



# PEOPLE'S COALITION



## **Experience of Food Vendors during Lockdown: A Snapshot of the Cape Town, Johannesburg and eThekweni Municipalities**

**Compiled for “Informal food system: Vendors, Street vendors & spazas” work stream of the C19 People’s Coalition Food Working Group**

**25 May 2020**

### **1.1. Introduction**

When the lockdown was enforced, street vendors were summarily stopped from trading which led to complete loss of income for some and significant losses of stock, especially fresh produce that could not be stored.<sup>1</sup> On 2 April amendments were made to the initial lockdown regulations which allowed spaza shops and informal food traders (excluding those selling cooked food) to go back to business. On April 6, the Department of Small Business Development issued further directions, which included:

All spaza shop owners and informal food traders must hold permits issued by their respective local municipalities allowing them to trade, in line with the provisions of the Business Act, 71 of 1991 as amended.

It is well known that foreign migrants are active in informal food trade. These regulations specified that non-South African citizens are required to have business or asylum seekers permit. Asylum seekers have to renew their permits every three months at offices that remain closed.

Through interviews with Council officials, traders and their organisation leaders, this report provides a snapshot of the implementation of the new regulations in the City of Johannesburg, eThekweni and the City of Cape Town. The report also provides a short analysis on impact of the Department of Small Business Development COVID-19 Directions published on 12 May 2020. The focus is on informal food traders. A similar assessment needs to be done for spaza shops.

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<sup>1</sup> See, “Proposals on Informal Food System: Traders, Street Vendors and Spazas”, compiled by C19 People’s Coalition, Food Working Group, 21 April 2020.

## 1.2. City Snapshot

### 1.2.1 The City of Cape Town Metropolitan Municipality

#### A. Obtaining a Permit

Vendors report that the process to obtain permits is demanding; that they are sent “from pillar to post”. Many vendors had to travel to the municipal offices located in the city centre, far from many vendors’ homes and trading sites. This was an expensive trip for many and put vendors at risk due to the amount of travel involved, which had to be undertaken without permits and vendors were placed at risk of arrest for violating lockdown.<sup>2</sup> Vendors do not have to pay for the permits.<sup>3</sup>

Permits are currently limited to vendors who are food vendors in the normal course, precluding other vendors from entering the market; no new permits are being issued.<sup>4</sup> It should be noted, however, that many vendors are still struggling to access permits.<sup>5</sup> Further, the City of Cape Town is denying permits to informal vendors who operate from the Grand Parade and other areas. The Grand Parade is classified as a flea market, which are not allowed to operate under the lockdown and vendors were told to rather apply for the R350 social relief fund.<sup>6</sup> The South African Informal Traders Association (SAITA) is working with the Legal Resources Centre to remedy this.<sup>7</sup>

The City of Cape Town states that, prior to the lockdown, the municipality had 4000 registered vendors trading in restricted and prohibited areas in and around the City, with a further 11 000 vendors in the townships.<sup>8</sup> When lockdown was instituted, the Mayoral Committee instructed that all vendors who apply for a permit must be issued with one. Officials are operating throughout the lockdown to issue permits, but are not present at the trading sites. As at 12 May 2020, just under 9000 special COVID-19 trading permits had been issued by the Municipality, all for informal food vending. To qualify, a vendor must be registered on the municipality’s street vendors’ database. The permit is valid for the lockdown period.<sup>9</sup> Refugees and asylum seekers qualify for trading permits, and so they would similarly qualify for a permit to trade under lockdown.<sup>10</sup>

#### B. Presence of Law Enforcement

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<sup>2</sup> Interview with Rosheeda Muller (SAITA), Cape Town, 12 May 2020.

<sup>3</sup> Interview with Trevor Marmen, Cape Town, 15 May 2020.

<sup>4</sup> Interview with Rosheeda Muller (SAITA), Cape Town, 12 May 2020.

<sup>5</sup> Interview with Rosheeda Muller (SAITA), Cape Town, 12 May 2020.

