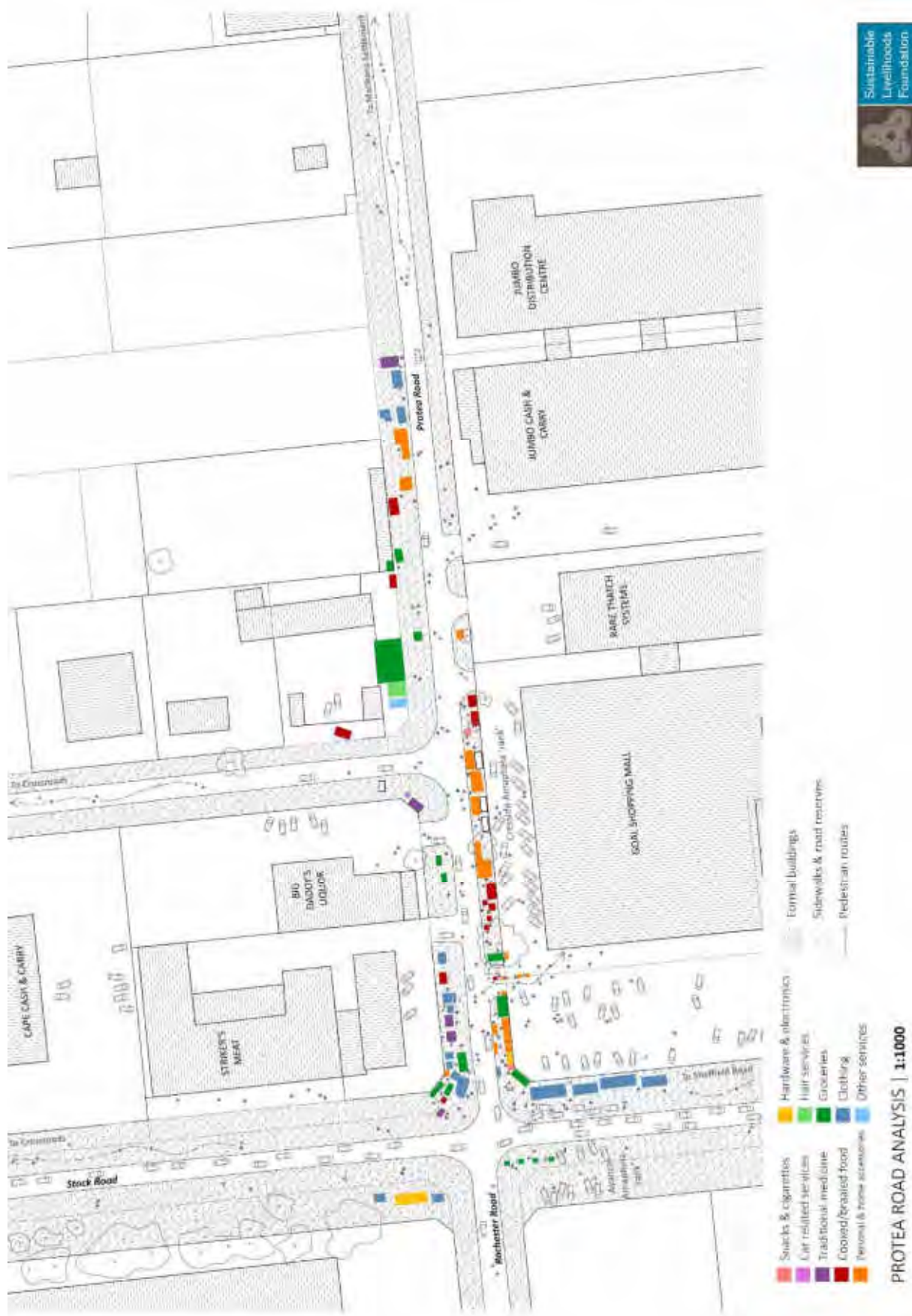




Map 13



Map 14



Map 15



## 6.4. External Influences and Risks

The analysis of external influences and risks is based on information obtained from the enterprise survey, the research team's experiences and observations, informal discussions with traders and discussions with PEDI, officials from the CoCT, the ward councillors and private business owners.

### 6.4.1. Crime

Crime and violence presents a high risk to development within the precinct. According to The South Africa Cities Network's (SACN) *State of Urban Safety Report (2017)*, Cape Town's Philippi East falls within the top three policing precincts in South Africa for violent crime. Philippi East has the record of being the worst precinct nationally in terms of the occurrence of crime to home based businesses. This data is consistent with what the SLF observed, experienced and heard from participants during the fieldwork. The *State of Urban Safety Report* noted that undeveloped land and spaces with inadequate safety related infrastructure (such as street lights or CCTV cameras) are more prone to contact crime (mugging, armed robbery etc.). We note that there is much undeveloped land within the precinct and little safety infrastructure apart from street lights on certain roads.

A number of street traders indicated that they had been robbed or that their shop had been broken into and looted. As a result of the high crime risks, many traders take their goods and equipment home after closing business for the day. Business premises are insecure at night, including businesses operating from containers. Participants in the workshops identified crime as one of the biggest challenges to growing their businesses. Stock Road and Protea Road seemed to pose the highest security risk according to information obtained from survey participants and information shared by the United Khayelitsha Informal Traders' Association (UKITA). Just prior to the commencement of the SLF survey, two street traders were shot at their business premises in the Protea Road node area.

The high frequency of firearms used in acts of robbery underlines the risk that violent crime poses in Philippi to persons operating businesses. The proximity of the Protea Road node to the inadequately policed Marikana informal settlement is thought to contribute to the high crime rate. The traders in New Eisleben Road and within the Shoprite node did not specifically list crime as a major factor impacting on business activities. These sites, in comparison, are spatially separated from informal settlements, enable greater trader surveillance of the street space and benefit from safety synergies with, for example, the informal taxis which operate along New Eisleben Road and outside the Shoprite.

### 6.4.2. Land Invasions

Since January 2018 there has been a series of simultaneous land invasions (unlawful occupation) of undeveloped land situated within the precinct. It is highly likely that the Philippi land invasions are co-ordinated. The simultaneous strategy of these invasions, the scale of participants and multitude of sites prevents the CoCT from effectively reacting to each series of land invasion. At the time of writing, in March 2018, two large sites have been successfully occupied with informal housing, with dense shack settlement covering the entire surface of each site and at least one other site has had multiple unsuccessful attempts at invasions (*see Map 16*). These new informal settlements have no access to water, sewerage and electricity, whilst the dense settlement of shacks prevents the establishment of

an (informal) road infrastructure. As a consequence, the state cannot access these settlements to provide services or surveillance. There have been multiple attempts to occupy “site 6”, a CoCT property opposite the Philippi Fresh Produce Market. As a target for informal settlement, the site has already acquired the name ‘Ramaphosa Village’.

Land invasion poses an extremely high risk to all undeveloped land in Philippi. The political rationale driving land invasion draws from a number of arguments, including:

- Severe shortage of housing (high demand vs low supply),
- The successful land occupation of Marikana informal settlement following a High Court judgement against the eviction of the occupiers. The court ruled that the CoCT (along with Provincial and National housing departments) had infringed on the land occupiers ‘rights to housing’ through failing to provide land for settlement. The court ordered the CoCT to purchase the land and service the settlement,
- Political opportunism, especially from minority political parties and disgruntled factions within the ruling ANC,
- The weak and indecisive response from National Government to prevent unlawful occupations and, in equal measure, inaction to expedite the provision of land for urban settlement from appropriating or unlocking undeveloped land.

#### 6.4.3. Trader Associations

There are a number of trader associations within the precinct. These associations aim to control and organise street trading and represent the interests of their members in certain areas. The research found that only 16% of all traders reported belonging to trader organisation/association.

Active traders’ associations were encountered in Protea Road, New Eisleben Road and outside the Spar on Govan Mbeki Road. In undertaking the participatory engagement research, SLF collaborated with UKITA, the dominant traders association amongst traders on Protea Road. UKITA is originally a Khayelitsha-based association. The chairperson in particular had a key role in communicating with and mobilising traders to support the research and engagement processes. Street trading in Protea Road is overseen by a local committee which aims to represent the traders and manage trader disputes. The committee offered a verbal statement in favour of the idea of a street trader plan for Protea Road (see Chapter 8 below).

In contrast, the New Eisleben Informal Traders Association (NEITA) which represents traders on New Eisleben Road, were opposed to the research and encouraged its members to refuse to be interviewed. At the start of the research process, NEITA initially only represented the pork braaiers and comprised 36 members. During the course of the research, the NEITA leadership sought to expand membership to all traders along New Eisleben, and hence claimed that the organisation had grown to 56. The establishment of NEITA and its expansion was opportunistic with mobilisation driven to oppose any action by the CoCT to institute a trading plan or displace traders from their current locations. Although the leadership structure is opaque, with different individuals claiming to speak on behalf of the association, spokespersons articulated the association’s opposition to measures which would formalise trade and/ or disrupt current business activities.

Trade associations within the precinct, though representing only a minority of traders, can exercise power to either challenge or enable future developments. For traders, these associations offer a mix

of benefits and disadvantages. Whilst both UKITA and NEITA claim to protect traders (from spatial displacement), we heard evidence that the trader associations have a history of poor financial accountability, cases in which power was abused, discrimination of foreign traders and advancement of personal agendas.

Map 16



 Land Occupied in 2018

PHILIPPI EAST RESIDENTIAL SETTLEMENTS | 1:7500



## 6.5. Formal Retail

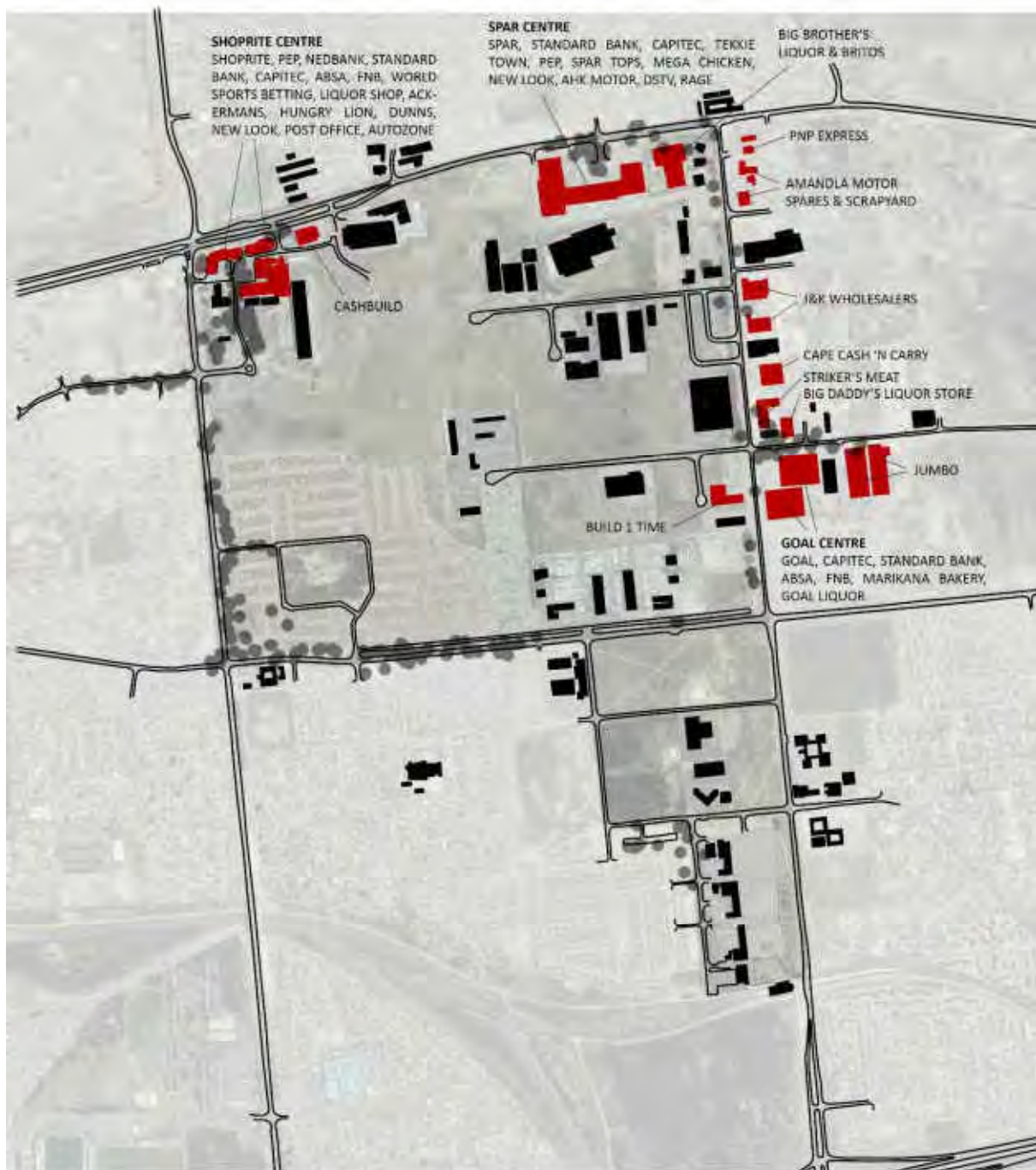
Formal retail in the precinct in Philippi East is largely situated in conventional shopping malls (*see Map 17*). The three centres and major formal retail hubs are Goal Shopping Centre (*see Image 6*), Shoprite Centre (*see Image 7*) and the Philippi Plaza (*see Image 8*). Each centre follows the same retail model with one large and well-known grocery store as the main anchor, with the centre supporting a variety of clothing stores, fast-food shops and banks. The anchor supermarket stores are Goal, Shoprite and Spar respectively. The three shopping centres are strategically placed along Stock Road, corner of Protea Road (Goal), the corner of Govan Mbeki and New Eisleben Road (Shoprite) and along Govan Mbeki Road (Philippi Plaza). As noted in the spatial distribution findings, dense hubs of informal retail have emerged outside the entrances to each of these centres.

