

RETAIL

Informal sector businesses must be incorporated into retail space

Implementing relevant policies would help ease the legal and technical processes for introducing informal businesses into the grocery retail space.

This was a recommendation from a submission by The Sustainable Livelihoods Foundation (SLF), with the DST-NRF Centre of Excellence in Food Security (CoE) and the Institute for Poverty, Land and Agrarian Studies, to the 'Grocery Retail Sector Market Inquiry'. South Africa's Competition Commission initiated the report.

He added: "Future shopping mall developments must be compelled to incorporate at least 25% (or more) space for local township businesses, and supermarkets should be compelled to carry a proportion of stock produced by smallholders."

Agricultural economist, Dr Tracy Ledger, said: "The issue of food prices doesn't end at retail level; it becomes a social issue; 80% of households in SA cannot afford a nutritious meal due to retail food price. "Tens of thousands of children

FUTURE SHOPPING MALLS MUST INCORPORATE AT LEAST 25% SPACE FOR LOCAL TOWNSHIP BUSINESSES

"Our submission argues that formal sector grocery retail is distorting food economies in ways which disadvantage other stakeholders of food value chains, [and that] much of the change required to level the playing field and limit the unfairness of structural conditions in the grocery retail space falls to government," said SLF director and CoE affiliate, Dr Leif Petersen.

"There is a need to both better implement current policy around small business development and the ideals of Broad-Based Black Economic Empowerment (BBBEE), but also new policy is required to support development of township micro-enterprise and suppliers," Petersen told *Farmer's Weekly*.

"Implementing policy includes amending and relaxing town planning laws to incorporate the residential reality of township informal grocery retailing, and easing the requirements for permitting and licensing in order to bring township business into a regulatory framework," he said.

under the age of five are admitted to hospital each year for severe acute malnutrition; children in South Africa are starving to death, according to official government health data." About 1 500 to 2 000 of those children die in hospital of starvation. "Many more children in South Africa die out of hospital than in hospital (up to 9 000) and the indirect effects of malnutrition are much higher," Ledger added.

Ledger suggested establishing an agri-food policy council to work on food security, and review the Marketing of Agricultural Products Act, which currently prevents government from intervening in agricultural markets.

"The people who are affected by these issues need to be included in these policy debates," she said.

Ledger recently published her book, *An Empty Plate*, which analyses the SA agri-food system. Shoprite said it could not comment while the inquiry was in process, and Pick n Pay had not responded at the time of going to print. – *Siyanda Sishuba*

