



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD



MARKET MANAGEMENT POLICY

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DEFINITIONS AND ABBREVIATIONS

DEFINITIONS

'authorised official'	Means an employee of the City responsible for carrying out or exercising any lawful duty, function or power and includes employees delegated to carry out or exercise such duties, functions or powers.
'City'	Means the City of Cape Town, a municipality established by the City of Cape Town Establishment Notice No. 479 of 22 September 2000, issued in terms of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998), or any structure or employee of the City acting in terms of delegated authority.
'Event'	Means sporting, entertainment, recreational, religious, cultural, exhibition, organisational or similar activities, hosted at a stadium, venue or along a route or within the respective precincts, as per the City's Events Policy.
'External Operator'	Means an external person or entity that operates a market on City land.
'Facilities Management'	Means activities that ensure amongst other, the functionality, comfort, safety and efficiency of buildings and grounds as well as infrastructure and services.
'Flea Market'	Means a market where predominantly second-hand goods or antiques are sold.
'Food Market'	Means a market in which the sale of fresh produce and food is predominant which can include prepared and unprepared food.
'Informal Trade'	Means the trading in goods and services in the informal sector by an informal trader, as per the City's Informal Trading Policy of.
'Informal Trader'	Means a person engaging in informal trade, whether employer or employee, as per the City's Informal Trading Policy.
'Locally produced goods'	Means goods that are produced or manufactured within the borders of City of Cape Town and the Western Cape.
'Market'	Means a demarcated area within a trading area which is designated as such in a trading plan and which is managed in a co-ordinated manner, as per the City's Informal Trading Policy.

'Market Operator'	Means a person or organisation appointed by the City to lead the overall management of a market, noting that the City can act as a market operator as well.
'Market Manager'	Means the individual/s, reporting to the market operator, tasked to manage the day-to-day operations of a market.
'Mobile Business Trading Areas'	Means a trading area for mobile businesses within the jurisdictional area of the City of Cape Town, as per the City's Draft Mobile Business Policy
'Place'	Means a building, location, etc., set apart or used for a specific purpose.
'Placemaking'	Means a collaborative process by which we can shape our public space in order to maximise shared value. More than just promoting better urban design, placemaking facilitates creative patterns of use, sometimes temporary, paying particular attention to the physical, cultural, and social identities that define a place and support its ongoing evolution. <i>As defined in the City's Urban Design Policy.</i>
'Public Space'	Means the natural and built environment used by the general public on a day-to-day basis such as streets, plazas and parks. Public spaces are publicly owned or for public use, accessible and enjoyable typologies of public spaces including, streets, open public spaces, public facilities and amenities, and markets. <i>As defined in the City's Urban Design Policy.</i>
'Seasonal Market'	Means a market that occurs regularly at a certain period or season of the year typically associated with popular cultural, religious or community harvest days.
'Space'	Means the tangible, built environment, including the layout, design, and physical characteristics of the area.
'Stall'	Means infrastructure used for the display, consumption and procurement of goods, which may include shipping containers or prefabricated modules.
'Trading Plan'	Means a plan adopted by the City to govern informal trading within a trading area, <i>as per the City's Informal Trading Policy.</i>
'Trader'	Means a person or business offering something for sale or a related service. In the case of this policy it is the individuals or businesses that trade at a

market. Traders for purposes of this policy includes informal traders.

ABBREVIATIONS

MDP Market Development Plan

DRAFT

EXECUTIVE SUMMARY

In accordance with the City's goal of creating an environment to increase jobs and investment within the Cape Town economy, this policy aims to facilitate and create a network of successful markets that operate on City-owned land.

Core purpose of the Policy

- To define a **series of governance and management models** for markets operating on City-owned land – both City-managed and outsourced markets.
- To outline the **City's developmental approach** related to—
 - (a) the identification of new market spaces on City-owned land;
 - (b) application process for developing new markets; and
 - (c) the improvement of existing market spaces through effective management models and capacitation.

Desired Outcomes

- The City will **endeavour to facilitate a network of vibrant, diverse and well-run** markets that contribute to Cape Town as a desirable location for business and placemaking;
- Each market should offer a **safe, vibrant and accessible space** to the benefit of all users and add economic, social and cultural value to the surrounding community;
- **Upskilling** City staff to support market operators and market management capacity in general;
- Provision of **affordable trading opportunities** within markets as well as economic opportunities for local entrepreneurs; and
- Establishing **clear roles and responsibilities amongst stakeholders** for the management of different types of markets.

Desired Governance Approaches

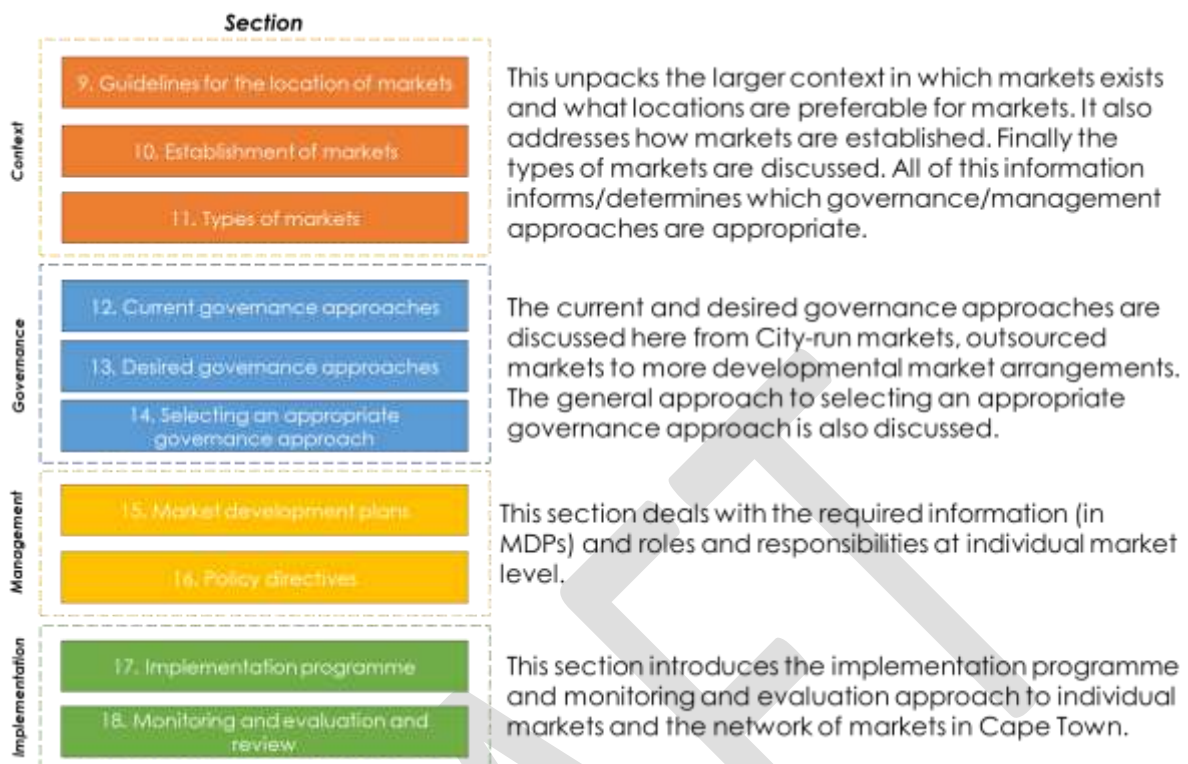
There are three main approaches that are suggested for market management which are selected based on the larger urban context in which the market is situated as well the market itself. The options are:

- **The external operator approach** is where an external operator, operates all aspects of the market including the management of traders through an appropriate written agreement.
- **The hybrid approach** is aimed to outsource specific aspects of facility management of a market to a service provider or 'market entity' such as security, management of ablution facilities, cleaning among other services through an appropriate written agreement with the remainder of responsibilities allocated to the City.
- **The City managed approach** is where the City is responsible for all operational management aspects of the market.

Developmental approach

The overall approach for the City is to, overtime, improve the **self-sustainability and potential** of markets across the City. Through the development of Market Development Plans for each market, the City together with partners and operators will aim to mature our overall market offering. This includes the monitoring and evaluation of market conditions and performance as well structured training and development programmes.

Content and relevant sections of the Policy



Application of the Policy

¹ This Policy is applicable to:

- i. **All markets that operate on City-owned properties** within the City of Cape Town municipal area. This includes permanent or recurring markets (e.g. weekend or regular seasonal markets) on City-owned property.
- ii. The policy is **applicable to market operators, market managers, service providers and traders that operate at markets** (as it relates to market rules), noting that for some markets individual permits and permissions continue to apply as per the Bylaws of the City of Cape Town.

This Policy is not applicable to:

- i. Markets operating on land **not owned** by the City of Cape Town.
- ii. **Markets held at Events** within the City's jurisdictional area, which may in any way require the services of the City, have implications for public safety, the environment and local communities and which occur in a public and/or private place as contemplated in the City's Events By-law, 2009 as amended, and the Safety at Sports and Recreational Events Act, 2010 (Act No. 2 of 2010).
- iii. Informal Traders trading in designated trading bays with trading permits in areas with trading plans **outside designated markets** as per the Informal Trading By-Law, 2009.