There are a number of large size formal retailers/wholesalers situated on Stock Road and adjacent side streets. These include Strikers Meat (a subsidiary of Goal group), J&K Wholesalers (hair products), Jumbo (grocery wholesaler), Big Daddy's Liquor Store, Cape Cash 'n Carry (grocery wholesaler), Build 1 Time (hardware), Amandla Motor Spares, Big Brother Liquor & Britos (butchery). Each of these formal businesses adds to the attractiveness of the Stock Road corridor within the precinct as a centre for obtaining goods for household consumption, business use or micro-enterprise retail.

The shopping malls that appear the most active (on anecdotal evidence), namely Goal and Shoprite, are linked to public transport systems in the form of informal taxis or *amaphela* that transport customers to and from their homes. Goal has even included a demarcated informal *amaphela* rank within the centre's parking area (*see Map 18 and Image 9*). Philippi Plaza, on the other hand, was a lot less busy during the course of the research and does not have a nearby demarcated space for *amaphela*. Furthermore, access to Philippi Plaza is inefficient for both vehicles and pedestrians. The absence of traffic lights at the Plaza entrance along Govan Mbeki Road hinders vehicles from turning across the flow of traffic when entering or existing the Plaza. The number of street traders outside each shopping centres reflects a range of factors, including:

- spatial opportunities,
- pedestrian movements,
- shopper profile,
- cluster dynamics,
- access to public transport,
- product gaps not supported in the formal centres,
- the retailer brand strength.

Map 17



- Formal retail
- Formal buildings

FORMAL RETAIL ANALYSIS | 1:7500



*Image 6*



*A fruit seller outside the busy Goal Shopping Centre.*

*Image 7*



*Street traders outside the Shoprite Centre.*

*Image 8*



*Trading activity is less dense outside Philippi Plaza.*

## 6.5. Traffic and Pedestrian Movement

The taxi sector has a strong influence on both micro-enterprise activities and business in the Philippi precinct. The role of taxis need to be included in future planning. Taxis' transport customers to the nodes and homeward. Most informal taxis are aligned to powerful associations that control and regulate movements around the trading areas. Our observations revealed that the taxi industry comprises three types of taxis in Philippi. In addition to the larger Quantums (registered 'mini-buses') that transport people on a city-wide level, there are also two types of smaller "*amaphela*" taxis. Firstly, there are the Cressida *amaphela* that specifically transport shoppers from Goal and Jumbo on Protea Road to customer specified destinations. The Cressida *amaphela* operate from an informal rank within the Goal parking lot (*see Image 9 and Map 18*). Secondly, the Avanza *amaphela* transport residents around Philippi, Nyanga and Gugulethu, often taking Philippi residents to and from the closest transport interchange in Nyanga. There is a large and congested concentration of the Avanzas outside the Goal as well as the Shoprite (*see Image 10 and Map 18*). The large Quantum taxis play less of a role in the greater Philippi economy as they do not have a formal rank in Philippi. Commuters must take an Avanza *phela* to the Nyanga Taxi Rank in order to catch a Quantum taxi to major city destinations. There is need to establish a taxi rank to support the mini-bus taxis in the precinct and to provide a central point for the collection and drop-off of customers utilising the Avanza *amaphela*. Despite our best endeavours to engage with the sector, SLF was unable to obtain comment from the mini-bus associations on the merits of establishing a dedicated rank in Philippi






The high volume of vehicular traffic is a problem in the precinct with most of the major intersections subject to congestion in the mornings and afternoons (*see Map 19*). The single lane roads are unequipped to deal with the large numbers of vehicles that utilise four roads which act as North-South and East-West mobility spines. In response to the congestion and taking advantage of the general scarcity of traffic policing, many taxis choose to drive illegally, for example utilising the gravel road reserves alongside the streets, performing U-turns and utilising short-cuts through undeveloped land parcels. In addition, the congested roads are dangerous for pedestrians to cross.

The researchers noted that the vehicle congestion which occurs in proximity to the major formal retail outlets and especially the malls (shopping centres) are beneficial to the street traders whose businesses take advantage of the bustling activity, slow traffic movement and access to customers. Two such nodes are those outside the Goal entrance and Shoprite shopping mall; in both situations there is a high presence of *amaphela* taxis.

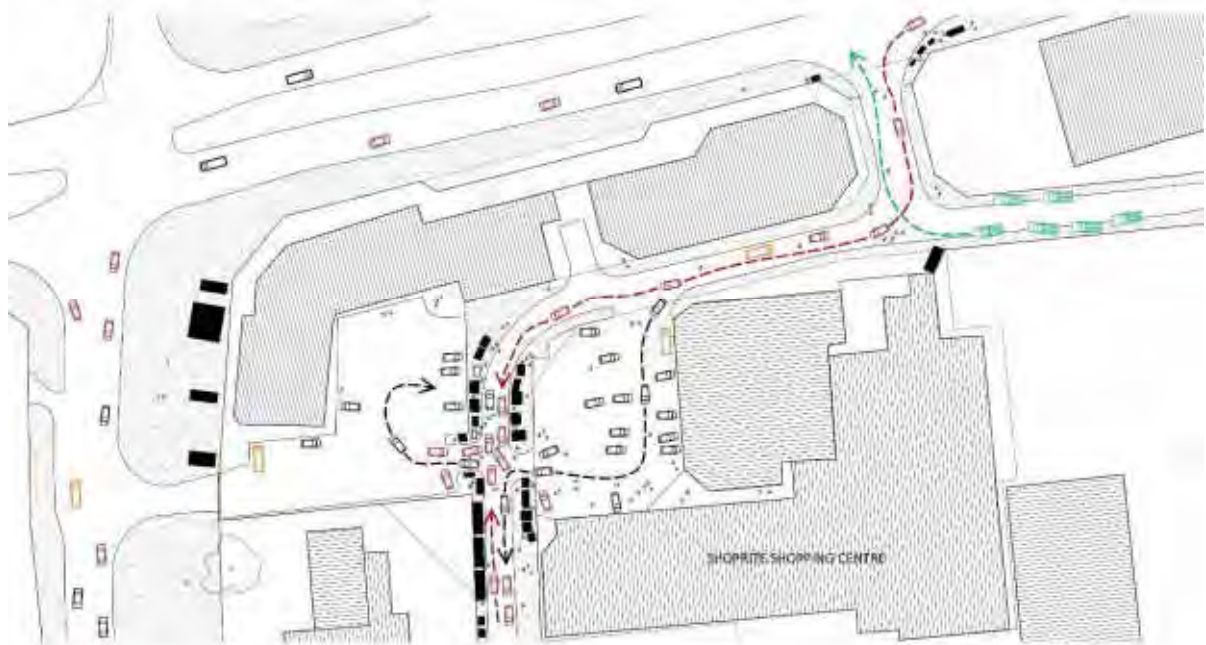
In addition to vehicular congestion, many pedestrians make use of the sidewalks, road reserves and undeveloped land to get from one side of the precinct to the other. Most of the pedestrian movement is influenced by the formal retail anchors (specifically, Goal and Shoprite) on either side of the precinct (*see Map 20*). A significant number of pedestrians cut across the open land in the middle of the precinct to get to the Goal or Shoprite. Most of the pedestrian movement takes place in a north-south direction along Stock Road and New Eisleben Road but there is also significant east-west movement.






Map 18



-  Private vehicles
-  Informal taxi 1: Awanza amaphela (transporting people)
-  Informal taxi 2: Cresida amaphela (transporting people and shopping)
-  Informal truck hire
-  Commercial vehicles (e.g. vans, trucks, bakkies)

PROTEA ROAD TRAFFIC ANALYSIS | 1:1000



-  Private vehicles
-  Informal taxi 1: Awanza amaphela (transporting people)
-  Informal taxi 2: Cresida amaphela (transporting people and shopping)
-  Informal truck hire
-  Commercial vehicles (e.g. vans, trucks, bakkies)

SHOPRITE NODE TRAFFIC ANALYSIS | 1:1000



*Image 9*



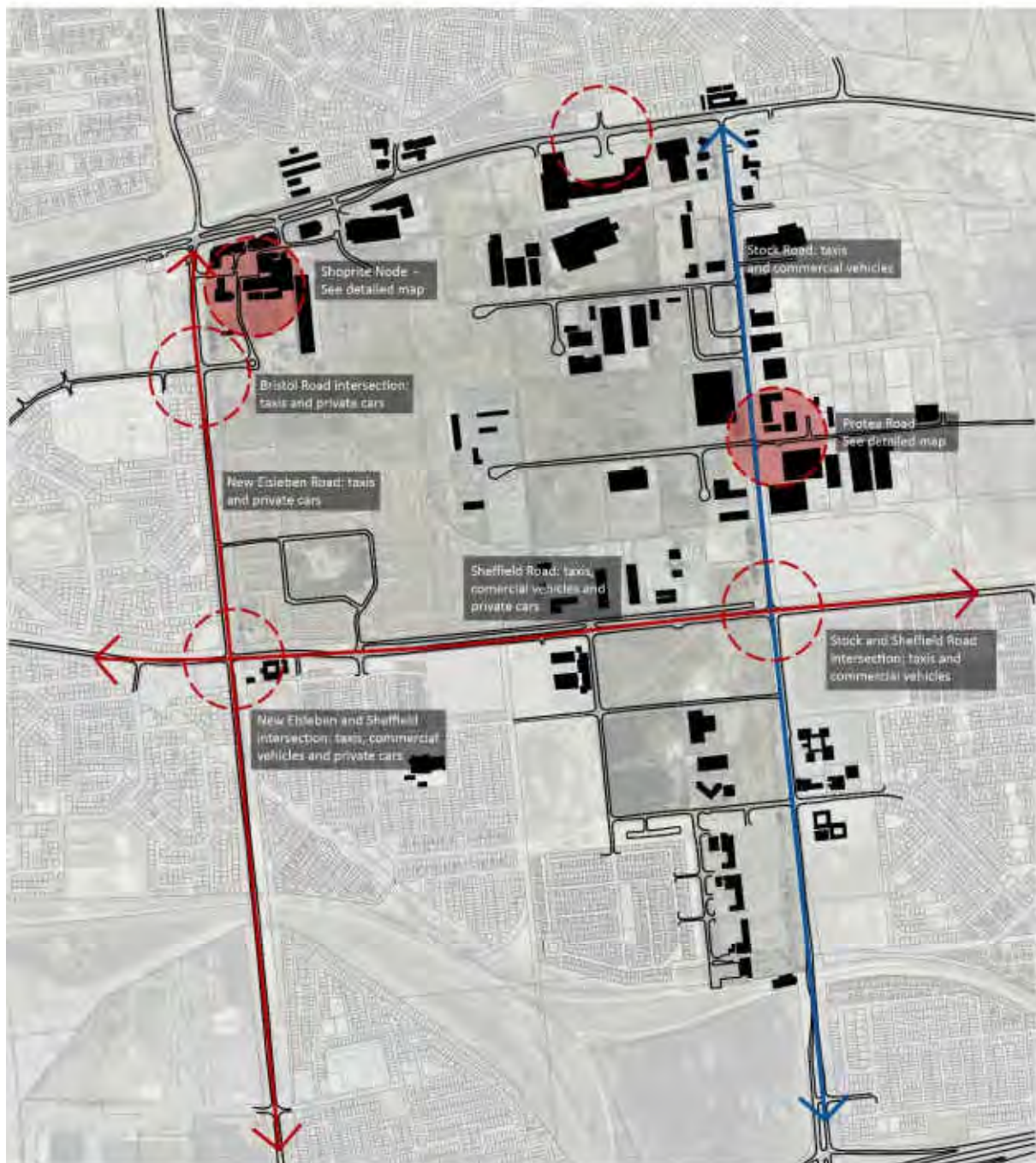
*Cressida amaphela operate from an informal rank within the Goal Shopping Centre parking lot.*

*Image 10*



*Avanza amaphela are organised in an informal rank outside the Goal Shopping Centre.*