<sup>6</sup> Legal Resources Centre (LRC) Press Statement, “The Legal Resources Centre challenges the City of Cape Town’s decision to deny operating permits to informal traders”, 12 May 2020.

<sup>7</sup> Interview with Rosheeda Muller (SAITA), Cape Town, 12 May 2020.

<sup>8</sup> Interview with Paul Williamson, Department of Economic Development, 14 May 2020.

<sup>9</sup> Interview with Paul Williamson, Department of Economic Development, 14 May 2020.

<sup>10</sup> Interview with Paul Williamson, Department of Economic Development, 14 May 2020.

Vendors report that there is a heavy presence of law enforcement in certain areas, for example at the Grand Parade, and a lack of presence in other areas.<sup>11</sup> The reason for this is not understood. There are many people trading without permits. This has caused conflict between the ‘legal’ and ‘illegal’ vendors; at the upper deck of the Cape Town Train Station- there is tension between those with permits (a site can cost up to R1200), and other vendors situated nearby closer to the taxi rank operating without permits. The same is occurring in the Belville area.<sup>12</sup>

### **C. Effect of Lockdown on Business**

Vendors are desperate for an income due to financial pressure and no assistance being provided by the State, including demands for rent when they are staying in City housing.<sup>13</sup> A fresh fish vendor stated that it has been difficult to get fresh fish from his supplier, as they prefer big business to informal vendors. Six months ago he was able to get up to 600kg of fish per month, now he can only get about 50kg. He has also observed that customers are reluctant to come out and buy food because of fear of infection with COVID-19, and as such he is not making enough money to support his family’s needs, however they are “surviving”. He suggested the City should assist vendors with a stipend that would help them pay for masks and hand sanitisers.<sup>14</sup>

### **D. Health and Safety Measures**

Vendors have had to procure their own masks and sanitisers without State support. They are not allowed to work without wearing masks and/or having a bottle of sanitizer with them; and are not allowed to serve customers who are not wearing masks.<sup>15</sup>

## **1.2.2 The City of Johannesburg Metropolitan Municipality**

### **A. Obtaining a Permit**

Municipal offices were open soon after the amendment to the regulations was announced. Permits were issued in two rounds. In the first round, permits were not restricted to food vendors but rather available to anyone registered as a vendor with the Municipality (including refugees and asylum seekers); permits were received on the day they were applied for; permits were linked to demarcated trading sites; and permits expired on 16 April 2020 (the initial date on which the lockdown was scheduled to lift). The permits given to some vendors, such as those trading in City Deep, specified limited trading times.<sup>16</sup>

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<sup>11</sup> Interview with Rosheeda Muller (SAITA), Cape Town, 18 May 2020.

<sup>12</sup> Interview with Rosheeda Muller (SAITA), Cape Town, 12 May 2020.

<sup>13</sup> Interview with Rosheeda Muller (SAITA), Cape Town, 12 May 2020.

<sup>14</sup> Interview with Trevor Marmen, Cape Town, 15 May 2020.

<sup>15</sup> Interview with Trevor Marmen, Cape Town, 15 May 2020.

<sup>16</sup> Interview with Brian Phaaloh (SAITF), Johannesburg, 11 May 2020.

In the second round of permitting the Department of Economic Development (DED) received instructions from the office of the Mayor to issue permits to anyone with a South African ID or refugee/asylum seekers permits i.e. the system was not limited to registered vendors.<sup>17</sup> There are reports that permits were even issued by both the South African Police Service (SAPS) and the Johannesburg Metro Police (JMPD) (on presentation of either a smart card or an affidavit).<sup>18</sup> The JMPD has subsequently confiscated permits from persons who were not previously trading, but does not generally have the capacity to enforce the rules widely. SAPS is focusing on the trading of cigarettes.<sup>19</sup> Vendors are not required to pay for the permits.<sup>20</sup>

## **B. Presence of Law Enforcement**

As at 5 May 2020, DED had communicated that permits are not required and they accordingly have no instruction to issue new vendor permits, and implied that vendors should simply continue trading (Officials of the Department of Infrastructure and Environment had communicated differently to the African Reclaimers Organisation<sup>21</sup>), however people trading in winter clothes report that JMPD has been harassing and violently confiscating their wares, even though they are allowed to trade under level 4 regulations.<sup>22</sup> JMPD is not following the required procedures for confiscation and are issuing very high fines in some instances. The harassment from JMPD is reportedly only experienced by clothing vendors; food vendors are not reporting as many issues with JMPD.<sup>23</sup> In general some vendors are of the opinion that when JMPD harass food vendors under lockdown, they are simply looking for bribes or goods.