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1. INTRODUCTION AND BACKGROUND

- 1.1. Markets have the demonstrative potential to provide residents with access to a variety of different goods and services at more affordable or wholesale prices, contribute to sustainable supply-chains and food systems, support locally produced or manufactured goods, impact positively on the wider job market, and contribute to the business eco-system and socio-economic resilience of the economy.
- 1.2. Markets can act as gathering points and centres of neighbourhoods adding vibrancy to public spaces, stimulating social and economic activity, and promoting local culture and heritage.
- 1.3. The use of City-owned land for markets has the potential to yield multiple positive outcomes for local economic growth and social development.
- 1.4. In accordance with the City's goal of creating an environment to increase jobs and investment within the Cape Town economy, this policy aims to facilitate the expansion of the variety and quality of markets in the city.

2. PROBLEM STATEMENT

- 2.1. However, the potential impact of current and potential markets on public land is compromised by the fact that establishing and managing markets can be complex, with the governance and management approaches often not well suited to maximising the socio-economic development benefits. Many markets currently struggle to be financially viable due to operational inefficiencies amongst other constraints. In order to stimulate economic growth and employment opportunities, as well as the supply of goods and services to communities across the City, this policy aims to set out guidelines for the establishment of well-managed and serviced markets.
- 2.2. There is a lack of clear guidance for internal and external stakeholders on the differences between markets, events and street trading and the respective regulatory requirements and processes.
- 2.3. There is no standardised market application process in place and there is a lack of a coherent and strategic governance and management approach/es for markets.
- 2.4. Currently the City is guided by the Informal Trading Policy (2013) and Bylaw (2009) in terms of the management of trading areas as well as the formal establishment of markets. However, the City lacks an approved Policy to guide on matters of establishment of markets, governance and management of markets on City-owned land.

- 2.5. As a result, markets are not regulated or managed in a coordinated manner as they should be. To be sustainable, markets require ongoing capital investment and maintenance with associated operational management.
- 2.6. In addition, some of the major challenges are:
- (a) Defining what a market is, typologies of markets or when a trading area becomes a market that operates on City land;
 - (b) Undefined roles and responsibilities amongst internal and external stakeholders;
 - (c) Communication breakdown amongst internal and external stakeholders;
 - (d) The sale of a narrow range of products leading to a limited customer base;
 - (e) Lack of a sustainable business model for proper market management;
 - (f) Lack of market trader and manager development training;
 - (g) Poor infrastructure maintenance and overcrowding in some instances;
 - (h) Lack of quality facility management that includes infrastructure such as the lack of well-maintained and serviced ablution and storage facilities;
 - (i) Safety and security issues in certain markets;
 - (j) Lack of business development to grow economic opportunities and sustainability which leads to despondency for sector stakeholders; and
 - (k) For many markets, daily operations are not properly managed, as there are no Standard Operating Procedures (SOPs) or designated Market Managers (or alike) and this results in inconsistency with regards to decision making.

3. PURPOSE¹

- 3.1. To develop a Policy that functions within the relevant legal context;
- 3.2. To provide more clarity on market governance and management modalities;

¹ The Informal Trading policy (2013) stipulates that '*different trading environments will require alternative management models depending on their unique characteristics of the market or informal trading areas and the desired outcomes for trade in the area*'.

- 3.3. To define a series of governance and management models for markets operating on City-owned land. This includes markets that are operated by the City and others that are run by external organisations or alike;
- 3.4. To facilitate the contracting of Market Operators to manage markets on City-owned property where possible or feasible;
- 3.5. To outline the City's developmental approach and associated support programmes related to—
 - (a) the identification of new market spaces on City-owned land;
 - (b) application process for developing new markets; and
 - (c) the improvement of existing market spaces through effective management models and capacitation;
- 3.6. To develop clearly defined roles and responsibilities regarding the approval of applications and management of markets for both the City departments and market operators and traders;
- 3.7. To provide market operators with a clear framework of the City's process flow to obtain approval for markets or designation as a market operator, and the requirements, conditions, and guidelines for the operation of markets on City-owned land within the City.
- 3.8. To ensure the adoption of a consistent process to assess market applications, and allocate permits, leases and licences where applicable.

4. DESIRED OUTCOMES

- 4.1 Each market should offer a safe, healthy, vibrant and accessible space to the benefit of all users and add **economic, social and cultural value** to the surrounding community.
- 4.2 Markets should be **financially sustainable** and as far as is possible generate sufficient revenue to meet its operational and capital costs over time, reducing the need for the City to take responsibility for day-to-day management of markets over time.
- 4.3 The City will endeavour to facilitate a **network of vibrant, diverse and well-run markets** that contribute to Cape Town as a **desirable location for business** and **placemaking** by:
 - 4.3.1 Stimulating, within City functions, **local production and manufacturing of goods** as well as support **sustainable food systems** by creating accessible markets for producers and customers to come together;

- 4.3.2 Creating a conducive and **supportive environment** for all the stakeholders involved in markets;
- 4.3.3 **Upskilling** City staff to support market operators and market management capacity in general;
- 4.3.4 Providing **affordable trading opportunities** within markets as well as economic opportunities for local entrepreneurs; and
- 4.3.5 Establishing **clear roles and responsibilities** amongst stakeholders for the management of different types of markets.

5. STRATEGIC ALIGNMENT

5.1 **The Constitution of the Republic of South Africa, 1996**

Local governments have a constitutional mandate to promote social and economic development. The Constitution also adds that when government conducts itself as an agent of socio-economic development, it should align its administrative and management methods to support such causes (Constitution of South Africa, 1996:89-90). The setting of regulations for trading is one of the responsibilities assigned to local governments by the supreme law of the land.

5.2 **Integrated Development Plan (2022-2027)**

5.2.1 **Economic Growth Priority:** The City is committed to increasing jobs and investment in the Cape Town economy by simplifying regulations and processes so that it is easy for businesses to start and grow (which includes required permits and permissions). Creating an enabling environment for economic growth and job creation, in both the formal and informal sector through appropriate infrastructure development, services and the utilisation of City assets for economic activity. Coordinated precinct development and management approaches are critical to facilitate economic growth in targeted areas including spaces where economic activity occurs such as markets or trading spaces.

5.2.2 **Safety Priority:** To ensure that markets are safe spaces to trade from and visit. This includes working with traders, market operators, communities and the City to improve security in and around sites. Additionally, market spaces should be designed to improve safety through passive surveillance, removing dangerous obstacles for users and ensuring emergency access and exits are maintained among other safety and security interventions.

5.2.3 **Public Space, Environment and Amenities:** Design and manage quality public spaces and facilities where communities can gather to trade, collaborate and relax in a safe and welcoming place.

- 5.2.4 **Resilient City Foundation:** Markets can provide access to goods and services and in certain instances to healthy fresh produce and food products and encourage pedestrian activity to and from markets. This can add to improved health outcomes for individuals and communities.
- 5.2.5 **More Spatially Integrated and Inclusive City Foundation:** Markets are traditionally at the heart of communities, bringing together people from near and far that can attract other activities around markets and can create a sense of place and identity. From an inclusivity perspective, it also speaks to the more accessible consumable and household items that are made available; particularly for consumers who might not own fridges or have stable electrical supply. Food security and access is an ongoing concern in Cape Town and markets can play an important role in the food system/chain to create access to food as well as driving demand for locally produced food.
- 5.2.6 **Capable and Collaborative City Government Foundation:** Traders rely on the consistent provision of services to support their operations, easy accessibility to markets, and clear trading processes and regulations. The City needs to ensure efficient, responsible and sustainable City services provision and management arrangements for markets across the City.
- 5.3 **Inclusive Economic Growth Strategy (2021)**
- 5.3.1 Through improved collaboration with the full range of internal and external stakeholders in both the formal and informal private sector, as well as inter-governmental collaboration, the City is committed to realising its vision for the improvement of inclusive economic growth, reduced unemployment, and reduced inequality through dynamic social mobility.
- 5.3.2 Providing improved access to markets and opportunities for the informal sector.
- 5.3.3 Developing enhanced financial and governance models and guidelines for markets.
- 5.3.4 Providing opportunities for skills development and training to microenterprises in the formal and informal sector in order to help them sustain and expand business operations.
- 5.3.5 Using City-owned facilities in support of economic activities that include markets for clustering, trading and storage for informal sector actors. City assets and spaces need to be looked at creatively. For instance, with regard to safe storage options, traders have many items that are difficult to store. The City might have unfinished bridges, space underneath freeways or parking lots that could be used productively for this purpose.

- 5.3.6 Providing support to stakeholders involved in the development of micro-entrepreneurial activity through training, linking of goods and services, supporting micro-supply chains.
- 5.3.7 Working with partners to increase the number of unique experiences in Cape Town, including the development of a wider range of tourism-related services.

6. REGULATORY CONTEXT

6.1 The Constitution of the Republic of South Africa, 1996

- 6.1.1 Schedules 4 Part B and 5 Part B
- 6.1.2 Section 22 - Freedom of Trade, Occupation and Profession.
- 6.1.3 Section 25 - The Right to Property
- 6.1.4 Section 33 - The Right to Just Administrative Action

6.2 National regulatory context

- 6.2.1 Businesses Act, 1991 (Act No. 71 of 1991)
- 6.2.2 Drugs and Drug Trafficking Act, 1992 (Act No. 140 of 1992)
- 6.2.3 Foodstuffs, Cosmetics and Disinfectants Act, 1972 (Act No. 54 of 1972)
- 6.2.4 National Health Act, 2003 (Act No. 61 of 2003)
- 6.2.5 Meat Safety Act, 2000 (Act No. 40 of 2000)
- 6.2.6 Second-Hand Goods Act, 2009 (Act No. 6 of 2009)
- 6.2.7 National Road Traffic Act, 1996 (Act No. 93 of 1996)
- 6.2.8 Liquor Act, 2003 (Act No. 59 of 2003)
- 6.2.9 Local Government: Municipal Finance Management Act, 2003, Municipal Asset Transfer Regulations (Gazette No. 31346 – Regulation No. 878)
- 6.3 City of Cape Town's existing policies and by-laws are contextually relevant and have implications for the implementation of this policy, that include (but not limited to):

Policy/By-law	Relevance
6.3.1 <i>Informal Trading Policy, 2013 and Bylaw, 2009;</i>	Regulates and manages informal trade within the City. Includes details, parameters and processes related to informal trading permits as well as the formal establishment of markets as part of the trading plan development.