Map 19

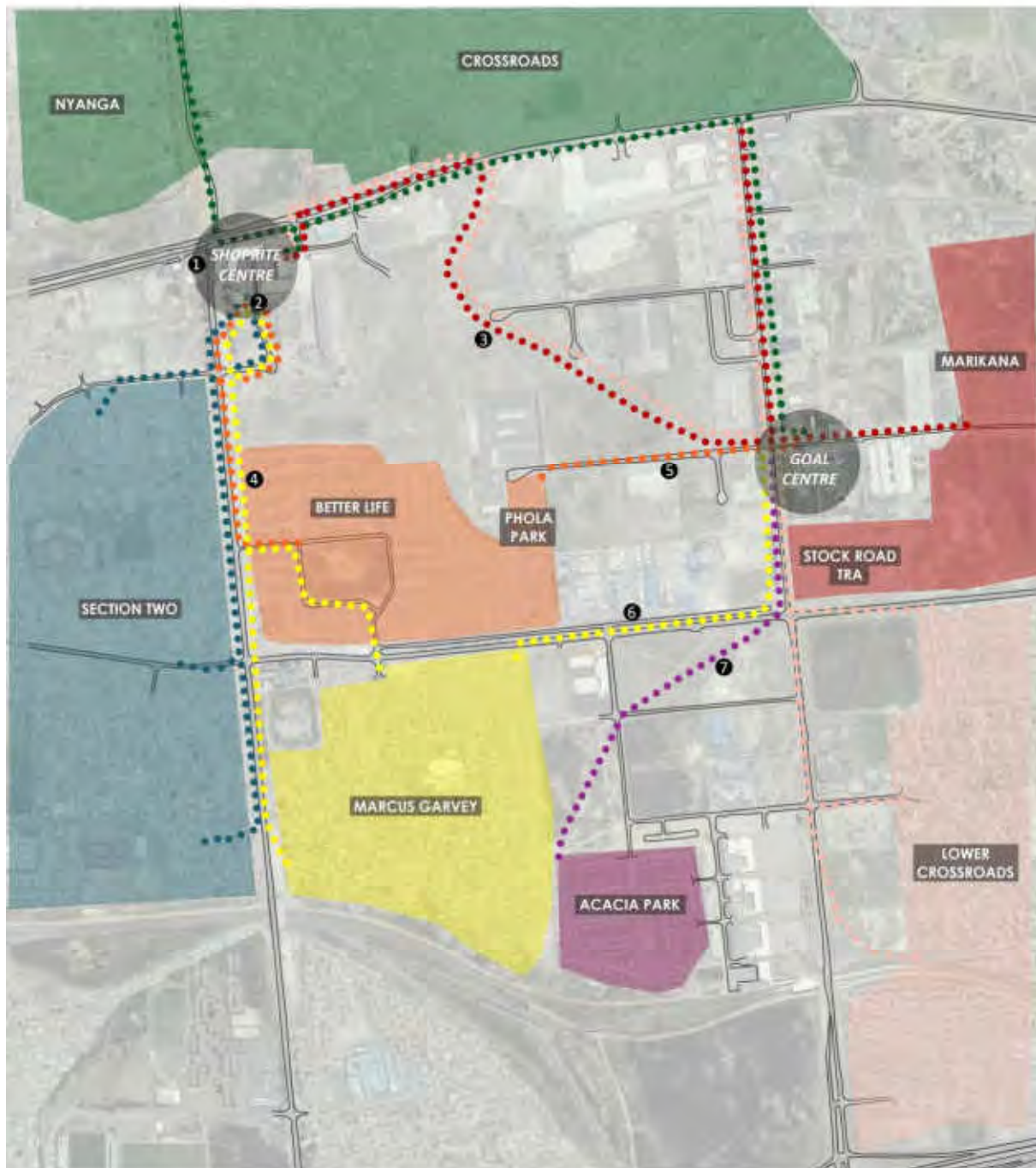


- Recommended road widening
- - - Nodes of congestion
- Road currently under construction

TRAFFIC ANALYSIS | 1:7500



Map 20



● PEDESTRIAN COUNT (midday, weekday)

- 1 9 pedestrians in 15 min
- 2 268 pedestrians in 15 min
- 3 25 pedestrians in 15 min
- 4 146 pedestrians in 15 min
- 5 40 pedestrians in 15 min
- 6 27 pedestrians in 15 min
- 7 11 pedestrians in 15 min

PEDESTRIAN MOVEMENT | 1:7500



## 6.6. Land Availability

The researchers conducted a land study for the precinct in order to better understand the opportunities of undeveloped and favourably-located land (in other words land situated along one of the precinct roads) (**See Map 21**). The investigation included both city-owned and privately-owned properties within Philippi; we note, however, that city-owned land has greater potential to be unlocked for use in a development vision. Our analysis included all under-utilised land within the precinct and documented land ownership, erf size, current use, location and economic worth. The study highlights, as of particular interest to CoCT/PEDI, under-utilised land that is also well-located and suitable for a possible future business hub or mixed-use development (**See Map 22**). The land audit focused on the industrial precinct only and excluded land situated within residential areas. There are 97 properties within the precinct. 51 properties are currently being used for industrial or commercial purposes, while the other 41 properties are not being used and are vacant. 11 of the 41 vacant or unutilised properties are strategically located in terms of accommodating a hub or concentration of micro-enterprises and mixed-use development.

Map 21



- Informal housing
- Un-utilised land
- Retention pond

UN-UTILISED LAND IN PRECINCT | 1:7500



Map 22



- Strategically located un-utilised land
- Informal trading activity

STRATEGICALLY LOCATED UN-UTILISED LAND | 1:7500



## 6.7. Trading Challenges

SLF undertook two full days of participatory workshops with traders from Sheffield Road and from Protea Road (*see Images 4 and 5*). The aim of the workshops was twofold: first, to better understand traders' concerns, business dynamics and challenges in the respective node, and second, to engage with traders on appropriate spatial design solutions to these challenges.

Each of the two workshop groups were divided into two teams to discuss and document their business challenges and to come up with infrastructural solutions. The participants were asked to prioritise three of the most significant challenges from a list derived from a group discussion. The process highlighted both general and site-specific challenges. The most highly-prioritised issue (in both groups) was crime and the hindrance of crime on the growth of the business.

In addition to crime, the two teams from Sheffield Road prioritised the lack of access to toilets, water and electricity. The danger posed by traffic along the busy road was prioritised in one team but less so in the other. Other issues that were articulated were: inadequate drainage, the absence of street lights, electric cable theft, inadequate shelter, lack of secure storage space and insufficient waste removal. The two teams from Protea Road emphasised the problems of inadequate shelter from sun/rain and dust as well as the impact of business externalities (such as smoke from open fires) on traders utilising in the same spatial stretch of the street. The traders also spoke about the unequal stand sizes, lack of secure storage, the lack of access to water and the general dirtiness of the area.

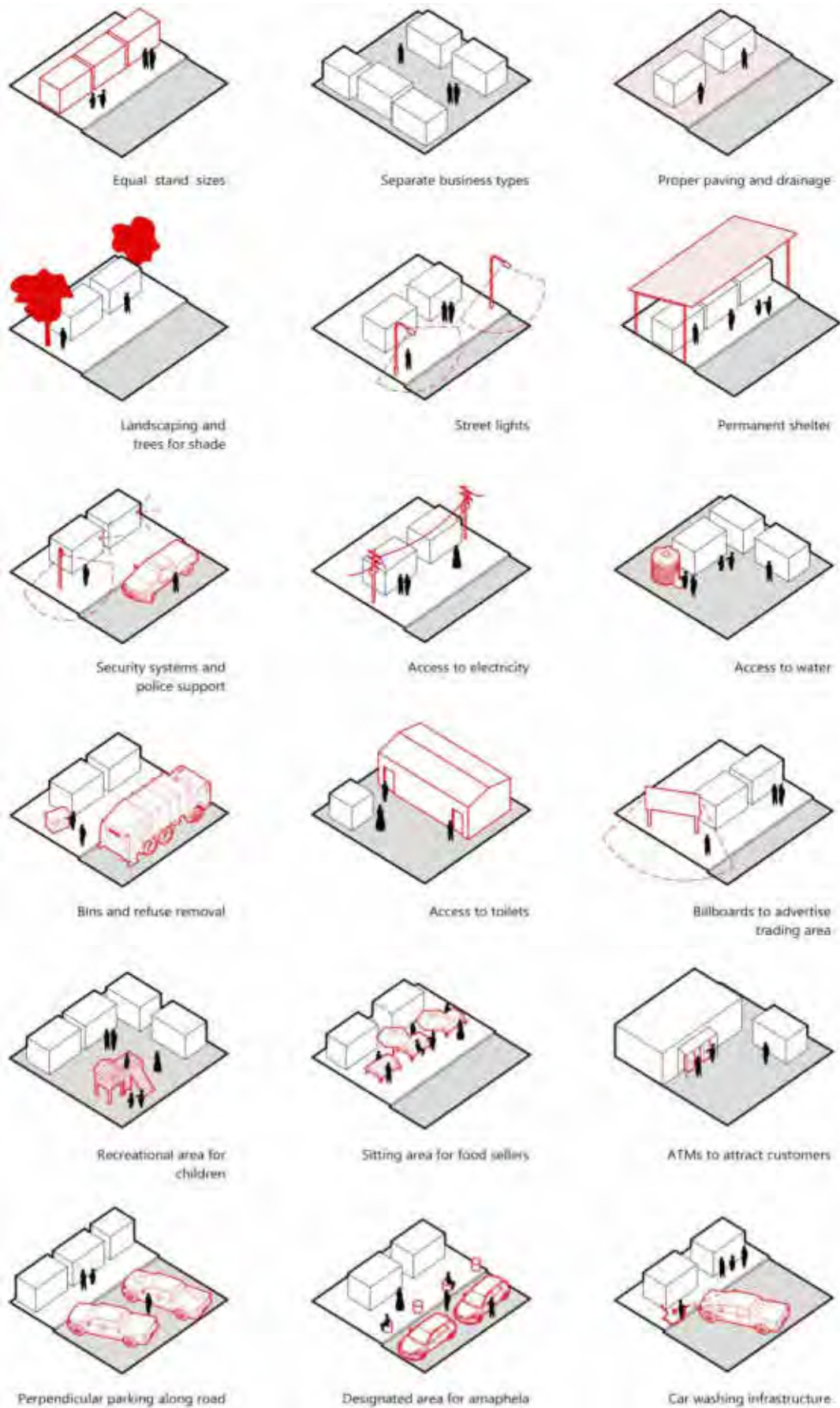
The spatial design component of the engagement sought to obtain trader insights on their developmental needs with respect to infrastructure (*see Figure 5*). The Protea Road workshop discussed and collectively developed infrastructure design ideas to improve trading conditions along the road they are currently situated on. The Sheffield Road workshop, in contrast, discussed and presented infrastructure design ideas for a trader development hub on a new greenfield site. As the current street trader node within Sheffield Road is likely to be impacted through road widening under the MyCity programme, SLF saw the need to facilitate a discussion on the development requirements of a business hub which could potentially accommodate all the Sheffield Road traders should they have to vacate their current sites if/when the road is widened.

The main spatial design solutions from the respective participations were:

**Table 2**

<b>Protea Road: In-Situ Upgrade</b>	<b>Sheffield Road: Greenfield Site</b>
Communal storage	Area flood lighting
Public toilets	Perimeter fencing of the hub
Facilities for hand washing / water	Sign boards
Facilities to manage rubbish	Street lights
Street paving and drainage	An alarm system connecting traders
Street lights	Secure business units
Equal stand sizes	Off-street parking
Stands organised into areas of similar business	Stands organised into areas of similar business
Shared roof structure	Containers to operate business from
	Public toilets
	Access to water and electricity
	Trees and landscaping

Figure 5: Workshop Design and Infrastructure Ideas



## 7. Development Vision

This Chapter proposes a ‘development vision’ for informal trade and micro-enterprises within the precinct. The vision draws on the research findings from the trader survey, rapid appraisal studies, participatory workshop and engagement with CoCT specialists, PEDI and political representatives. A comprehensive list of these stakeholders is presented in Annex 1. PEDI has compiled a detailed set of minutes of the major engagements between SLF, PEDI, CoCT official, community representatives and elected officials. The minutes are available from PEDI.

It is important to note that the focus of the development vision is on public land (the road reserve) and CoCT commercial land within the precinct. The development vision does not include opportunities for development on privately owned land, which include formal retail spaces, residential sites and undeveloped land within the precinct. CoCT has no jurisdiction over informal trading within sites of formal retail business activities (such as the malls), apart from its regulatory authority to ensure that land use confirms with the applicable zoning scheme and that business activities comply with municipal by-laws with respect to scheduled business activities, public health regulations and environmental health and safety regulations. On public land, all street trading activities are required to confirm with the CoCT **Informal Trading By-Law** (2013) and by-laws with respect to the use of public space, notably the **By-Law Relating to Streets, Public Places and the Prevention of Noise Nuisances** (2007). This latter legislation prohibits any person or vehicle from conducting street base business activities in a manner which could interfere with transport objectives: ‘(a) when in a public place [traders may not] intentionally block or interfere with the safe or free passage of a pedestrian or motor vehicle’. With similar objectives, the Informal Trading By-Law restricts or altogether bans street trading in a variety of locations, including prohibiting informal trade outside religious buildings, public monuments, cash machines and police stations, within 5m of any intersection or at any place likely to obstruct traffic, on a sidewalk which is less than 3m wide, or on a sidewalk outside any formal business selling the same products – to list a few examples.

The breadth of restrictions contained in these by-laws means that future proposals to formalise street trading within the precinct might be subject to either legal objection or technical interpretation against traders on subjective matters such as the ‘safe and free’ pedestrian movement. In consideration of the legal requirements for street trader formalisation, we are unable to advocate the formalisation of street trade within the main retail centres (Shoprite and Philippi Plaza) and on the street outside the Philippi Magistrates’ Court.