## **C. Effect of Lockdown on Business**

Markets are generally open, and vendors are trading and making money, as traffic and customers throughout the city is largely normalised. Vendors are trading from their normal sites, and customers are buying goods as they need food. Vendors are on the streets until 20h00 when the nightly curfew comes into effect, but generally no one is present to enforce the Level 4 regulations.<sup>24</sup> About 10 vendors operating at the MTN Taxi Rank are selling hot food under lockdown, which they cook at home and then hand deliver at the taxi rank. Their main customers are taxi drivers and JMPD officers. Other hot food vendors are exclusively delivering their food.<sup>25</sup>

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<sup>17</sup> Interview with Lulama Mali, Johannesburg Informal Trader Platform (JITP), 15 May 2020; Interview with Brian Phaaloh (SAITF), Johannesburg, 11 May 2020.

<sup>18</sup> Interview with Brian Phaaloh (SAITF), Johannesburg, 11 May 2020.

<sup>19</sup> Interview with Brian Phaaloh (SAITF), Johannesburg, 11 May 2020.

<sup>20</sup> Interview with Brian Phaaloh (SAITF), Johannesburg, 11 May 2020.

<sup>21</sup> Conveyed by Lulama Mali (JITP) to Jane Barrett, 5 May 2020.

<sup>22</sup> Interview with Lulama Mali, Johannesburg Informal Trader Platform (JITP), 15 May 2020.

<sup>23</sup> Interview with Lulama Mali, Johannesburg Informal Trader Platform (JITP), 15 May 2020; Interview with Brian Phaaloh (SAITF), Johannesburg, 11 May 2020.

<sup>24</sup> Interview with Brian Phaaloh (SAITF), Johannesburg, 11 May 2020.

<sup>25</sup> Interview with Brian Phaaloh (SAITF), Johannesburg, 11 May 2020.

However, other vendors of cooked food had mistakenly thought they were allowed to trade, and were being prohibited from doing so by the police.<sup>26</sup>

#### **D. Health and Safety Measures**

Vendors are expected to provide their own masks, gloves and hand sanitisers.<sup>27</sup> SAITF has provided its members with masks and sanitisers.<sup>28</sup>

#### **1.2.3 eThekwini Metropolitan Municipality**

##### **A. Obtaining a Permit**

Street vendors were initially stopped from trading when the lockdown started, but some returned to work quite soon after lockdown began, without permits. In time however they were stopped from trading by the Metro Police.<sup>29</sup> There was a 1-2 week delay from the start of the lockdown until the municipality started issuing permits to street vendors. As at May 11, eThekwini had issued 2 934 trader permits<sup>30</sup>. The municipality states that vendors selling fresh produce must go to the Business Support Unit offices to obtain their permits. Only about 6 municipal offices are currently open and they are operating with reduced staff numbers.<sup>31</sup> If the vendor is already registered on the system for trading, the permit should be issued immediately.<sup>32</sup> These permits will be valid for so long as the regulations allow for informal food trade to occur.<sup>33</sup> Vendors do not have to pay for the permits.<sup>34</sup>

A vendor who is not already registered on the system for trading will not be able to obtain a permit for lockdown. Vendors selling cooked food may not obtain permits to operate under lockdown unless they are delivering the cooked food.<sup>35</sup> Furthermore, many vendors have been turned away upon reaching the offices, being told that the permits were 'finished' or to come back another time. This travel is undertaken at risk to the vendor, who is not yet in possession of the permit and so might be arrested for violating the lockdown regulations.<sup>36</sup>

The cost of a trading permit in the normal course is around R300 for 6 months for a street vendor (depending on their site of trade), and R100 per month for retail market vendors. The vendor's account must also be clear, and they must produce proof that they are the site holder (including

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<sup>26</sup> Conveyed by Lulama Mali (JITP) to Jane Barrett, 5 May 2020.