6.3.2 <i>Events Policy, 2013 amended 2020 and Events By-Law, 2016;</i>	This policy and bylaw outlines the City's approach and regulations related to events. Some events include a market element or it is a market based event.
6.3.3 <i>Urban Agriculture Policy, 2017;</i>	Markets form part of the larger value chain of urban agriculture and can support fresh produce markets and local sustainable food systems.
6.3.4 <i>City of Cape Town's Streets, Public Places and the Prevention of Noise Nuisances By-Law, 2007;</i>	The City has an obligation to regulate public nuisances in public spaces that includes public markets.
6.3.5 <i>Outdoor Advertising By-Law, 2024;</i>	Relates to the regulation of advertising and signage in public spaces. All advertising and signage is subject to the Bylaw.
6.3.6 <i>Environmental Health By-law, 2003;</i>	This Bylaw relates to the prevention and suppression of health nuisances to improve general environmental health. Functions include the issuing and enforcement of health certificates for food traders and improve hygiene practices and general environment health (as per the Foodstuffs, Cosmetics and Disinfectants Act, 1972 and relevant regulations).
6.3.7 <i>Municipal Planning By-law, 2015;</i>	Regulates land use and development management (including building regulations).
6.3.8 <i>Urban Design Policy, 2013;</i>	The intention of this Policy is to guide the design process and formulation of development proposals so as to make Cape Town safer, more prosperous and more inclusive.
6.3.9 <i>Management of Certain of the City of Cape Town's Immovable Property Policy, 2010;</i>	Manages the use of City of Cape Town properties that include spaces dedicated for market spaces (or allows economic activity).
6.3.10 <i>Immovable Property Asset Management Policy, 2015;</i>	Manages the use of City of Cape Town properties that include spaces dedicated for market spaces (or allows economic activity).
6.3.11 <i>Supply Chain Management Policy;</i>	All tender processes will have to abide by all Supply Chain Management processes.
6.3.12 <i>Policy on contributions to the City of Cape Town, 2015;</i>	This Policy aims to provide the mechanism that will enable the City to solicit and accept contributions thereby enabling the City to better leverage its position and resources for social and economic development of the City and its communities.

7. POLICY PARAMETERS

7.1 This Policy is **applicable to**:

7.1.1 All markets that operate on City-owned properties within the City's municipal area. This includes permanent or recurring markets (e.g. weekend or regular seasonal markets) on City-owned property.

7.1.2 This policy is applicable to market operators, market managers, service providers and traders that operate at markets (as it pertains to market rules), noting that for some markets individual permits such as informal trade permits and permissions continue to apply as per Bylaws of the City of Cape Town.

7.2 This Policy is **not applicable to**:

7.2.1 Markets operating on land not owned by the City.

7.2.2 Events within the City's jurisdictional area, which may in any way require the services of the City, have implications for public safety, the environment and local communities and which occur in a public or private place as contemplated in the City's Events By-law, 2016, and the Safety at Sports and Recreational Events Act, 2010 (Act No. 2 of 2010).

7.2.3 Informal Traders trading in designated trading bays with trading permits in areas with trading plans outside designated markets as per the City's Informal Trading By-Law.

8. ROLEPLAYERS AND STAKEHOLDERS

8.1 In supporting market development, **the City** will focus on its roles as:

8.1.1 **Regulator:** Creating an enabling regulatory environment (including appropriate policies and by-laws) for markets, and establishing efficient procedures for the establishment and management of markets on City-owned land. Importantly the City also has a role in ensuring a safe and healthy environment, and therefore has a role as an enforcing regulator.

8.1.2 **Facilitator:** Facilitating improved opportunities for traders to develop and sell products through increased access to quality market spaces.

8.1.3 **Promoter:** Actively promoting markets as platforms for economic activity, entrepreneurship and social interaction.

8.1.4 **Initiator:** Adequately resourcing the implementation of the Market Management Policy and accompanying procedures.

8.2 This policy relates directly **to internal City departments** involved in informal trader management, market management, precinct management that include city improvement districts, basic service provision and infrastructure development, skills and business development among other departments. Specific internal coordination between departments will be defined outside of this document in Standard Operating Procedures as well as specific market agreements or written agreements as required.

8.3 **External stakeholders** include:

8.3.1 Potential and current market operators;

8.3.2 Potential and current service providers operating at markets on City land;

8.3.3 Traders and Trader Organisations;

8.3.4 Other retailers both formal and informal in the community surrounding relevant markets;

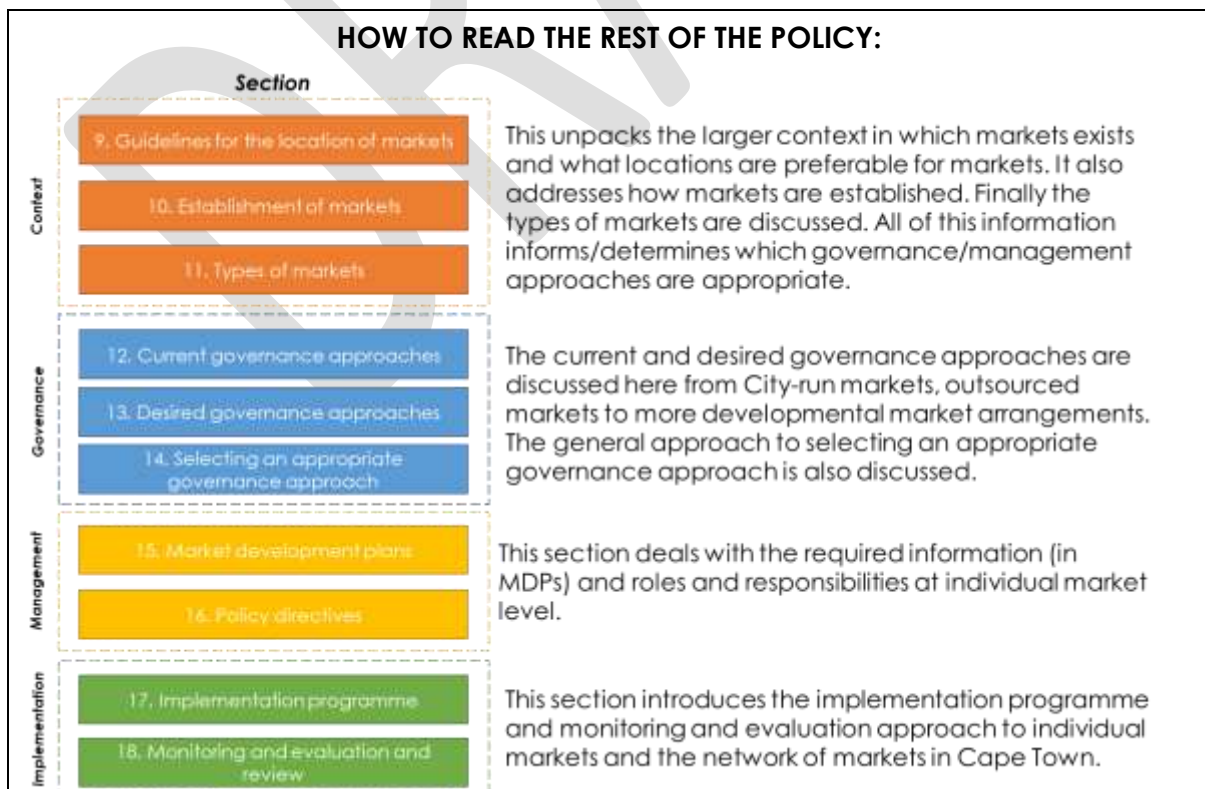
8.3.5 Community organisations and Neighbourhood Watch Groups;

8.3.6 Local producers and manufacturers;

8.3.7 Tourism sector participants;

8.3.8 Other spheres of government; and

8.3.9 General Public.



9. GUIDELINES FOR THE LOCATION AND DESIGN OF MARKETS

- 9.1 Markets need to be **accessible** and close to and along transport routes and other civic and economic opportunities.
- 9.2 The possibility of **clustering** smaller or less sustainable markets with bigger or more sustainable markets should be considered.
- 9.3 Markets should **promote 'placemaking'**, which requires:
- (a) Accessible and well connected public transport and non-motorised transport routes;
 - (b) Places that are comfortable and present a positive image;
 - (c) A flexible place used for a range of activities;
 - (d) A social and cultural place where people meet each other and take visitors to;
 - (e) Places that can accommodate and promote local culture, heritage and arts and culture activities; and
 - (f) Sufficient, safe and appropriate auxiliary services such as public ablution facilities, storage and other related services.
- 9.4 As public spaces, markets should allow for and **promote social integration** (of income ranges, gender, religion and ethnicity).
- 9.5 Markets need to be configured in a way that **enhances the safety** of traders and customers. Market stalls need to be well-spaced, customer friendly and allow for safe transacting.