### 7.1. Advancing the formalisation of street trade within public space

It is recommended that the CoCT initiate measures to advance the formalisation of street trade within public space within the precinct. At present, SLF, PEDI and CoCT representatives are in agreement that the formalisation of street trade is **neither legally nor technical achievable on the main high capacity roads**, including Govan Mbeki Road, Stock Road, New Eisleben Road and Sheffield Road. All four roads have been identified for upgrades, as part of the MyCity/BRT expansion programme in accordance with CoCT plans to enhance spatial connectedness. Road works are currently underway on Stock Road, a result of which informal traders were spatially displaced, some of whom have relocated their businesses to Protea Road. Our analysis of the current road widening plans on Stock Road indicate that the envisaged new road system will not accommodate informal traders and permit the formalisation of street trading. The main obstacles in this respect are:

- The installation of hard kerbs to prevent vehicles (such as taxi's) accessing the pavement or road servitude.
- The creation of fixed lanes (including bus lanes) to enable more rapid traffic movement, whilst preventing vehicles from crossing lanes.
- The installation of dedicated lanes for non-motorised traffic (NMT) (such as bicycles) within the road reserve.
- An inadequacy of space within the road reserve to accommodate street trade if maintaining the minimum 3 meter buffer for pedestrian movement which CoCT transport advisors deem crucial for the safe use of the road system.

SLF was unable to access the CoCT detailed plans for road system development with respect to Govan Mbeki Road, New Eisleben Road and Sheffield Roads. We were informed that all three roads have been prioritised for upgrading at some point, though it was unclear when the works would be undertaken or the precise development outcome. Without consulting the plans, we are unable to comment on how the upgrades will impact on informal trade. In general, it is likely that the road upgrades will displace informal traders, whilst the proposed new road system is likely to limit opportunities for informal trade (in their current mode of operation and spatial requirements) for the reasons listed above in respect to the Stock Road upgrade. As a result, SLF is unable to provide plans for the formalisation of street traders along any of the four major high capacity roads.

SLF maintains that the MyCity/BRT system has the potential to accommodate informal traders/micro-enterprises at the various bus station sites, including the bus terminus which has been conceptually proposed for a location close to intersection of Govan Mbeki and New Eisleben Roads. This is an important development opportunity for the CoCT. We understand that the CoCT has not clearly stated its position in support of (or opposition to) the provision of trading bays and infrastructure for informal trading activities within BRT sites. Furthermore, CoCT informants indicate that there are contested views on this subject between different operational domains, with legal considerations (for safety and matters of liability) likely to prohibit trade outside of a narrow range of situations within these sites.

Whilst most of the street trading situations within the precinct are unsuited for formalisation at this stage, SLF/PEDI and CoCT officials are of the opinion that **a street trading plan is both feasible and demanded for Protea Road**. In Chapter 8 we detail the proposed street trader plan for traders operating along Protea Road.

## 7.2. Suggested node specific development interventions

Subject to the points noted above with respect to the legal and technical restrictions on street trading activities, we advocate site specific interventions to improve and formalise street trading in the long term. **Map 23** provides a visual summary of our suggested actions. *It is important to note that these suggestions for development might not be aligned with current laws governing street trade and as such equate to no more than a desired outcome (or vision) that would require a separate analysis and consultation with the CoCT.*

With respect to the provision of utilities, we advocate an economically sustainable approach whereby traders are able to purchase services such as electricity and water as required in accordance with an advanced payment method, in line with the current supply of electricity to residential homes. Certain public services, such toilets, should be made freely accessible and sustained either through CoCT management or through a grant allocation to a precinct management entity. It is also recommended that the CoCT provide public hand washing facilities in nodes where food take away activities predominate. The suggestions made with respect to trader storage facilities is made with the caution that such facilities might be subject to vandalism/theft in circumstances of inadequate policing and security surveillance.

We advocate the provision of supportive infrastructure to complement trader plans and enhance economic opportunities for informal traders. **Figures 8, 9, 10 and 11** provide examples of the how infrastructure could enhance the market functionality. Some of the common development suggestions are: off-street parking, opportunities for a diverse range and mixture of businesses in terms of their spatial requirements, shelter, trading stands, public seating, lighting and access to ablutions facilities. We hold the view that these infrastructural elements can be incorporated into street trader market designs.

### 7.2.1. New Eisleben Road

The core suggestions pertain to the pork meat braai mini-hub. The hub would benefit from trading infrastructure to provide shelter to the street braai operators and facilities to permit the site to be managed for improved hygiene and environmental safety. Supportive infrastructure would include the following:

- A single canopy or individual units with shelter,
- Fat traps to capture the overspill of fat / oil from the braais,
- Street lighting to extend trading hours,
- Facilities for washing hands,
- Public toilets,
- Refuge management facilities (rubbish and fire ash),
- Access to electricity, supplied on a pay on demand basis,
- Secure storage facilities at which traders can store fire wood, chairs and tables and low value business equipment,
- Demarcated street parking bays.

In addition, it is suggested that CoCT install Closed Circuit Television (CCTV) to enhance police surveillance within this node.

### 7.2.2. Sheffield Road

The suggestions distinguish between the traders situated on the sidewalk and those occupying the median strip. With respect to the sidewalk, the traders would benefit from surface hardening, the provision of more extensive street lighting, the installation of CCTV to enhance surveillance of the street scape, and access to electricity and water on a pay on demand basis and sewerage for businesses providing hair care services or cooked food. Most traders operate from purpose built structures (timber and corrugated iron) and containers. Although some of these structures are rudimentary in design, all the structures should be regarded as functionally designed since they provide the traders with shelter, storage and retail / work space. The researchers found no evidence of trader demands for alternative infrastructure. Instead, the existing traders could benefit from enhanced tenure security through formalising their rights to occupy particular stands (such as the yellow-bays within a street trading plan) for a set time and under specified conditions of site occupation.

The development requirements with respect to the traders occupying the median strip is more complex, in part due to the spatial constraints of the site with respect to non-adherence to by-laws and in part due to the reliance of existing traders on utility services. As indicated in the results discussion in Chapter 6, there is a concentration of hair salons and food take-away businesses operating on the median. Both enterprise categories are reliant on access to electricity, water and grey water management. At present, the businesses obtain water and electricity from various neighbouring residential properties, whilst the waste water is simply discharged into the road. In order to rectify the health and safety implications, it is suggested (as a short-term remedy) that CoCT provide the traders with access to electricity, water via communal taps and drainage points. As part of the planning process for the widening and upgrading of Sheffield Road, the CoCT should aim to accommodate these traders in an alternative site where the trading environment can be regularised since there will no longer be space for street traders in the new road system.

### 7.2.3. Stock Road

Upon the completion of Stock Road upgrading process, it is suggested that the CoCT investigate the possibilities for establishing street trader sites at portions of the sidewalk that are sufficiently wide to accommodate traders without unduly impacting on pedestrian movements. There is potentially scope to accommodate street traders at the bus stops. We suggest that the CoCT consider accommodating small size trader bays (1m wide) at sites in close proximity to formal retail stores and from where traders had historically operated. The researchers investigated the feasibility of 1m wide bays and learned that such bays are both technically useable (from the trader perspective) and accord with current spatial requirements of certain traders (*see Figures 6 and 7*).

### 7.2.4. Govan Mbeki Road

The main spatial location of street traders along Govan Mbeki Road is outside the entrance to the Philippi Plaza. This trading site is likely to be impacted by the proposed road upgrade. Upon the completion of these work, it is suggested that CoCT investigate the possibilities for establishing street trader sites outside the mall entrance. Traders at this site would benefit from the following infrastructure:

- A canopy to provide both traders and customers with shelter from rain / sun; such an investment might be undertaken in partnership with the mall owners who would benefit from the formalisation of trade and improvements in site management,

- Independent storage units in which the traders could store products and business related equipment,
- Pavement hardening,
- Street lighting to extend trading hours,
- Refuse management facilities (rubbish),
- Access to electricity, supplied on a pay on demand basis,

In addition, it is suggested that CoCT install CCTV to enhance police surveillance within this node.

#### 7.2.5. Philippi Village and Shoprite Node

An enterprise development hub is situated within the Philippi Village (<http://www.philippivillage.co.za/>). The micro-enterprise hub is accessible to customers from the street (via Cwangco Crescent). The hub provides micro-entrepreneurs with access to (relatively affordable) container based business units and supportive utility services, including access to toilets and off-street parking.

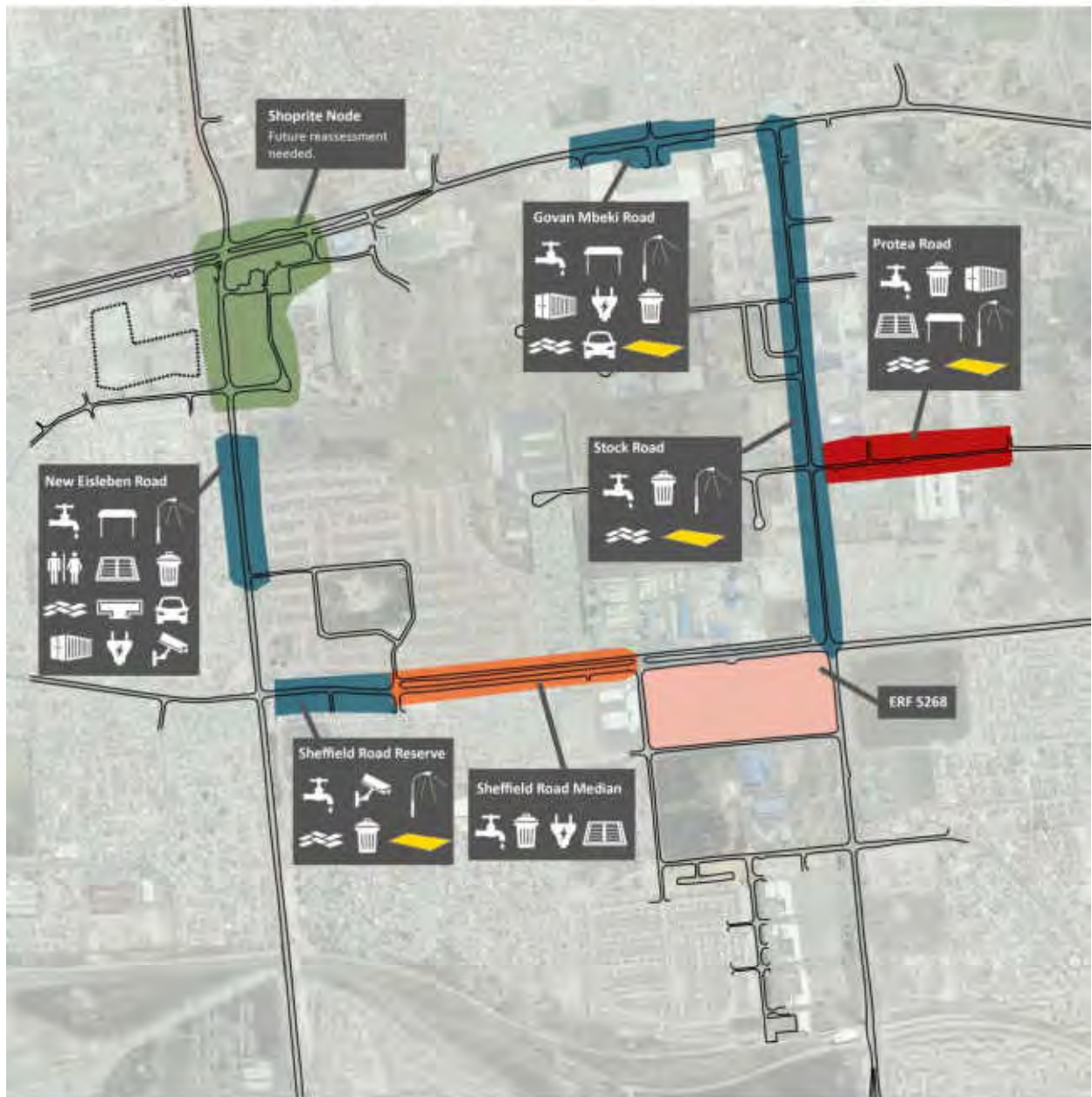
The researchers identified a spatial disconnection between street trading activities outside the hub (along Cwangco Crescent) and the micro-enterprises within the hub, although it should be noted that some of the hub business tenants also operate street trading stands. Our analysis of the spatial dynamics attributes this disconnection to the two factors. First, the hub mainly comprises micro-enterprises providing food services, business services and conducting micro-manufacturing. At present the hub does not support a sufficient range of retail activities to create an agglomeration of businesses and therefore a shopping destination, especially among retailers selling the kinds of products sold on the street and at prices competitive to the formal retail outlets such as second hand clothes. Second, the predominant destination for pedestrians is the Shoprite mall and the street traders along Cwango are simply exploiting the proximity of the site to the mall.