<sup>27</sup> Interview with Lulama Mali, Johannesburg Informal Trader Platform (JITP).

<sup>28</sup> Interview with Brian Phaahlo (SAITF), Johannesburg, 11 May 2020.

<sup>29</sup> Interview with Verushka Mendutt (SAITF), Durban, 11 May 2020.

<sup>30</sup> Email correspondence, Dumisani Mzila, KZN Economic Development, Tourism and Environmental, 11 May 2020.

<sup>31</sup> Interview with Verushka Mendutt (SAITF), Durban, 11 May 2020.

<sup>32</sup> Interview with Nosisa, eThekwini Business Support Unit, 13 May 2020.

<sup>33</sup> Interview with Nosisa, eThekwini Business Support Unit, 13 May 2020.

<sup>34</sup> Interview with Verushka Mendutt (SAITF), Durban, 18 May 2020.

<sup>35</sup> Interview with Nosisa, eThekwini Business Support Unit, 13 May 2020.

<sup>36</sup> Interview with Verushka Mendutt (SAITF), Durban, 11 May 2020.

their identification document and their permit for trade in the normal course). Some street vendors have been unable to obtain the permit because their account is in arrears, and they are not currently trading so they cannot pay what is owed.<sup>37</sup>

The permitting system seems to be applied *ad hoc*, with rules constantly changing. This is confusing to vendors and makes compliance almost impossible. It also seems that neither the municipal officials nor law enforcement are sure of the rules. In general, the vendors are only made aware that they're non-compliant when their stores are closed down by law enforcement officials.<sup>38</sup> There are several reports of ward councillors handing out permits to vendors.<sup>39</sup>

Retail market vendors were only granted permission to open in the first week of May, and the municipality indicated that they would require permits but they have not yet been made aware of the process for obtaining those permits. They are nevertheless currently operating.<sup>40</sup> Vendors at the Berea Station can obtain their permits from PRASA, which runs the station.<sup>41</sup> It is notable that no permits for spaza shops have been issued by the municipality.

## **B. Presence of Law Enforcement**

Vendors report that the Metro Police are more likely to harass vendors than the SAPS. The Metro Police are usually quite rough and harsh in their approaches.<sup>42</sup> Some videos of police repression against vendors went viral over the weekend of 8-10 May.<sup>43</sup>

Vendors in the retail markets are operating without permits as at 11 May 2020. The Municipality's Retail Manager has approached (non-food) vendors, with the assistance of Metro Police, and harassed them into closing their stores.<sup>44</sup> The Metro Police seem to be confused about what constitutes essential products, and therefore which vendors are currently permitted to trade. They also seem unclear about the permitting systems in place.<sup>45</sup> There are stories of both the Metro Police shutting street vendors down, and private security companies shutting down vendors at retail markets. There don't seem to be issues in the wholesale markets, as the management are constantly present.<sup>46</sup>

## **C. Effect of Lockdown on Business**

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<sup>37</sup> Interview with Verushka Mendutt (SAITF), Durban, 11 May 2020.

<sup>38</sup> Interview with Verushka Mendutt (SAITF), Durban, 11 May 2020.

<sup>39</sup> Interview with Verushka Mendutt (SAITF), Durban, 11 May 2020.

<sup>40</sup> Interview with Keith Pillay (SAITF), Durban, 11 May 2020.

<sup>41</sup> Interview with informal food vendor at Berea Station, Durban, 14 May 2020.

<sup>42</sup> Interview with Keith Pillay (SAITF), Durban, 11 May 2020; Interview with Verushka Mendutt, Durban, 11 May 2020.