10. ESTABLISHMENT OF MARKETS

- 10.1 Markets are established through the City's Informal Trade Policy and Bylaw, which permits economic activity in certain metropolitan areas subject to the conditions of the By-law. Typically, a market means a demarcated area within a trading area which is designated as such in a trading plan and which is managed in a co-ordinated manner, as per the City's Informal Trade Policy and Bylaw). As such, in the process for enacting a designated market the City will :
- (a) Ensure that as part of the trading plan development and review consider current and new market sites and designate them accordingly;
 - (b) Investigate the appropriate sites, identifying the departmental custodian and comment from relevant internal departments, negotiate the permission to trade, ensure management of the site,

- advertise, and confirm the final market designated footprint via Council (as addendum to trading plans where relevant);
- (c) Consider recommendations from the public for the creation of new market sites;
 - (d) Consider the de-activation of sites should they be found to be detrimental to the desired outcomes of this Policy (and another relevant Policies and Bylaws) or should the City deem a market site not to be in the best interests of the community; and
 - (e) Maintain a map with locations of all markets on its website.

11. MARKET TYPOLOGIES

11.1 The City will accommodate the following range of markets on City-owned land:

<i>Market Type</i>	<i>Description</i>
<i>11.1.1 General Market</i>	A market is a demarcated area within a trading area and is designated as such in a trading plan, as per the City's Informal Trading Policy of the City of Cape Town. Typically it means areas where aggregated traders are located and is managed in a coordinated manner and includes additional management services explicitly directed at the market, such as security, waste management, marketing and promotions and trader management among other aspects.
Other market types	
<i>11.1.2 Food Market</i>	Means a market in which the sale of fresh produce and food is predominant which can include prepared and unprepared food. These markets require additional hygiene intervention, certification and specialised infrastructure and services ² .
<i>11.1.3 Mobile Business trading areas</i>	Means identified City-owned public land within the Cape Town metropolitan area from which permitted mobile businesses will operate, as per the Mobile Business Policy of the City of Cape Town.
<i>11.1.4 Seasonal and Roving Market</i>	Means a market that occurs regularly at a certain period of the year typically associated with popular cultural, religious, community and harvest days or periods.
<i>11.1.5 Event Market or Pop-up Markets</i>	Means a 'once-off' market designated as an event or an event that has a market/trade component as part of the event. These markets are excluded from this Policy (although these markets could become permanent markets in the future, if viable and established as per section 10 of this Policy).

² Note that additional hygiene interventions, certification such as environmental health certification and specialised infrastructure may be needed in other markets as well.

12. CURRENT GOVERNANCE APPROACH

- 12.1 The City's Informal Trading Policy makes provision for outsourced management (subject to competitive tendering) of market sites. Successful tenderers are granted the management contract for a specific period. Management agents are required to sign a legally binding agreement with the City, which sets out the responsibilities of each party, and penalties for non-compliance.

13. DESIRED GOVERNANCE APPROACHES

- 13.1 For markets that are functional both 1) governance and 2) the specific management model needs to be clear. In the context of markets, governance refers to the rights to control space, evaluate stakeholder needs and direct action and monitor performance. Management responds to the curation and then the plans, structures, operational needs and monitoring activities (refers to day-to-day activities). This Policy sets out options or approaches to market governance (City-led or outsourced models) and provides high-level guidance on day-to-day management requirements.

- 13.2 When the City determines the appropriate governance approach for a specific market, the surrounding community context as well as the market opportunity, curation and content should inform the approach. Contextual and market-specific considerations are key for determining successful outcomes.

- 13.2.1 Contextual considerations include but is not limited to:

- (a) Locational attributes and advantages such as being located in a business district or close to a tourist attraction;
- (b) The general urban context such as general service delivery levels and capacity as well as potential safety and security concerns;
- (c) Other markets and retail activities in the surrounding neighbourhood as well as considerations such as market saturation;
- (d) The local market and consumer base of the market;
- (e) Surrounding residents as well as potential visitors and tourists;
- (f) Access to public transport links and interchanges; and
- (g) Local manufacturing, producers as well as local food production.

- 13.2.2 Market specific considerations include but limited to:

- (a) Current governance model or approach in place and the success thereof (if existing market);
- (b) Current state of repair of infrastructure and what services are available on site;
- (c) Current availability and condition of ablution, storage facilities and other trading infrastructure;
- (d) Current trader mix as well as products and services offered;
- (e) Current financial viability of market including supporting current onsite services; and
- (f) Current and future customer base, which is impacted by accessibility of the market to direct surrounding community as well as the larger region or city as whole.

Governance Approaches

13.3 The City-run management model should also be considered for those markets that are too small or have the limited potential to become sustainable, independent entities in the short and medium term.

13.4 For markets which have the potential to be outsourced, the External Operator and relevant Service Providers are preferred as per the available approaches outlined below:

13.4.1 The **External Operator approach** is most often applicable to markets operating for a commercial return for the operator and which have high value potential where their investment in services, capital investments (CAPEX) and the overall market related head lease³ or management agreement or both can be justified which may include adequate remuneration paid to the City to run the market. It is likely that the external operator would manage traders directly and charge traders fees accordingly.

13.4.2 The **Hybrid approach** is aimed to outsource specific aspects of a market to a service provider such as security, management of ablution facilities, cleaning among other services through an appropriate written agreement. The City remains responsible for other operational management aspects of the market including management of individual traders through permits. It should be noted that separate agreements can be made with surrounding land owners that can provide specific services or facilities such as storage or ablution facilities.

³ Subject to Municipal Asset Transfer Regulations and relevant City policies and Bylaws.

13.4.3 The **City managed approach**, is where the City is responsible for all aspects of the market, including investing in capital improvements and maintenance. This approach is suggested for markets that are not likely to be financially sustainable in the short term, but they offer economic and social opportunities for residents and visitors. The City will be responsible for individual informal trader management and collect permit fees.

13.5 The potential exists for multiple markets in close proximity to be managed collectively where shared facilities or management approaches could be combined, while ensuring that the individual markets maintain the agreed standards.

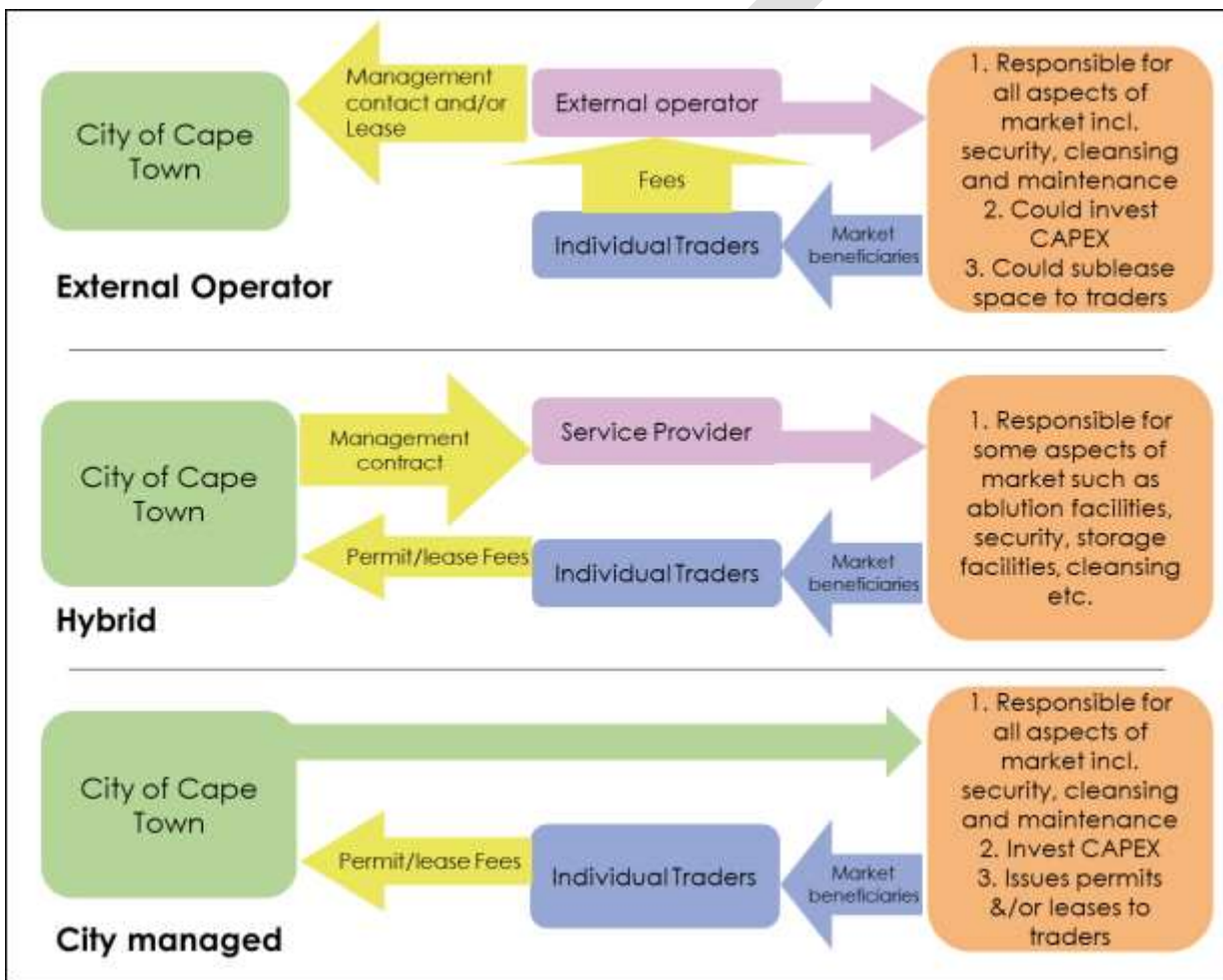


Figure 1: Main governance approaches with indicative roles and responsibilities outlined

13.6 The overall policy strives to be as **developmental** as possible and as such the City recognises that both markets as well as market operators, existing and aspiring may require some development and training. As such the City will develop structured support and training programmes which will include aspects including but not limited to:

13.6.1 Establishment of market 'entities' which the City can establish formal agreements with (if they don't exist);

- 13.6.2 Create formal systems, procedures and rules for the Market;
 - 13.6.3 Stabilise the operations of the Market, Brand, Communicate and market the Market;
 - 13.6.4 Develop and facilitate training and capacity-building activities for Market and the Market Entity; and
 - 13.6.5 Develop an Operational Business Plan for the Market.
- 13.7 As discussed below, governance approaches are required to be dynamic and change according to current market conditions and that of the larger precinct level conditions. For example, the City may at first manage a market, that is currently underdeveloped or emerging, and then through investment, identification, and appointment of appropriate service providers or market operators can move towards other approaches. This is considered as a maturity approach, where the City will continually strive to improve the sustainability of markets.
- 13.8 Irrespective of the governance option double payment by traders must not be allowed. This means that any applicable fee, lease or other payments by traders should either be to the City or an outsourced entity, not both.
- 13.9 Each market should be managed with defined boundaries, a clear market operator (or alike) and an operating budget. This will allow for focused operations, investment and development.
- 13.10 The market operator for each market together with the City should develop the vision and market theme, criteria for traders, a database and the Market Development Plans (MDP).