The establishment of a new shopping mall (Junction Mall) on the corner of New Eisleben Road and Goven Mbeki Road is likely to impact on street trading and pedestrian movements within the broader node. As part of the development agreement with the CoCT, the mall will provide business opportunities for micro-enterprises. At the time of writing, however, the precise spatial design and management system of these opportunities had not been finalised and hence we are unable to comment on the scope of this development provision. The new Mall will potentially attract additional shoppers to the node. Furthermore, new patterns of pedestrian movement will arise such as an intensification of street trade on the road reserve contiguous with the Junction Mall and pedestrian movements between the two malls. At the conclusion of the Junction mall development, the CoCT should reassess street trading activities within this node (especially along New Eisleben Road) and consider making provision for the formalisation of street trade. Subject to the outcome of the provision of micro-enterprise opportunities within the mall, the CoCT should avoid establishing infrastructure facilities in competition to the mall and Philippi hub unless these facilities are fully utilised.

#### 7.2.6. Protea Road

*Propose developments are discussed in Chapter 8.*

Map 23



- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li><span style="color: teal;">●</span> Trading strategy to be implemented once BRT development is finalised.</li> <li><span style="color: green;">●</span> Trading plan requirements to be reassessed.</li> <li><span style="color: orange;">●</span> Traders to be accommodated on alternative site.</li> <li><span style="color: red;">●</span> Trading plan to be implemented.</li> <li><span style="color: pink;">●</span> Unused city-owned land that could accommodate traders within a hub development.</li> </ul> | <ul style="list-style-type: none"> <li> Fixed shelter</li> <li> Drainage</li> <li> Fat trap</li> <li> Street lights</li> <li> Storage</li> <li> Bins</li> <li> Electricity</li> <li> Water</li> <li> Parking</li> <li> Hard surface</li> <li> CCTV</li> <li> Ablutions</li> <li> Formalised trading bays</li> </ul> |
|---|---|

PHILIPPI EAST NODAL TRADING STRATEGY | 1:7500



Figure 6: Stock Road section

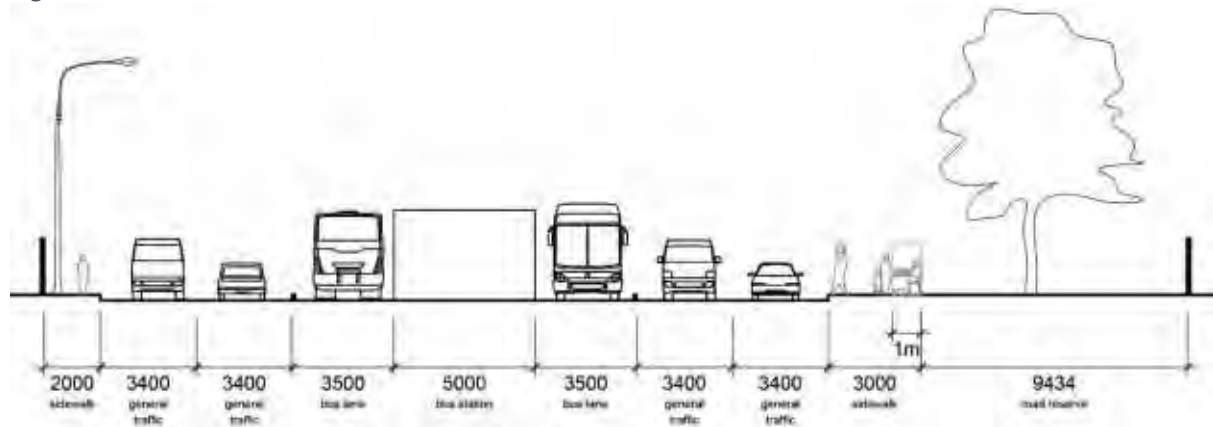
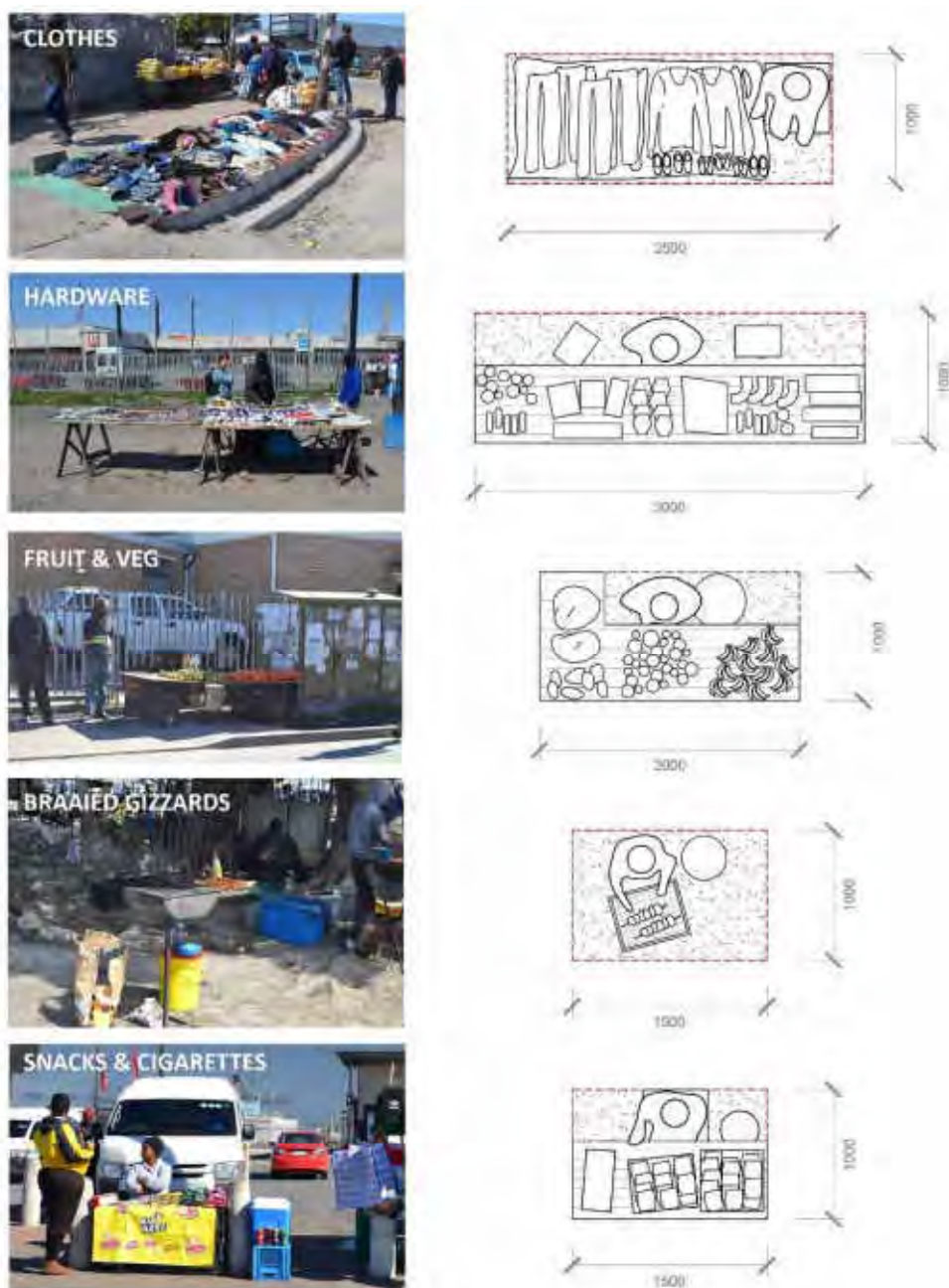


Figure 7: Precedent for 1m Wide Bays



### 7.3. Integrated Development Hub

Micro-enterprise activities within the industrial area would benefit from an integrated development hub wherein business activities (of varying scales) are spatially connected to social/community infrastructure. It is important to note that this report provides some **speculative** ideas on why such a development would be beneficial, where it should be located, and what kinds of activities (business and social/community infrastructure) could foster synergies and enhance economic growth.

#### 7.3.1. Locational Requirements

Out of the 41 non-utilised properties identified in the precinct, 11 are strategically positioned in areas where an enterprise development project be feasible (*See Map 24*). The CoCT owns 4 of these well-located properties; three of the four properties are relatively small and are unable to accommodate a large hub that could include diverse elements. 'Site 6', on page 24, is a CoCT owned property. This is a large site, suitable for mixed use development as a result of its situation along a high street and proximity to the Stock Road retail hub, the Fresh Produce Market, Joe Gqabi long distance bus terminus and the PEDI Agricultural Academy. The site shares an erf with the Fresh Produce Market and the PEDI Agricultural Academy which thus offers the possibility of creating a single management system (incorporating the development hub, produce market and academy). The property is located on the intersection of Sheffield Road and Stock Road and therefore has high street frontage. It is currently valued at R171, 375, 000 and covers an area of 3003m<sup>2</sup>. Although currently there is little informal trade along the high street frontage, the site is situated close the Sheffield Road informal trader hub and thus offer opportunities for expansion. The site would also border the MyCiTi BRT route on Stock Road. Current MyCiTi plans specify that a bus station will be established adjacent to the property.

For the above reasons, the researchers conclude that the site has the greatest potential within the precinct for development in ways that could benefit micro-enterprises. Should Sheffield Road be widened as provisionally planned, thus eliminating much of the existing street trading sites on the median, the traders currently occupying the node could be accommodated within a business hub situated on this CoCT site.

The advantage of a site with high street frontage is illustrated in *Figures 8 & 11*. In these drawings, we illustrate the advance of off-street parking. We also highlight the need to accommodate a diverse range of business sizes in terms of spatial requirements, including street traders and container based units.

#### 7.3.2. Infrastructure Activators (*see Figures 8 – 11 and Images 11 – 19*)

We endorse the idea of establishing a development 'hub' on a suitable site. Appropriate infrastructure is central to ensure the functionality of such a development (in conjunction with the business activators stated below). This section highlights some of the enterprise activators that would have a positive impact on micro-enterprise in the precinct, whether these are situated within a 'hub' concept as is suggested or on other sites.

First in priority, the precinct would benefit from the establishment of a taxi rank to serve both mini-bus taxis and to provide a stage point for the informal 'amaphela' taxis. Should such a hub development be established, opportunities would emerge for businesses that synergise with transport services. These include:

- A multi-car washing facility, using an off-grid source of ground water. At present, vehicles are washed at various points within the precinct, both on the street and on the sidewalk, all of which utilise municipal water.
- A vehicle service hub to accommodate mechanics, panel beaters, tyre repair businesses and auto-part retail.
- A safe and secure parking shelter for taxis which would permit vehicle owners to park their vehicles overnight in close proximity to the taxi rank.
- A food services cluster of businesses would address the requirements of commuters (early morning) and drivers (mid-day).
- A vehicle testing dome at which learner drivers could hone their driving skills, including parking, docking, reversing and hill starts. Such a facility could be linked to infrastructure units for entrepreneurs providing driving lessons. Prior to the construction of the Junction Mall, an informal testing dome operated from this site, hence confirming the demand for such a facility. The suggestion is for a dome to accommodate both passenger vehicle and commercial vehicle requirements.
- A Wi-Fi zone to provide internet connectivity.
- Additional sport facilities (public swimming pool; 5-a-side soccer pitch).
- Recreational facilities such as a multi-purpose community hall.

### 7.3.3. Business Activators (*see Figures 8 – 11 and Images 11 – 19*)

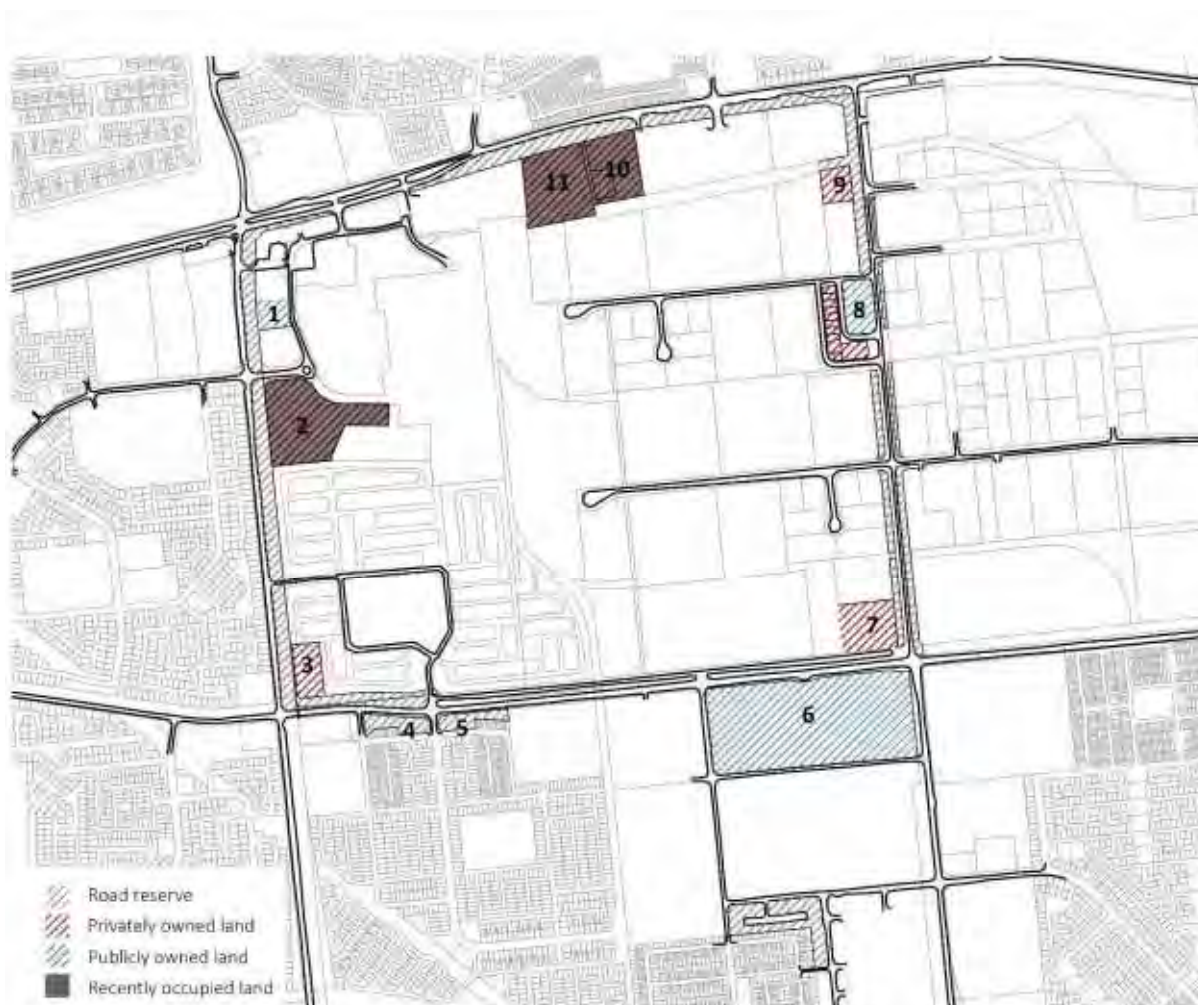
Although the precinct supports a range of formal retailers, the majority of these businesses are large in size (turnover) and spatial requirements. In the Philippi malls, corporate retailers dominate business activities. Our analysis of this retail space found that there is a dearth of suitable business units for small scale, independent retailers, as found in inner-City localities in the Cape Town CBD, the Bellville CBD and Wynberg CBD. The kind of small businesses in these locations are usually unable to afford the rents or comply with the rental conditions in the formal malls. There is thus an opportunity to provide suitable business units within a retail hub which can synergise with infrastructure activators and non-retail businesses.