<sup>43</sup> Interview with Verushka Mendutt (SAITF), Durban, 11 May 2020.

<sup>44</sup> Interview with Keith Pillay (SAITF), Durban, 11 May 2020.

<sup>45</sup> Interview with Keith Pillay (SAITF), Durban, 11 May 2020.

<sup>46</sup> Interview with Verushka Mendutt (SAITF), Durban, 11 May 2020.

The Clarewood Bulk Fresh Produce Market has been open for the full lockdown period, but on a downscaled basis. For example, only a third of staff working at any one time.<sup>47</sup> The retail markets were closed until 8 May 2020, when the vendors selling essential products were permitted to open only through an intervention by the Socio-Economic Rights Institute (SERI). The Freedom Street Market has about 120 vendors in the normal course, with only 30-35 vendors currently operating.<sup>48</sup>

Vendors at Berea Station are not able to cook food on site under lockdown, so can only trade what can be prepared beforehand at home.<sup>49</sup> The Early Morning Market in Warwick Junction hosts about 300 vendors selling fresh produce. The municipality has been cleaning the market for the past 3 weeks and has not given the vendors any indication of when the market will reopen. When the market does reopen it seems likely that they will only open 1 of the 8 gates, and limit entry to 50 customers at one time.<sup>50</sup> Some vendors are selling other essential goods, such as masks and sanitiser.<sup>51</sup>

#### **D. Effect of Lockdown on Personal and Family Life**

All vendors are struggling, and food insecurity is widespread.<sup>52</sup> The broader civil society community and particularly organisations like SETSI and Abahlali baseMjondolo have been instrumental in getting food to vendors.<sup>53</sup> The lockdown is crippling, but trading at this time is “about survival, not profit”.<sup>54</sup> One vendor had to use some of the increased child support grant which she received in order to restart her stall after more than 6 weeks of no income due to the lockdown. She is currently making about 25% of her normal daily intake and is struggling to make ends meet; she is behind on rental payments and worries about being evicted. She has had to borrow food from her neighbours and has not yet received any food assistance from the State.<sup>55</sup>

#### **E. Health and Safety Measures**

Vendors are generally taking the health and safety requirements very seriously, and all vendors are wearing some form of mask/cover over their mouths and noses.<sup>56</sup> Gloves are non-existent, and sanitiser is seen only sometimes. The price of hand sanitizer has increased, making it less accessible to informal traders who are already struggling to make ends meet. Innovative vendors

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<sup>47</sup> Interview with Verushka Mendutt (SAITF), Durban, 11 May 2020.

<sup>48</sup> Interview with Keith Pillay (SAITF), Durban, 11 May 2020.

<sup>49</sup> Interview with informal food vendor at Berea Station, Durban, 14 May 2020.

<sup>50</sup> Interview with vendor and Vendors’ Association Leader at the Early Morning Market, Warwick Junction, 13 May 2020.

<sup>51</sup> Interview with Keith Pillay (SAITF), Durban, 11 May 2020.

<sup>52</sup> Interview with Keith Pillay, Durban, 11 May 2020.

<sup>53</sup> Interview with Verushka Mendutt (SAITF), Durban, 11 May 2020.

<sup>54</sup> Interview with Verushka Mendutt (SAITF), Durban, 11 May 2020.

<sup>55</sup> Interview with informal food vendor at Berea Station, Durban, 14 May 2020.

<sup>56</sup> Interview with informal food vendor at Berea Station, Durban, 14 May 2020.

are even making and selling masks for as little as R10. However, the added cost of these measures can be crippling in such tough times.<sup>57</sup>

The retail markets are formalised structures with secure entrances. At the Freedom Street Market, every person entering (including vendors) has their temperature taken upon entry and is provided with hand sanitiser, and the security guards write their names down. There is a limit of 20 customers allowed in the market at any time, this process has been implemented by the municipality. Each stall has hand sanitiser, but this is at vendors' costs.<sup>58</sup>

There are reports that retail market vendors have been told by the municipality that they can only operate if they install steel surfaces, at their own expense.<sup>59</sup>