14. SELECTING AN APPROPRIATE GOVERNANCE APPROACH

- 14.1 The appropriate governance approach as discussed above should be determined by contextual as well as market-level conditions. At a basic level when the City considers the potential of a particular market it should consider the current—
- 1) opportunity;
 - 2) resources; and
 - 3) management capacity (Timmons Model for Entrepreneurial Process⁴).

⁴ The Timmons Model of Entrepreneurship considers opportunities, teams, and resources as the three critical factors available to an entrepreneur and holds that success depends on the ability of the entrepreneur to balance these critical factors. Opportunity refers to the market potential or gap that exist for a particular business or market (for goods and services provided).

14.2 Based on these factors markets have differing levels and potential for self-sustainability. Some markets may have low levels of opportunity, resources and current capacity but may still fulfil important functions from a livelihood and access to goods and services perspective. On the other hand other markets may have high potential, resources and high capacity management teams in place. Not all markets can be large or highly profitable (for operators and traders) but they can still fulfil an important function. Below graphic show-cases this continuum based on the opportunity, resources and capacity noting that by intervening in these factors through appropriate governance models some markets may progress towards self-sustainability.

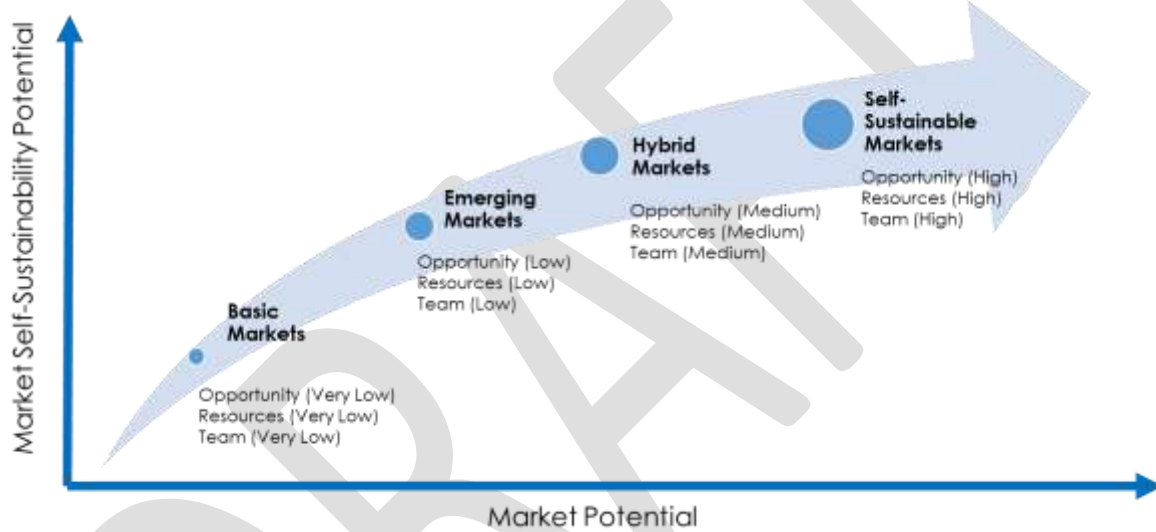


Figure 2: Development potential of markets

14.3 Linked to the current and future potential of a market, the governance approaches discussed in the previous clause should be selected – noting that as the potential changes overtime, the governance approach might need to change as well. The graphic below unpacks the level of City and private sector involvement with regards to market management. The overall approach is that the City will largely be more involved in markets with the lowest potential to improve sustainability over time. The City should also play a role, with partners, to facilitate the development of larger markets that become destinations for locals and visitors. Incrementally, as the potential of a market improves, it will be more attractive to private sector investment and involvement. As discussed in the next clause each

Teams refers to the human resources or talent available to unlock opportunities and manage resources. Finally resources include financial and other resources and the use of resources to build a particular business or in this case market.

market requires a Market Development Plan that outlines each market's journey towards improving potential and self-sustainability.

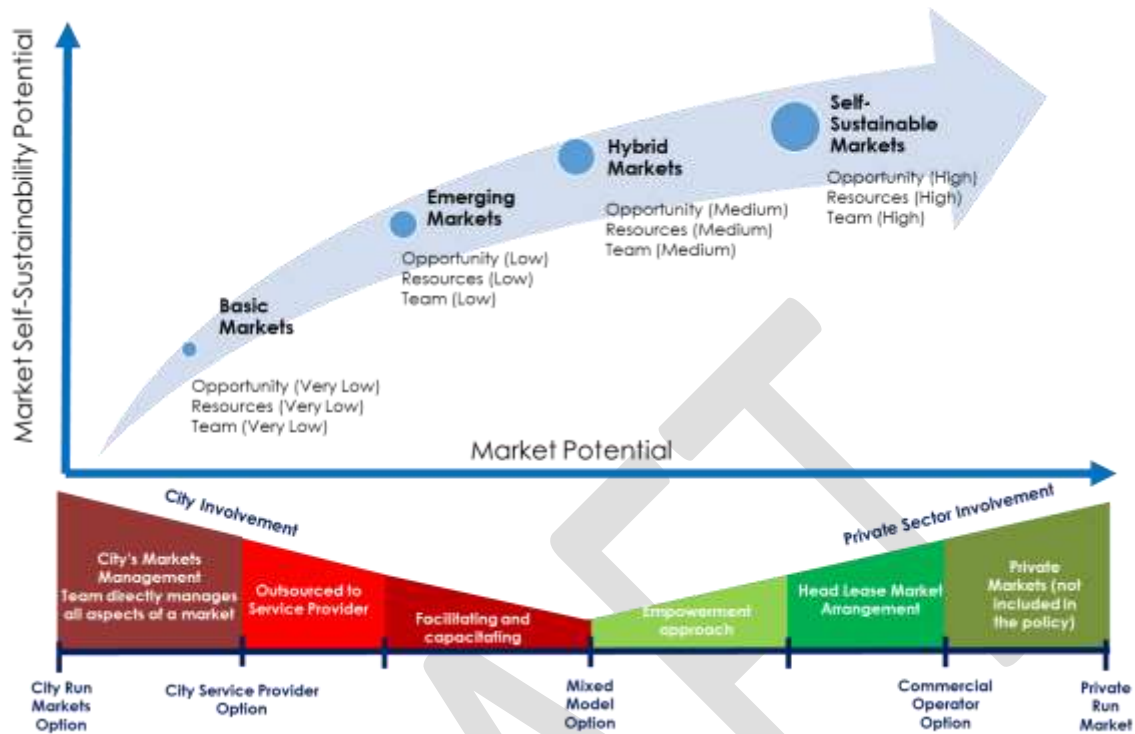


Figure 3: Market potential paired with the level of involvement of public and private sectors

15. MARKET DEVELOPMENT PLANS

- 15.1 The City as custodian of City-owned land, has a developmental role, and should therefore play an active role in facilitating the development of a Market Development Plan (MDP) for each market on City-owned land over time.
- 15.2 Each market requires an MDP to ensure successful management and development of the market. This should be facilitated by the market manager (whether appointed by the City or a market operator).
- 15.3 The MDP is to be submitted to the City for approval as part of the application process. Existing markets without MDPs should develop their plans over time.
- 15.4 The MDP will outline the ways in which a market will be developed over time into a more inclusive and cohesive public space managed under a business structure.
- 15.5 The market operator will be responsible for development of the market in accordance with the MDP. This includes the management of the product and trader mix to ensure relevance to the target customers, eliminate illegal goods trading, and increasing revenue.