Retail activities within a hub could benefit from a proximity to service businesses. There are a range of service businesses which could potentially amplify a hub (attracting additional customers and providing synergies). Highest in priority would be businesses in the leisure sector, which include restaurants and fast-food outlets, taverns or bars (especially those providing a combination of food and alcohol), gaming businesses and recreational actives (such as mini-golf). The mix and character of businesses envisaged are not accommodated with the malls/shopping centres. For example, the malls do not accommodate small-scale sellers of food such as the pork braai businesses along New Eisleben Road. Such food service micro-enterprises could benefit from agglomeration within a food hub as shown in **Figure 11**. In addition, the malls do not accommodate independent 'shisa nyama' style taverns which have been successfully established in the older townships. These hybrid bar/restaurant businesses offer a selection of meat cuts for braaing, serve alcohol (and non-alcoholic beverages) and provide entertainment such as live music and dancing. Targeting the salaried class, 'shisa nyama' businesses require ample off-street parking for their customers. Importantly, businesses which operate into the night time provide potential synergies with a range of other sectors, including car washes, hair care services and retailers.

Other types of businesses that could stimulate economic activities within a development hub include:

- A petrol service station.
- Sales stands for new and second hand car sales.
- A multi-user metal work facility to accommodate businesses producing burglar bars, doors etc.
- Facility for car repair services (mechanics, spray painters etc.).

Map 24



DETAILS OF STRATEGICALLY LOCATED UN-UTILISED LAND | 1:7500

ERF NUMBER	ADDRESS	CURRENT USE	NAME OF OWNER	VALUE OF PROPERTY (R)	AREA (M <sup>2</sup> ) OF OPEN LAND	ZONING	VALUE OF SITE FOR TRADING
1	11663 New Esieben Road	Philippi Magistrate's Court (half the plot is vacant)	National Government	-	3140	General Business 1	High
2	12718 New Esieben Road	Vacant	Daisy Crescent Land-Developers Pty Ltd	R 2,700,000	21923	General industrial 1	High
3	4114 New Esieben and Sheffield Roads	Small churches (mostly vacant)	The Old Apostolic Church	R 1,500,000	4988	General industrial 1	High
4	8396 Sheffield Road	Park/Vacant	Department Of Transport And Public Works (CoCT)	-	3432	Transport	High
5	12585 Sheffield Road	Vacant	Department Of Transport And Public Works (CoCT)	-	3009	Transport	High
6	5266 Sheffield Road	Vacant	CoCT	R 171,375,000	60011	Agricultural	Medium
7	20197 Sheffield and Stock Road	Golden Arrow bus holding (a large portion is vacant)	Hollyberry Props 12 Pty Ltd	R 5,700,000	7900	General industrial 1	Medium
8	62 Stock Road	Vacant	CoCT	-	5282	Transport	Medium
9	67 Stock Road	Vacant	Limited Peninsula Energy Warehouse Proprietary	R 1,280,000	4271	General industrial 1	Medium
10	66 Govan Mbeki Road	Vacant	-	-	9067	General Business 1	Low
11	20193 Govan Mbeki Road	Vacant	Golden Falls Trading 357 Pty Ltd	R 9,900,000	15947	General Business 1	Low

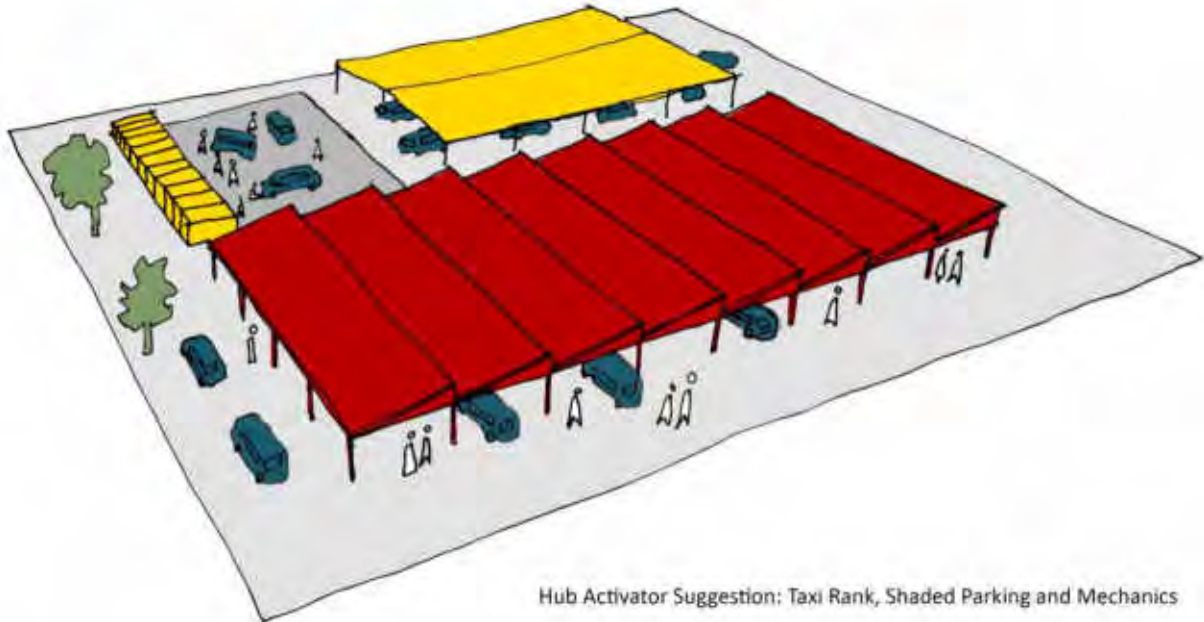


Figure 8



Hub Activator Suggestion: Container Market and Street Trading

Figure 9



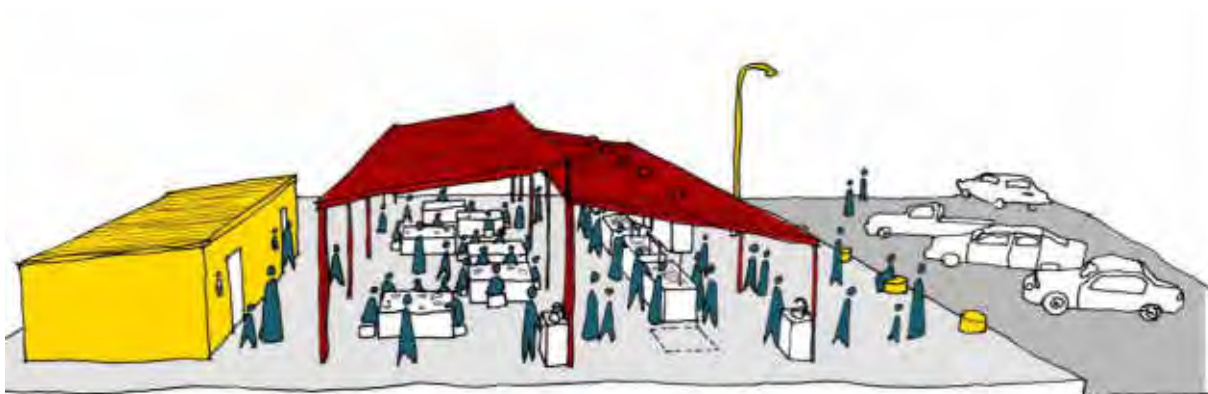
Hub Activator Suggestion: Taxi Rank, Shaded Parking and Mechanics

Figure 10



Hub Activator Suggestion: Car Wash and Shisa Nyama Market

Figure 11



Hub Activator Suggestion: Shisa Nyama Market

*Image 11*



*Dekalb Market, USA*

*Image 12*



*Re-Start, New Zealand*

*Image 13*



*Diepsloot Taxi Rank, South Africa*

*Image 14*



*Retail space at Diepsloot Taxi Rank*

*Image 15*



*Katutura Car Wash, Namibia*

*Image 16*



*Warwick Junction Bovine Head Market, South Africa*

*Image 17*



*Single Quarter Market, Namibia*

*Image 18*



*Single Quarter Market, Namibia*

*Image 19*



*Guga S'thebe Community Hall, South Africa*

## 8. Protea Road Trading Strategy

The street trading strategy comprises two components:

- I. Firstly, the formalisation of street trading through the implementation of a street trader plan in accordance with the CoCT's trading by-laws (section 8.1.),
- II. Secondly, a number of recommended infrastructural upgrades that would vastly improve the trading environment (section 8.2).

### 8.1. Street Trader Plan for Protea Road

The proposal of instituting a street trader plan along Protea Road was presented and discussed at meetings attended by SLF, PEDI, CoCT officials and members of the street trader committee. Through these consultations, it was agreed that SLF/PEDI would submit a street trading plan proposal to the CoCT for its consideration. The rationale for advocating a street trader plan is that the formalisation of street trading in Protea Road would provide traders with security of tenure whilst enabling CoCT to more effectively manage the environment. Informal trading is an important economic activity within the node due to the proximity to formal retailers. Although similar products sold by the informal traders can be obtained from the formal retailers, the informal businesses sell in small quantities (often creating unique product sizes) and provide customers freer accessibility and greater swiftness in the retail transaction than the formal retailers. SLF is of opinion that the informal traders are not a competitive threat to the formal businesses, but enhance benefit to all businesses and customers within the node.

Informal trading sites are situated on the road reserve and sidewalks along Protea Road. There are no structures of heritage, religious function or government buildings contiguous with the site which would present legal obstacles to implementing a plan. The researchers have identified the existence of sewer mains and reticulation water mains within the road reserve; these subterranean services would be unaffected by a street trading plan as proposed (*see Figure 12*). The aim of the plan should be to accommodate all existing traders (61 identified in the survey) within demarcated bays, whilst making provision for additional traders. The suggested trading plan would apply within a specific boundary from the point of the intersection with Stock Road to the entrance to Marikana informal settlement (*see Figure 13*).

The plan would necessitates the spatial re-arrangement of current activities. The layout of the plan aims to accommodate the smaller bays (3m x 2m and 2m x 3m) at the sites of greatest demand, in close proximity to the entrance to Goal shopping mall. Provision is made for larger size bays (3m x 3m and 2.5m x 6m) to the west of Protea Road where trading space is less demanded and pedestrian movements are also less concentrated (*see Figure 14*). The plan makes provision for 79 bays, as per the following distribution:

**Table 3: Proposed Trader Bays and Area**

Size of Bay (meter)	Number of Bays	Area M <sup>2</sup>
3 x 2	21	126
3 x 3	8	72
2.5, x 6	9	135
2 x 3	41	246
<b>Total</b>	<b>79</b>	<b>579</b>

The sites are positioned away from the road and along the property boundary, thus providing sufficient space for pedestrian movement to the formal retail stores.

Apart from the cost of the permit, it is not foreseen that existing traders would suffer any loss of income. The idea of a street trading plan has the support of the street trader committee, whose leadership are also members of UKITA. The street trader committee is in support of the trading plan proposal on the basis of:

- The improved security of tenure which a trading plan would provide,
- The opportunity to reorganise the position of traders to enable the clustering of similar types of retail and separation of retail from services so as to minimise externalities from, for example, traders selling braaied meat.