**Table 1: Comparative Summary of the Three Municipalities**

	<b>Permit Requirements</b>	<b>No. of Permits Issued</b>	<b>Markets (open or closed?)</b>	<b>Provision of water, sanitiser/bleach</b>
<b>City of Cape Town</b>	Vendor must be registered on the municipality's street vendors' database; vendors do not have to pay for special COVID-19 trading permits. Permits valid for the period of the lockdown.	Under 9000 as at 12 May.	Some markets like the Grand parade are closed; while others are open.	No support from the municipality; vendors have to provide for themselves.
<b>City of Johannesburg</b>	A person must present their South African ID or refugee/asylum seekers permit; in some instances a police affidavit was accepted. People do not have to pay for permits.	No official numbers; Brian (SAITF) states that the City spokesperson had stated that the City had issued approximately 8000 permits.	Some markets like Yeoville and Bree are open.	No support from the municipality; vendors have to provide for themselves.
<b>eThekweni</b>	Vendor must be registered on the municipality's vendors' database. Permits valid for so long as the regulations allow for	2 934 as at 11 May.	Retail market vendors were only granted permission to open in the first week of May, but they had not yet been made aware	No support from the municipality for street vendors; the retail markets however are formalised structures with secure entrances. E.g. at the Freedom

<sup>57</sup> Interview with Verushka Mendutt (SAITF), Durban, 11 May 2020.

<sup>58</sup> Interview with Keith Pillay (SAITF), Durban, 11 May 2020.

<sup>59</sup> Interview with Verushka Mendutt (SAITF), Durban, 11 May 2020.

	Permit Requirements	No. of Permits Issued	Markets (open or closed?)	Provision of water, sanitiser/bleach
	informal food trade to occur. Vendors do not have to pay for permits.		of the process for obtaining those permits. They are nevertheless currently operating.	Street Market: all persons entering has their temperature taken upon entry and is provided with hand sanitiser, and their names are registered. There is a limit of 20 customers allowed in the market at any time, this process has been implemented by the municipality. Each stall has hand sanitiser, but this is at vendors' costs.

**1.3 The impact of the Department of Small Business Development COVID-19 Directions published on 12 May 2020<sup>60</sup>**

These regulations are a further attempt by the Minister of Small Business Development (SBD) to use COVID-19 to introduce exclusionary (and xenophobic) measures. Apart from removing any requirement to be registered with the Companies and Intellectual Property Commission (CIPC), the level 4 regulations are very similar to what was issued under level 5. When the level 5 regulations were published by the Minister of SBD her regulations were overridden by a directive from the Minister of Cooperative Governance and Traditional Affairs (COGTA) to municipalities which laid out a simple non-exclusionary process for permitting. By and large where informal vendors are organised, they have been able to engage municipalities on implementation along the lines of the COGTA directive.

These new regulations are primarily aimed at small businesses, not informal vendors, and so perhaps should not be given too much attention. It is hoped that municipalities will take charge of level 3 processes using the COGTA directive and not these regulations. The advice to worker leaders is to engage directly with their local authorities about implementation of the return to work. Further, leaders should think ahead to all of the next 3 levels and how they might adapt to these levels.

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<sup>60</sup> This draws from reflections from Pat Horn, Jane Barrett and Vanessa Pillay.

Activists should continue to raise concerns with key COGTA officials, and also find out where any comments on the DSBD regulations should be sent.

#### **1.4 Other general comments**

- Advocacy needs to target regulations that foreground the need to enable street vendors (and other informal workers) to earn a living. It should not be used as an excuse to filter some vendors out of the system. Neither should it be used to introduce new bureaucratic red tape which creates barriers and opens opportunities for abuses of power by enforcement agencies.
- Vendors should be able to apply for permits at sites which are closer to home and their normal trading sites, and not made to travel into city centres for this purpose, which is both risky and expensive.
- Municipalities should supply informal food vendors with water, sanitizer and/or bleach as a matter of urgency, so that vendors can protect themselves and their customers from infection.

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