- 15.6 Each MDP should outline a series of performance indicators relevant to the specific market, which will form the basis of reporting to the City by the market operator.
- 15.7 Market activities forming part of the MDP could include additional activities (e.g. holiday markets), to draw additional footfall and increase awareness of the market. Other income generating opportunities such as outdoor advertising could also be considered (governed by the City's Outdoor Advertising Bylaw, 2023). Market income and expenditure should be managed effectively to ensure that all financial responsibilities and reporting are met.
- 15.8 Ideally an MDP should have the following elements noting that the City will develop guidelines and templates which will be available on its official website and on request through identified City offices:
- 15.8.1 Identification and involvement of key stakeholders;
- 15.8.2 An integrated vision for the specific market;
- 15.8.3 A business model based on:
- (a) Identification of current and potential customers; and
 - (b) Consideration of the trader as well as product mix or diversity of products aimed at supporting the overall vision for the market and customer profile.
- 15.8.4 Infrastructure and layout development plans and budgets;
- 15.8.5 Operational and marketing plans and budgets;
- 15.8.6 An integrated and agreed governance and management approach;
- 15.8.7 A business structure supporting the vision, business model, operational and marketing plans and management model;
- 15.8.8 Operational and capital expenditure budgets; and
- 15.8.9 Identification of potential investors (if applicable).
- 15.9 The governance approach and MDP should be tailored according to the typology of market. The following plans/elements are required as part of the MDP and application process:

<i>Element/section</i>	<i>Description</i>
15.9.1 <i>Site layout plans</i>	Means a plan or map detailing the overall layout of the market site, that includes but not limited to (and if applicable): locations of trading sites, walking areas, entrances and exits, basic services, trading structures, ablution and storage facilities, entertainment areas including speaker locations if applicable, location of food traders, etc. Off-site services should also be indicated

	including access to services e.g. parking sites, ablution facilities etc.
15.9.2 Fire, Safety and Security plan and approach	<p>Means a plan that outlines how safety (including fire and security) will be addressed in and directly around the market site. This includes noting emergency access, exits and gathering points, fencing and other safety features etc.</p> <p>Additionally a certificate should be attained from the City's Fire and Rescue Department confirming that the market has undertaken the relevant fire safety checks and that these have been met with approval by the relevant authority.</p>
15.9.3 Traffic (and Parking) management plan and approach	Means a plan or details that outline the traffic impact of the site including where customers and traders will park and how deliveries will be made. Additionally pedestrian and non-motorised transport access and safety should be considered inside as well as outside the facility.
15.9.4 Waste management plan and approach	Means a plan depicting how the market will ensure the self-containment and appropriate disposal of all waste generated by the trader/businesses, including that which is consumed by its clientele.
15.9.5 Temporary structure permissions (if applicable)	If temporary structures such as large tents will be set up, by the market operator on site, details need to be provided.
15.9.6 Confirmation of public liability insurance (if applicable)	<p>The applicant needs to outline what the public liability insurance* that is or will be in place. This includes relevant disclaimers and signage should also be outlined in the plan.</p> <p><i>*Public Liability Insurance protects the market operator and employees if they found to be legally liable for third-party claims suffered by them in connection with your business or on the business premises. This may include injuries and loss of or damage to property.</i></p>
15.9.7 Outline of planned events	Noting permissions for such events occurs according to the Events Policy and Bylaw of the City of Cape Town.
15.9.8 Outline of noise generation activities	The applicant needs to outline activities that result in an increase dBA (volume) levels to the surrounding community. This includes set up times, operating hours, any entertainment, etc.

16. POLICY DIRECTIVES

General principles

- 16.1 The City supports the operation of sustainable markets within the City that reflect the lifestyle and cultural diversity of the area, enhance tourism and the social and economic well-being of City residents and visitors.
- 16.2 Events based markets on privately owned land that impact on City services requires approval through the Events approval process – as determined by the City of Cape Town Events Policy and Events Bylaw.
- 16.3 To ensure a focused and coordinated approach to the management of market spaces, the City will endeavour to appoint a market operator to manage each market operating on City-owned and City managed property. In the case of various small markets that are in close proximity, they could be managed together through a relevant market management approach.
- 16.4 In the appointment of market operators, appropriate consideration will be given to:
- 16.4.1 Leveraging relationships with the City's existing area-based strategic partners in the relevant area;
 - 16.4.2 Engagement and buy-in from local community stakeholders with regards to the overall design and vision for the market that includes how the market fits into the larger community's character (including heritage and cultural aspects);
 - 16.4.3 Commitments from market operators to manage markets in an environmentally sustainable manner (for example: by promoting environmentally friendly packaging and bagging, responsible waste management and recycling);
 - 16.4.4 Commitments from market operators to encourage the sale of locally designed, produced and manufactured goods;
 - 16.4.5 Commitments from market operators to encourage and promote participation by local producers who wish to sell local farm produce and food products;
 - 16.4.6 Commitments from market operators to support the entrepreneurial development of the traders in the markets for which they are responsible;

- 16.4.7 For markets where food are sold, commitments from market operators to ensure that all food traders have the required health certification in place before they allow them to operate at the market; and
- 16.4.8 For markets where food are sold, commitments from market operators to encourage a mix of food traders to offer clients healthy eating choices.

Existing markets

- 16.5 Where markets are located on City-owned property, the City may, from time to time and through relevant processes, request that interested parties manage the market(s) in question.
- 16.6 Market operators must enter into an appropriate written agreement with the City, outlining the rights and responsibilities of the market operator, and the support to be provided by the City.

New markets

- 16.7 The City encourages proactive identification of City-owned land and buildings for markets and will establish a mechanism through which such opportunities could be brought to its attention. The City will strive to facilitate the development of markets that become destinations for locals and visitors alike.
- 16.8 When an individual or organisation proposes a space for a new market, the party does not automatically assume the role of a market operator. The appointment of the market operator must still go through the relevant legal processes.
- 16.9 Market operators on new sites will have to enter into a written agreement with the City, outlining the rights and responsibilities of the market operator, and the support to be provided by the City.
- 16.10 As part of the process of identifying and appointing a market operator for a new market space, the City can:
 - 16.10.1 Conduct feasibility assessments to determine the viability, durability and sustainability of a market in the identified space;
 - 16.10.2 Engage with surrounding community on the desirability of operating a market in the identified space; and
- 16.11 The City has the sole discretion to approve the establishment of a market designated footprint as per the City's Informal Trading Policy. Additionally the City has the sole discretion to approve or decline any application for a market with due consideration and applicable legal and appeal processes.

Roles and Responsibilities of market operators

- 16.12 Prospective market operators may respond to requests for interest from the City for the operation of markets on City-owned property.
- 16.13 Market operators will assume responsibility for:
- (a) An open, transparent and fair process to attract and recruit traders to trade at the market (dependent on the market governance approach);
 - (b) Entering into formal written agreements with all traders outlining the rights and responsibilities of both the market operator and the trader;
 - (c) Maintain relevant health and safety standards as required by relevant City Policies and Bylaws and allow authorised officials to conduct required assessments;
 - (d) Ensuring the adequate financial management of the market;
 - (e) Obtaining and maintaining public liability insurance;
 - (f) Maintaining safety and security at the site and developing a safety plan where applicable;
 - (g) Cleaning and maintenance of the site and related facilities (such as ablution facilities) and developing a waste management plan where applicable;
 - (h) Ensuring minimum disruption of traffic and development traffic management plans where applicable. This includes consideration of parking and access for non-motorised transport;
 - (i) Ensuring the management of noise and air pollution from the site and development of noise management plans where applicable; and
 - (j) All relevant 'objectives/commitments' as outlined in the MDP as well as any other legal requirements and agreements with the City.
- 16.14 Within 12 months of commencing operations at a particular market, market operators must provide the City with annual financial reports detailing the number and type of stalls, fees collected, site maintenance performed and any donations made or benefits accrued to non-profit organisations within the local community.

Roles and responsibilities of the City

- 16.15 The City will identify and map all markets, including capturing characteristics and attributes of markets, that operate on City owned land

and maintain such a database for management, oversight and possible marketing purposes.

- 16.16 The City may provide a dedicated intermediary between market operators and the City to be the liaison between the two parties while simultaneously fulfilling the role of monitoring and evaluating the market.
- 16.17 The City will inform existing traders operating in markets about the changes in the City's approach to a specific market, and provide a notice period to align with the procedure standards of this Policy.
- 16.18 Where markets operate on City property, the City may invest in appropriate supporting infrastructure subject to available capital budget, Council approval and case-by-case necessity, in line with relevant norms and standards. The City may also partner with the private sector or other community organisations in providing such infrastructure abiding by relevant supply chain processes.
- 16.19 The City will develop criteria to assess the performance of markets. This set of criteria will be included in the agreements with market operators and will be used to review the performance of markets, at appropriate times, to ensure their sustainability and viability.
- 16.20 All markets will be subject to regular inspections at least once per quarter by authorised officials to ensure compliance with the provisions of this Policy, the Occupational Health and Safety Act and other relevant legal and policy frameworks.
- 16.21 The relevant stakeholders and the surrounding communities should be consulted as per required public participation processes in relation to markets on City-owned property. Market operators are encouraged to engage with relevant stakeholders as part of the application process and operations to continually understand their needs.
- 16.22 To support the contribution of markets to the informal sector, the City will:
- (a) Conclude the appointment of market operators in a speedy and efficient manner;
 - (b) Improve efficiency of permitting and licencing where possible;
 - (c) Ensure that traders are informed about the City's and partners programmes in support of small businesses;
 - (d) Develop with market operators and partners a market management and manager training programme to continually improve operations; and

- (e) Provide market operators with economic research intelligence (when applicable and available).

Roles and responsibilities for a market manager

16.23 All markets need to be managed by a responsible entity, whether it is the City or an external party such as a service provider. In order to ensure effective management, the roles and responsibilities for any market manager, whether appointed by the City or third party, is required. It should be noted that multiple smaller markets could be managed by one market manager but key roles should still be fulfilled as outlined below.

16.24 The duties of a market manager can be divided into the following categories:

- (a) Management of daily operations;
- (b) Facilitate the development of the market as a business;
- (c) Facilitation of trader management, training and development including aspects of improving food safety, waste management etc.;
- (d) Facilities management;
- (e) Marketing and branding of market; and
- (f) Stakeholder management.