A trading plan for Protea Road would need to comply with the CoCT Trading Plan By-law. Technical specifications for the plan are presented in **Figure 14**. The plan indicates areas which could be declared for conducting street based businesses. The plan should be subject to the following conditions:

- The right to trade would be restricted to persons provided with valid informal trading permits issued by the CoCT for particular spaces.
- Trading bays be given to all current traders on Protea Road as well as a number of new traders.
- The trading bays would be let out by means of a permit system in accordance with prevailing CoCT tariffs.
- No trading be permissible outside the demarcated spaces or without a valid permit.
- The trading hours be from 07:00 to 18:00 from Monday to Sunday.
- The site is to be managed in terms of the CoCT informal trading permitting system.
- Adherence to the by-law is to be enforced by the CoCT Law Enforcement.
- The CoCT Economic Development Department would need to institute a plan for the management of waste and rubbish within the site.

Figure 12



Figure 13

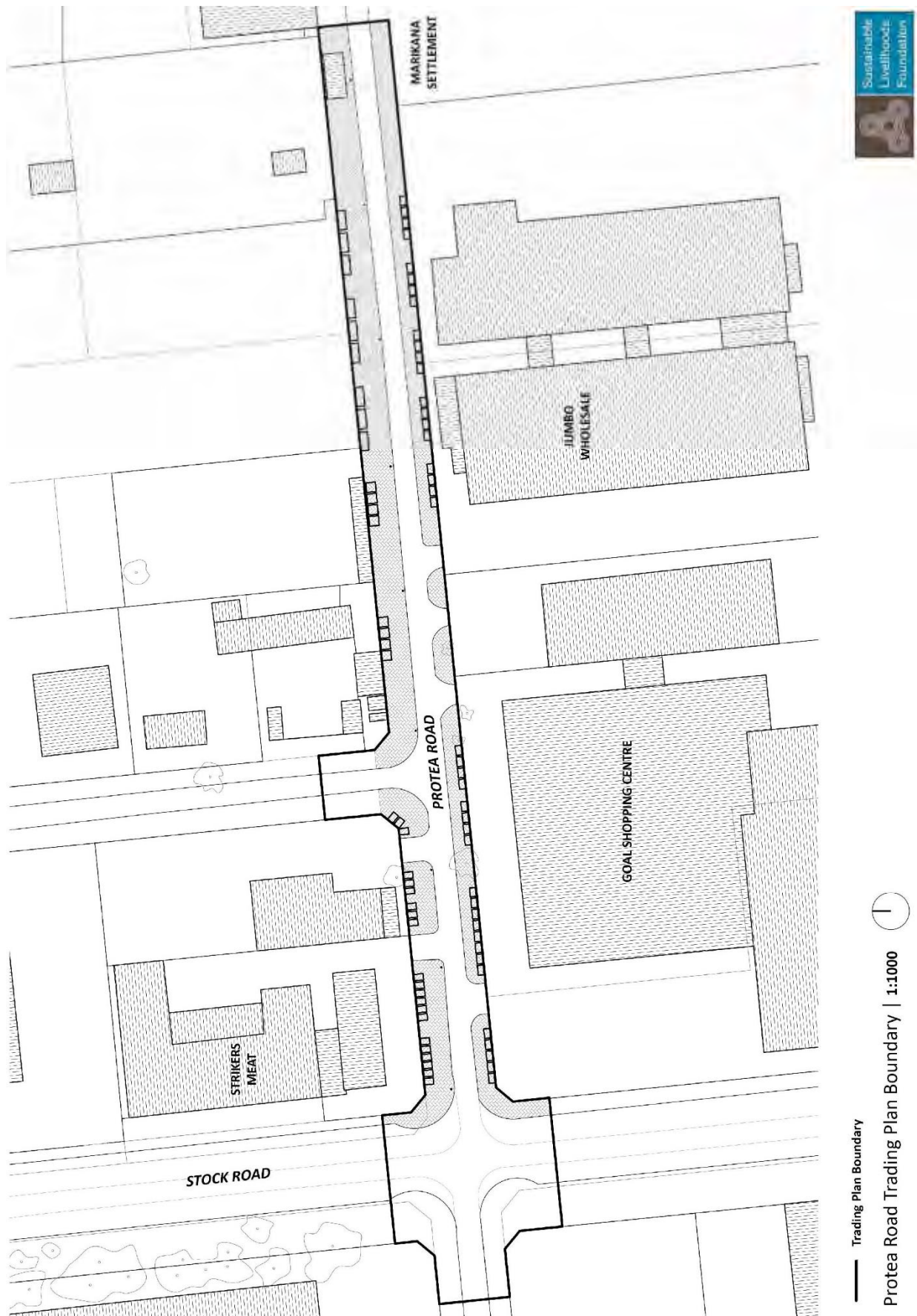


Figure 14



## 8.2. Infrastructure Recommendations for Protea Road

In addition to the formalisation of street trading through a street trader plan, SLF/PEDI recommends the provision of infrastructure in Protea Road in order to improve the street environment for both traders and pedestrians. The suggested infrastructural development for Protea Road can be divided into two levels of priority: firstly, essential upgrades and secondly, desirable investment that would require greater investment from the CoCT.

The first level of essential upgrades includes:

- The paving of the sidewalk and road reserve is required to offer traders a hard surface to trade on, thus eliminating the problem of dust and sand blowing onto the products; paving would be required over an area of 4862m<sup>2</sup>,
- Along with hard-surfacing, simple drainage infrastructure should be provided to stop the pooling of rainwater,
- Street lights should be provided to ensure the safety of both traders and pedestrians after dark,
- Bins should be installed and a refuse management systems instituted to control traders' disposal of waste.

The second level of desirable-investment upgrades includes:

- Water points should be installed for traders and customers to wash their hands as well as products such as fruit and vegetables,
- Ablutions facilities are needed,
- Bollards should be erected to protect the traders and pedestrians on the sidewalk from the vehicle encroachments onto the sidewalk,
- CCTV cameras and a satellite security kiosk at the entrance to Protea Road to address the issue of safety on the street,
- Secure storage space for traders to leave their products overnight,
- A shared linear structure under which traders can do business and pedestrians can walk sheltered from the rain and sun.

At the traders' workshop, the greatest challenge unanimously agreed upon, apart from the threat of crime, was the absence of any shelter to protect traders and their goods from the sun and rain. Many traders use their own make-shift structures of metal poles and tarps to address this problem. However, these structures need to be dismantled on a daily basis and stored somewhere safe overnight. Traders argued that the provision of a shared fixed structure along the sidewalk would fundamentally improve the trading environment and would allow them to grow their businesses as they would not be as dependent on the weather. There are many precedents for such trading infrastructure, both within Cape Town and elsewhere. The advantages of shelter are illustrated in the case of the Kerk Market in Johannesburg (*see Image 20*) as well as a new project in Ivory Park in Johannesburg (*see Image 21*).

According to Chapter 6 of the South African Road Safety Manual, the required minimum lateral clearance of a structure next to the road is 2m – 3m (although there are precedents for departures from this requirement such as in the Cape Town CBD). The sidewalk width in Protea Road (9,3m on the southern side and 5.6m on the northern side) are sufficiently wide to adhere to these

requirements. Trading bays could be established as proposed and leave 6.3m and 3.6m of space of pedestrian movement respectively (*see Figure 15*).

In *Figures 16 and 17* we illustrate a suggested infrastructure development concept for the street traders on Protea Road. The suggested infrastructure would comprise overhead shelter to benefit both traders and pedestrians, street bollards, street lights, and simple trading stands, ideally made from concrete so as to minimize the risks of theft and vandalism. In addition, a suitable infrastructure development concept should include a public water access point, an ablution bloc, and storage facilities. The storage facility could be situated on one of the non-used trading stands.

### 8.3. Cost Proposal

To advance the suggested infrastructure development concept, the CoCT would need to develop a design concept and cost plan. The aim of this cost plan is to encourage the CoCT to ring-fence funding for investment in trader infrastructure in Protea Road. As some of the elements of the concept are speculative (such as the provision of abolitions and storage) and require further consultations with the CoCT, the report provides an indicate cost proposal for 3 elements: shelter infrastructure, surface hardening and simple trading stands. We have included a generous contingency within the budget as the design requirements might differ from the proposed concept, which would obviously impact on the cost requirements. The consultant fees includes the costs of architectural design, consulting engineers and building works supervision. The cost proposal is R5,401,825. The cost proposal is presented in Table 4.

**Table 4: Cost Proposal for Infrastructure Upgrades in Protea Road**

Budget Item	Unit	Unit Costs	Unit #	Totals
Shelter Infrastructure	R per M <sup>2</sup>	2500	579	1,447,500
Surface hardening	R per M <sup>2</sup>	350	4862	1,701,700
Trading stands and bollards	100	1750	100	175,000
<b>Sub-Total 1</b>				<b>3,324,200</b>
Contingency	30%			997,260
<b>Sub-Total 2</b>				<b>4,321,460</b>
Consultant fees	25%			1,080,365
<b>Grand Total</b>				<b>5,401,825</b>

Note that the proposed cost plan excludes a cost allocation for tenancing, the installation of street lights, installation of plumbing, grey-water systems for fat-traps, the construction of ablution facilities and storage facilities.

*Image 20*



*Trading structure at Kerk Market, Johannesburg*

*Image 21*



*Proposed linear trading structure in Ivory Park, Johannesburg, designed by Local Studio Architects.*

Figure 15

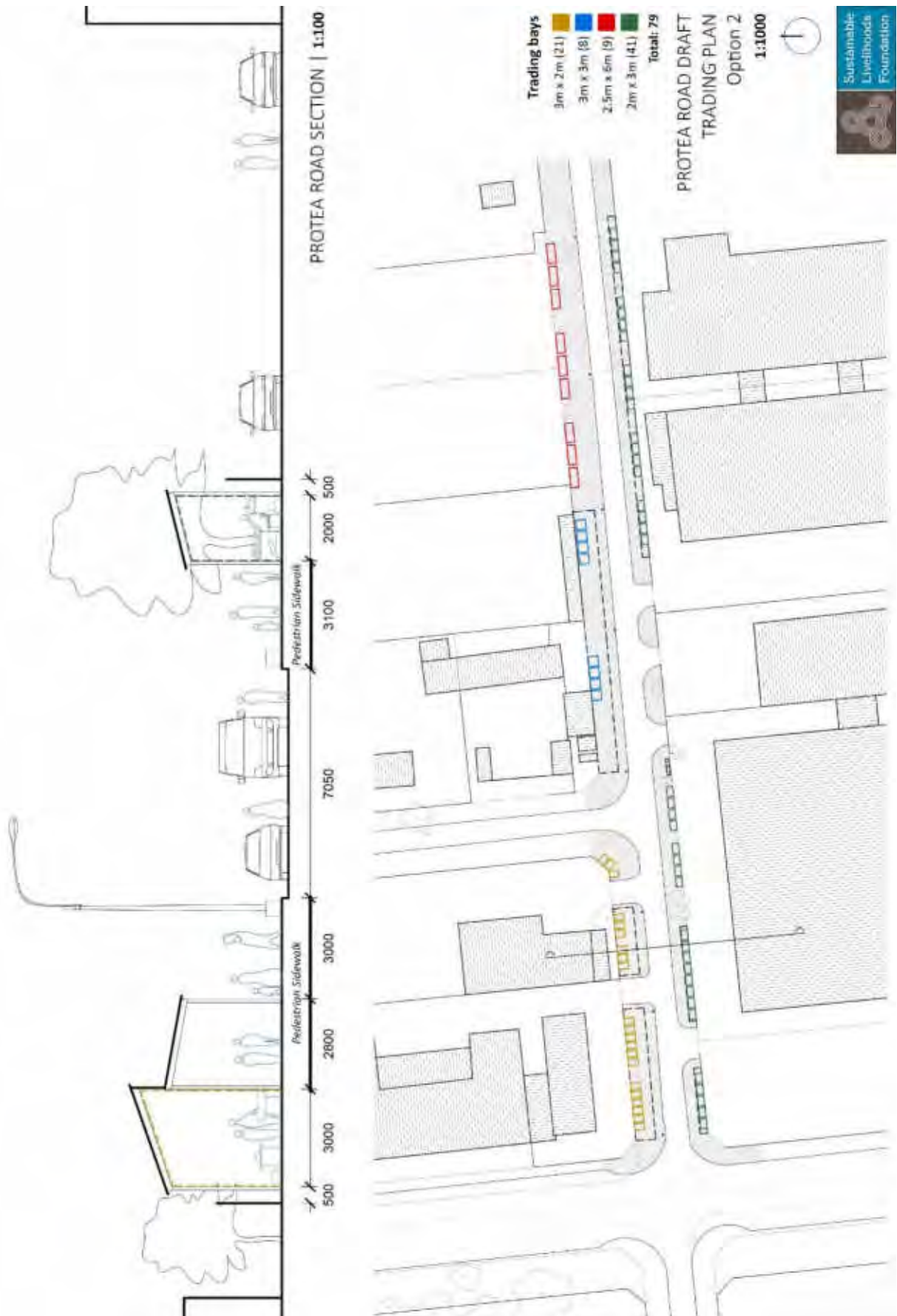
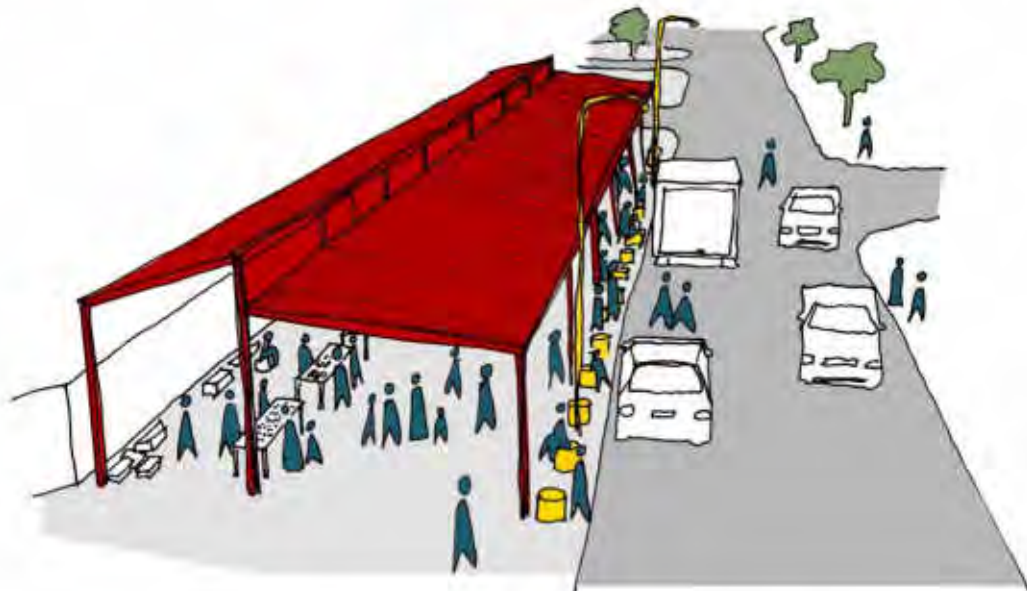


