



The Msunduzi Municipality

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**MEDIA STATEMENT
To All Media**

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INFORMAL ECONOMY INFRASTRUCTURE DEVELOPMENT

The Msunduzi Municipality, Sustainable Development & City Enterprises introduces the **Informal Economy Infrastructure Development Project**. This project is an approach to encourage the spatial inclusion of informal traders into urban planning through the provision of infrastructure. The informal economy is the livelihood of many residents, it demonstrates vibrancy, flexibility and entrepreneurship and supports local supply chains.

The Msunduzi Municipality gives high priority to Local Economic Development in order to enhance the city economies, provide jobs for the growing city population and to augment the municipal budget. With a large segment of the population employed in the informal economy, the Municipality aims to, through radical economic transformation provide each legal informal sector business in the Msunduzi Municipality the opportunity to do business and grow their businesses.

The Development Services Sub-unit took the initiative to seek funding from the Department of Economic Development, Tourism and Environmental Affairs (EDTEA) for the refurbishment and development of new market stalls and facilities such as storage, cold-room facilities, ablution facilities (toilets) and waste management facilities (bins) within the City of Pietermaritzburg.

It is with great pleasure to announce that the Msunduzi Municipality was awarded a R4 000 000 (four million rand) grant by the Department of Economic Development, Tourism and Environmental Affairs (EDTEA) to realize the vision and objectives of refurbishing and redeveloping the informal Economy. The Msunduzi Municipality has allocated R1 000 000 (one million rand) budget in the 2021/2022 financial year to co-fund this project.

The Msunduzi Municipality has had a number of engagements with the informal traders within the City. In doing so, the Municipality has realized the importance of informal trading in a more conducive and structured work environment. The Municipality has further realized that the Informal economy as a sector creates a significant contribution to the economic and social life of the Msunduzi Municipality residents. This project will further assist in CBD regeneration programmes recently initiated by City.

In realizing this project, the Development Services Sub-unit achieves its strategic objectives, which are to reduce unemployment, increase economic activity and the optimal land usage. Moreover, the Development Sub-unit aims to achieve economic growth and the creation of equity within the informal economy towards providing a relatively easy entry point into the first economic activity for those previously excluded.

Yours in Communications

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