Management of daily operations

16.25 The assessment of specific aspects is needed in order to make operational decisions. These include but not limited to:

- (a) Overall environmental conditions;
- (b) The number and details of permanent traders present;
- (c) Adherence to operating times and setup rules;
- (d) Noise levels and other problem issues;
- (e) The applications/registrations of traders;
- (f) Checking and vetting of the traders and product mix;
- (g) Suitable ablution facilities (on or off-site but should be easily accessible by customers and traders);

- (h) Suitable and safe storage spaces (on or off-site but should be easily accessible by traders);
- (i) Recording of the location, size and cost of external storage and parking (not provided by the market or onsite); and
- (j) Checking of infrastructure e.g. stall structures.

16.26 The market manager must consider relevant emergency services, health and safety, and traffic management as per the relevant City by-laws. This may include relevant access and arrangement in case of emergency situations.

16.27 The market manager needs to draft and implement market rules, regulations, standards and procedures in consultations with the key stakeholders.

16.28 The market manager should stabilise the market operations, and record statistics relevant to the market. Such information should include busiest times (daily and seasonal), stall and storage infrastructure, financials, weather conditions, products etc. This will assist with continuous and future planning for the improvement of the market.

16.29 The market manager must provide access to authorised officials for enforcement and compliance matters as it relates to informal trade and other legislation and bylaws. The market manager must alert authorised officials if they observe City bylaw infringements.

Facilitate development of the market as a business

16.30 The market operator will be responsible for development of the market as a business in accordance with the MDP. This includes the management of the product and trader mix to ensure relevance to the target customers, eliminate illegal goods trading, and increasing revenue.

16.31 Market activities should include additional events (e.g. holiday markets or music festivals), to draw additional feet and increase awareness of the market. It should be kept in mind that currently, events are managed separately by the City therefore they will need to play a regulatory and oversight role. Other income generating opportunities such as outdoor advertising should also be considered (governed by the City's Outdoor Advertising Bylaw, 2023).

16.32 The market manager may be responsible for marketing and advertising of the market. This could be done via tourism outlets, community newspapers and radio, the internet and social media, word-of-mouth, competitions and others. The City could also advertise the markets through its official website.

Facilitate trader management, training and development

- 16.33 The management of traders should include screening, checking allocation of spaces, settling of disputes and allowing the monitoring of compliance of City rules and regulations by authorised officials.
- 16.34 The market manager should facilitate training opportunities and initiatives e.g. business skills development, customer relations including support services such as those provided by the City.

Facilities management

- 16.35 The market manager should be responsible for general maintenance and cleaning of infrastructure including hard surfaces, ablution facilities, lighting, buildings, furniture among other services as agreed with the City and according to City required standards. The market manager should ensure that traders understand the importance of cleaning and maintenance of infrastructure in terms of customer experience and the standards of the market. The manager should also coordinate and manage the provision of services of relevant service providers.

Stakeholder management

- 16.36 The market manager should identify key stakeholders around and related to the market and build good relationships with them. Stakeholders could include traders and traders associations, rate payers/civic organisations, churches, schools, businesses/business chambers, City lead departments and others.
- 16.37 The market manager should create and maintain appropriate forums for communication with stakeholders and the broader community. For example, management feedback meetings with the City should not include other parties. Different communication forums should apply to other stakeholder groups such as trader associations.

Process for the appointment of market operators

Existing Markets

- 16.38 Where an existing agreement is in place with a market operator, the City will work with operators to improve operations if required. When current agreements or leases lapse, standard legal processes must be followed.
- 16.39 The City will when appropriate advertise to attract market operators.
- 16.40 Interested parties will be expected to complete an application form to apply for the market operator position accompanied by a proposition of how the interested party envisions to make the market successful.

16.41 If the application is successful, the applicant may be required to enter an appropriate written agreement with City.

New markets

16.42 Persons wishing to propose a regular market on City-owned or City-managed property should complete an initial MDP identifying the property suggested for the market, and outlining why it is proposed for a market.

16.43 The department responsible for Area Economic Development will assess the proposal against factors outlined in clauses 9 and 14 among other factors in the first round of consideration.

16.44 Should the proposal meet the criteria in the first round of considerations, it will be then be tabled to an internal City committee (with representation of relevant departments) will determine whether further investigation into the feasibility of the market should commence.

16.45 Following the recommendations from the committee either a suggestion will be rejected or approved and may include further investigations by the City to determine the sustainability of the proposed market.

16.46 Should the proposed market be found sustainable and viable the City will conduct appropriate public participation to determine the desirability of a market in the proposed space.

16.47 If the City is satisfied that the market is generally supported by the relevant community, it will be advertised as per legal requirements.

16.48 Interested parties will be expected to complete an application form to apply for the market operator position.

16.49 If the application is successful, the applicant may be required to enter an appropriate written agreement with the City.

New/Current Market Management Assessment and Application Process

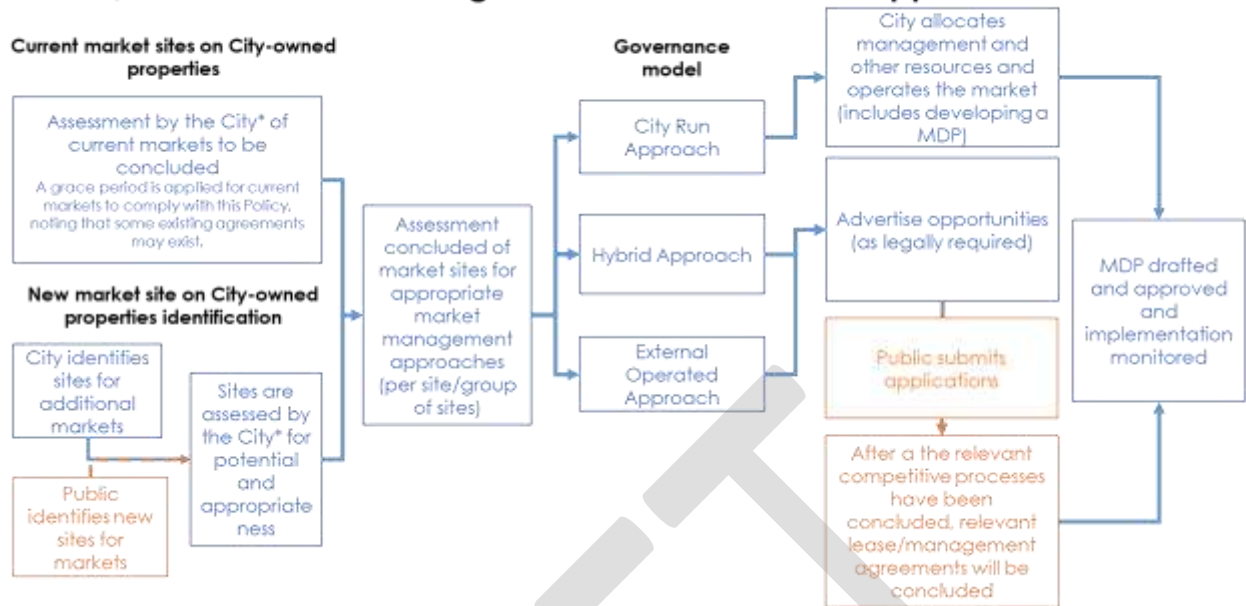


Figure 4: Illustrative assessment and application process for new and current markets

Stakeholder Engagement

Principles

- 16.50 Empowerment: in recognition that the informal sector is often fragmented, a particular effort is to be developed by the City to support and nurture informal trader organisations and their ability to participate in management of applicable markets.
- 16.51 Transparency: Make public information publicly accessible to market stakeholders, online as well as at relevant City offices. This includes meeting minutes and invites, announcements and any other market related information.
- 16.52 Equity and Inclusion: include all relevant stakeholders in policy and management of markets at the appropriate levels, with different degrees of engagement as appropriate. This includes encouraging diversity of representation on various platforms.
- 16.53 Communication: regular meetings with stakeholders, with draft meeting agenda forwarded to all stakeholders in advance, and meeting minutes circulated for all meetings. Communicating widely, utilising platforms that are accessible to all stakeholders.

Establishment of Market Committees

- 16.54 For City Managed and Hybrid approach, the responsible department in City should establish market committees over time, for each market for

consultation, recommendations and input, trading plans, trading management and monitoring, as well as resolution of issues that arise, relating to local market issues.

- 16.55 The market committee should ideally comprise of City officials, informal traders, and affected business and civil society organisations (that may include local civics and residents associations).
- 16.55.1 The market committee is to be chaired by a relevant City official, with a purpose of ensuring integration, conflict resolution, encounters and debates, daily administration etc.
- 16.55.2 Interested and affected non-governmental organisations and the community based organisations can be added to the committee subject to the approval of the Chairperson.
- 16.55.3 Traders shall elect / appoint their representatives to represent them in this committee. The names of representative shall be communicated to the committee with relevant evidence of meeting minutes/ resolution on their appointment.
- 16.55.4 The structure of the market committees should guarantee a strong voice for trader representation, which must constitute no less than 40% of the members of the committee.
- 16.55.5 The market committee should meet at least a month, in meetings planned in advance. The agenda for the meeting and minutes of the previous meeting shall be communicated by the chairperson to all members of the committee at least one week prior to the date of the meeting.