Figure 16



Protea Road Infrastructure Improvement Vision

Figure 17



Protea Road Infrastructure Improvement Vision

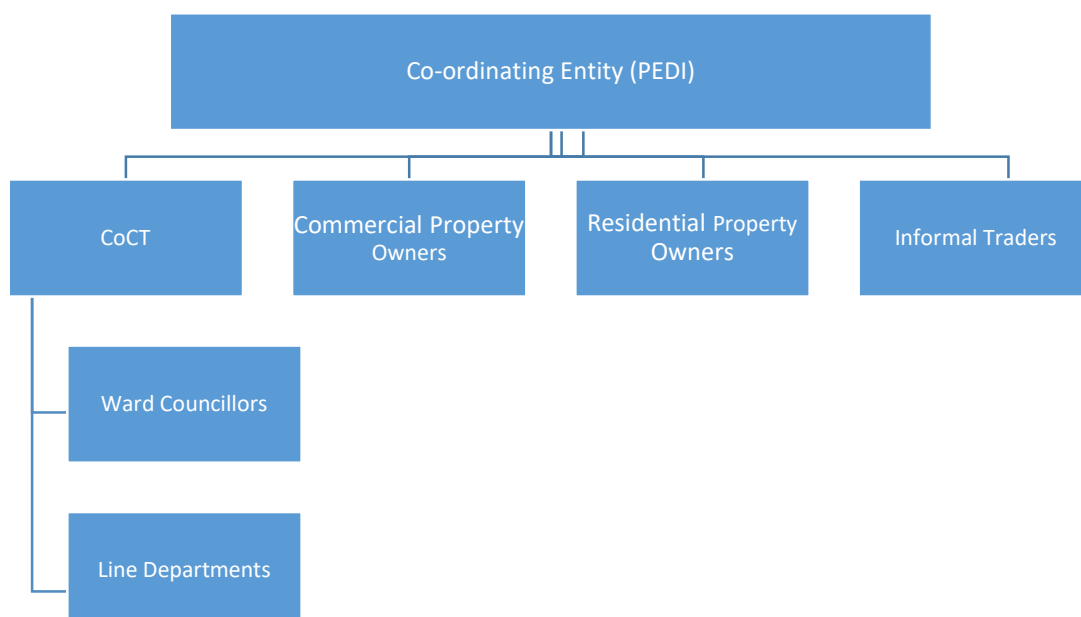
## 9. A Strategy for Precinct Management

The goal of facilitating economic growth and business formalisation within the Precinct can best be achieved through the establishment of abroad-based organisational management structure to oversee the development vision. This section of the report proposes a management strategy as an option to be considered. The project team studied available guideline documents including the guidelines on Precinct Management by National Treasury (available at <https://web1.capetown.gov.za/web1/ECAMP/MediaAttachment/Download/5>). The current document addresses one of the major requirements of precinct management with respect to understanding the precinct profile, special context and economic context.

A suitable management strategy must mobilise the stakeholder participation of four groups: i) the CoCT, ii) representatives of commercial property owners (retail and industrial), iii) representatives of informal traders, and iv) representatives of residential property owners. It is proposed that PEDI fulfil the role of co-ordinating the participation of these groups within the structure and driving a precinct development vision in accordance to an agreed set of objectives. PEDI have an established network of relationships with these stakeholder groups and experience in property management with respect to the Agricultural Academy and Fresh Produce Market.

Within such a management structure, the CoCT stakeholders would include: elected officials (ward councillors from Sub-Council 13), representatives from Area Based Service Delivery, Transport and Urban Development Authority, Economic Development and Safety and Security. The precise composition of such a structure would need to be established through consultation with the above entities. On the basis of broad support, the specific role of the management should be translated into a legally binding service delivery mandate which includes financial and non-financial commitments from the CoCT. As argued in the Art of Precinct Management: *‘whichever model is selected, the common denominator is the need for a single, overarching point of responsibility which guides the management and vision for the area’*. One option to achieve this objective could be an expansion of the existing PEDI-CoCT partnership. An example of the proposed organisational management structure is shown in **Figure 18**.

**Figure 18:** Proposed Entity to oversee a Development Strategy



The proposed management entity must have the capacity to link closely with the public sector, especially the associated CoCT functions of service delivery. The CoCT would be required to fulfil a role in the following objectives:

- The management and formalisation of informal trading,
- The formation of the Philippi East City Improvement District,
- The enhancement of public safety and security, especially in public spaces and CoCT facilities,
- The promotion and re-positioning of Philippi within CoCT economic strategies to ensure property optimisation, alignment with nodal developments and actions to secure the optimisation of the Philippi Horticultural Area (PHA).
- The formalisation of links between the management entity and plans to expand the City of Cape Town International Airport (CTIA) within an aerotropolis plan, linking air transport to manufacturing hubs, public transport services, housing and primary production sites (one of which could be the PHA). The Philippi East Industrial Area has been recognised as a potential contributor to this vision.
- Programme alignment to the Metro South East Corridor and the Blue Downs (Rail) Corridor to build synergies and reduce duplication.

Alignment to the City service delivery capacities would be crucial for this structure to work. Funding would initially be proposed from the public sector, but over time would need to shift to be supported by the private sector who will be driving the economy in a completed/developed state. A prime example of a phased approach was the Cape Town Partnership where in the early periods of the partnership the CoCT had a leading role in reviving the CBD. Over time property owners and businesses required progressively less support from the CoCT and eventually many of the core functions were undertaken by the Cape Town City Centre Improvement District (CCID). The CBD has evolved and progressed in economic and social terms under this model. Although there are organisations like WESGROW to promote investment, the CBD promotes itself to attract investment, promote new business development, and attracts external income streams via tourism. The investment made by the CoCT over the past twenty years provides a return on investment from the property rates and services. One option for the initial funding of the structure would be via grant funding to the CoCT from National Treasury. The National Treasury recognises Philippi as a node of strategic economic and social importance which requires development investment to reduce poverty and stimulate economic growth.

The main roles for the proposed Philippi East Industrial Area precinct development strategy implementing entity are:

- Advancing the process of formalising street trade upon the completion of the road upgrading process.
- Advancing the provision of infrastructure in street trade nodes to improve conditions for traders and customers, assist businesses to grow, enhance public safety and improve the quality of public space.
- Advancing the idea of a development hub through engaging with the CoCT and private land holders to utilise undeveloped land resources and optimise current CoCT and private investments (the Fresh Produce Market, Joe Gqabi bus terminus, Philippi Village).
- Promoting the sustainable use of resources within the hub, including the use of ground water in businesses for non-human consumption.
- Building synergies between business activities within the precinct and commercial activities in adjacent areas, including the PHA and CTIA.

- Facilitating the alignment of development actions within the precinct with neighbouring nodal and transport development strategies.
- Mobilising state financial resources for the funding of development within the precinct.

## 10. High Level Recommendations

The research and situation analysis outcome supports 6 high level recommendations:

- The CoCT institute a formal process to consider the establishment of an informal trader plan for Protea Road.
- The CoCT makes budgetary provision in the medium term for the formalisation of street traders in those nodes that will be directly impacted by road upgrades and the establishment of the MyCity BRT, including Govan Mbeki Road, Stock Road, New Eisleben Road and Sheffield Road.
- The CoCT makes budgetary provision in the medium term for the establishment of supportive infrastructure for street traders, which should include: additional street lights, CCTV surveillance, the provision of shelter according to requirements, provision of secure storage structures, access to electricity and water points (on a pay-as-use basis), off-road parking, the hardening of street services, the provision on ablutions and the provision of rubbish bins and refuse systems. In the case of Protea Road, a indicative cost proposal for R5,401,825 would enable the CoCT to establish shelter for traders, harden the trading surface, and install street furniture and bollards.
- The CoCT institutes measures to persuade the owners of undeveloped land to utilise these sites, and thus preserve the commercial use of the area.
- The CoCT undertakes a reassessment of CoCT land to consider how undeveloped sites could be best utilised to enhance economic opportunities within the precinct. ERF 5268, a site on the intersection of Sheffield Road and Stock Road, has high potential for a mixed-use development on which a trading hub could be established.
- PEDI engages the CoCT, property owners and informal traders to gain support for a precinct management entity which could advance the idea of a development strategy and oversee social and infrastructural investments. In this respect the CoCT should consider expanding the current PEDI mandate and provide additional financial support to advance the process of creating a single development vision.

## Annex 1: List of Contributors

	<b>NAME</b>	<b>ORGANISATION</b>	<b>FORM OF ENGAGEMENT</b>
<b>1</b>	Paul Williamson	CoCT	
<b>2</b>	Marco Geretto	TDA Urban Integration	City Officials Workshop
<b>3</b>	Ivan Anthony	MURP-CoCT	City Officials Workshop
<b>4</b>	Monwabisi Mbaliswana	MURP-CoCT	City Officials Workshop
<b>5</b>	Krishna Naidoo	TDA Public Transport	City Officials Workshop
<b>6</b>	Alaistair Graham	MURP-CoCT	City Officials Workshop
<b>7</b>	Nigel Titus	TDA Urban Integration	City Officials Workshop
<b>8</b>	Omar Davids	TDA Public Transport	City Officials Workshop
<b>9</b>	Pumla Mgwali	CoCT	City Officials Workshop
<b>10</b>	Gcobisa Nqabeni	CoCT	City Officials Workshop
<b>11</b>	Vanessa Benans	CoCT ABSD	City Officials Workshop
<b>12</b>	Xabiso Mzwakali	CoCT	City Officials Workshop
<b>13</b>	Lunga Bobo	CoCT	City Officials Workshop
<b>14</b>	John Hendricks	CoCT Asset Management	Meeting
<b>15</b>	Subcouncil 13	CoCT	SC 13 Meeting
<b>16</b>	Dan Ncube	Sheffield Road Trader	Traders Workshop
<b>17</b>	Tendai Mutero	Sheffield Road Trader	Traders Workshop
<b>18</b>	Joyce Ncokazi	Sheffield Road Trader	Traders Workshop
<b>19</b>	Sindiswa Hulwana	Sheffield Road Trader	Traders Workshop
<b>20</b>	Busisiwe Litholi	Sheffield Road Trader	Traders Workshop
<b>21</b>	Hillary Manyika	Sheffield Road Trader	Traders Workshop
<b>22</b>	Tenjiswa Sigoyo	Sheffield Road Trader	Traders Workshop
<b>23</b>	Nonzame Karanja	Sheffield Road Trader	Traders Workshop
<b>24</b>	Bonsiwe Gom	Protea Road Trader	Traders Workshop
<b>25</b>	Lauren Magenuka	Protea Road Trader	Traders Workshop
<b>26</b>	Senzangakhona Kabiqeya	Protea Road Trader	Traders Workshop
<b>27</b>	Samuel Machikenyika	Protea Road Trader	Traders Workshop
<b>28</b>	Malibangwe Ngulube	Protea Road Trader	Traders Workshop
<b>29</b>	Forget Maluwu	Protea Road Trader	Traders Workshop
<b>30</b>	Joseph Nyedimane	Protea Road Trader	Traders Workshop
<b>31</b>	Zukiswa Moko	Protea Road Trader	Traders Workshop
<b>32</b>	Yvonne Gungqayo	Protea Road Trader	Traders Workshop
<b>33</b>	Bukiwe Fikile	Protea Road Trader	Traders Workshop
<b>34</b>	Eddie Andrews	CoCT	Meeting
<b>35</b>	Anthea Serritslev	PEDI	Meeting
<b>36</b>	Martine Baker	PEDI	Meeting
<b>37</b>	Jean-Pierre Nortier	DevMark	Meeting