Roles and Responsibilities of Market Committees

- 16.56 Monitor and frame the conduct of informal trader's surveys, to keep latest record of the trading dynamics, in particular to ensure compliance with City bylaws and trading plan.
- 16.57 The committee can make recommendations to the City for defining the Trading Plan as it relates to the market and surrounds (determining trading areas, restricted trading areas and associated amenities).
- 16.58 The committee can make recommendations to the City about the 'holding capacity' of each trading area – determining the maximum number of traders to be accommodated in each market.
- 16.59 If there are more traders than 'holding capacity' of an existing market, or if there are new entrants into the market, the committee can make recommendations about the designation of new trading and demarcated trading sites.

- 16.60 The committee utilises a register to monitor attendance by traders and to resolve attendance issues.
- The committee must alert authorised officials if they observe City bylaw infringements.
- 16.61 The committee should ideally act as a platform to resolve disputes between traders and traders' organisations relating to the operations of the market.
- 16.62 The committee shall make recommendations in terms of the product mix viable for the market.
- 16.63 The committee shall listen and attempt to resolve issues related to infrastructure and services provided to the market.
- 16.64 The committee should decide matters that needs to be escalated to Area and Citywide committee meetings (and relevant City departments as applicable).
- 16.65 Through the chairperson, the committee can invite service providers or officials from line department to discuss service related issues, including finding local solutions.

Market Management Governance Structure

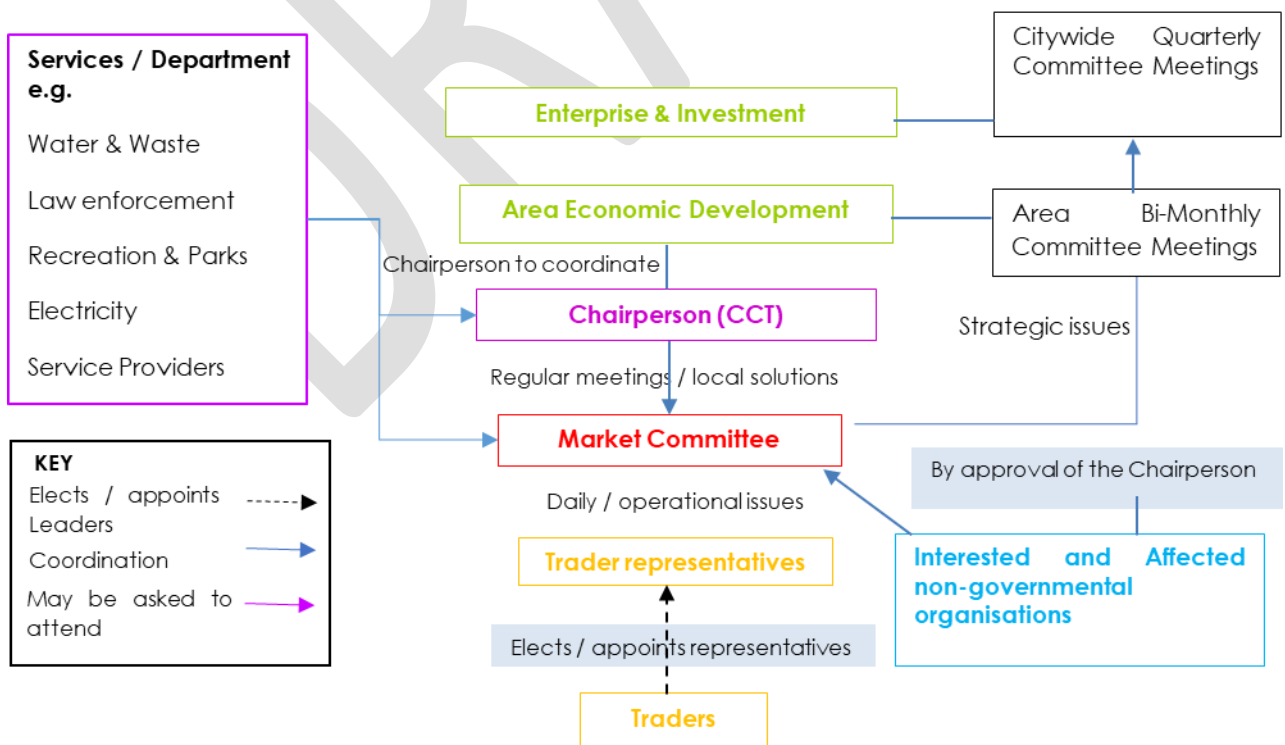


Figure 5: Illustrative market management governance structure

Rules pertaining to markets

16.66 The following rules should be noted in any contract or agreement between the City and a market operator.

Required permissions/ plans

16.67 The permissions/ plans required by different market typologies are summarised in *clause 15* and are subject to all other relevant City permissions and permits that are required by other City policies and by-laws.

General rules

16.68 All traders, including food traders must comply with all applicable City policies, by-laws, labour laws and all other applicable laws.

16.69 The market operator (or their designated agent) should ensure that the market and traders operate in compliance with current business, trading, signage, heritage, health and safety, food and other relevant legislation and City by-laws.

Rules for Food Markets

16.70 In addition to the rules above, the following rules will apply to Food Markets⁵:

- (a) The sale of live animals or birds is subject to the City's Animal Keeping By-law, 2021 and any other applicable legislation; and
- (b) All stallholders must label their produce or include signage at their stall to indicate the location of the farm/area where the produce was grown or sourced⁶.

⁵ Other regulations are relevant to food including the Foodstuffs, Cosmetics and Disinfectants Amendment Act's 1972 (Act No. 54 of 1972) including regulations. This includes Regulation 638 of 2018 – Regulations Governing General Hygiene Requirements for Food Premises, the Transport of Food and Related Matter is applicable. Businesses Act, 1991 (Act No. 71 of 1991) is also relevant as it deals with "Businesses in respect of which a licence is required" and also deals with "Sale or supply of meals or perishable foodstuffs" and "Hawking in meals or perishable foodstuffs".

⁶ The Foodstuffs, Cosmetics and Disinfectants Amendment Act's 1972 (Act No. 54 of 1972) Regulation 146 relating to the labelling and advertising of food.

Fees and Tariff guidelines

- 16.71 Depending on the governance approach and specific written agreement, relevant fees and remuneration between the City, external operators and service providers may be applicable.
- 16.72 All tariffs and permit costs as it relates to informal traders that trade at designated markets are determined by the City's Tariff Policy and reviewed annually as part of the budget process. Lease or management agreements and fees may be applicable to market operators.
- 16.73 Tariff fees are guided by trading patterns and various criteria that identify a type of trading area. For e.g. an area of high pedestrian turnover, covered roof and presence of facilities would generate a higher cost than an area offering less. Seasonal patterns will also impact the frequency of trading. For instance, winter or inclement weather might reduce the number of days or hours that the trader is able to trade.
- 16.74 Services provided by the market operator or City should also be taken into consideration (e.g. extra security, cleaning or provision of stall infrastructure).

17. IMPLEMENTATION PROGRAMME

- 17.1 Each informal trading market should be managed as an entity with defined boundaries, a market manager and an operating budget. This will allow for focused operations, investment and development.
- 17.2 This Policy will be implemented transversally by all departments across the City and in partnership with other spheres of government as well as community based organisations where applicable.
- 17.3 Details on the responsibility for various policy directives and the timeframes for implementation will be summarised in an internal implementation plan as well as an administrative standard operating procedures as required.
- 17.4 Due to the current state of markets, it will be necessary to stabilise operations, gather sufficient data about specific markets and build good stakeholder relationships before the establishment of long-term management models. A phased market management and development approach is therefore recommended:
- (a) **Phase 1 Transition/Incubation Phase:** Three to four years to implement management agreements with market managers to stabilise markets, develop long-term governance model, draft market development plan (MDP) aimed at long-term sustainability. The City should drive the development of MDPs for each market. An integral part of the plan should be the development of an

integrated management model for the market that has been negotiated and agreed with key stakeholders. Training and development of operators and traders should also be included in this phase. This phase will also focus on building market management capacity in the City as well as market operators and market managers.

- (b) **Phase 2 Matured Market Management:** This is the medium to long term implementation of MDPs and agreed management model for each market (including periodic reviews). The MDP and applicable management model should be implemented and each market developed as an independent business entity. This phased development model should result in well-run markets that benefit all users, and enable the City to gradually reduce its direct involvement in markets toward the end of Phase.

18. MONITORING, EVALUATION AND REVIEW

18.1 Appropriate performance criteria in relation to this policy will be developed and reported on as part of continued management of markets. Evidence for performance of markets can be collected in collaboration between market operators and the City that include:

18.1.1 For individual markets (among other factors):

- (a) Footfall counts;
- (b) Data and analysis regarding customer preferences and buying patterns;
- (c) Number of stalls or trading opportunities (vacancies, types etc.);
- (d) Trader turnover;
- (e) Trader feedback;
- (f) Customer demand/feedback;
- (g) Types of goods and services offered including whether it is locally produced, diversity of food offerings including healthy options;
- (h) Number of jobs created and local residents employed; and
- (i) Infrastructure, basic services and waste management status, needs and challenges.

18.1.2 Overall for all markets across the City:

- (a) Total number of markets operating including location, management approach and market type;
- (b) Total trading opportunities created through markets in areas as well as the City overall;
- (c) Overview of applications, their locations as well as rejections and approvals of new market sites;
- (d) Aggregate challenges and opportunities faced with current and proposed markets; and
- (e) Average length of time to establish a new market as well as time to appoint service providers or market operators if applicable.

18.2 The City department and directorate responsible for Area Economic Development will periodically report to the relevant Portfolio Committee and administrative leadership on the implementation of this policy, utilising evidence as outlined above.

18.3 This policy will be reviewed within five years of its approval by Council or as required, in consultation with relevant political leadership.