IMPACT OF UNDOCUMENTED FOREIGN NATIONALS ON THE INFORMAL ECONOMY
PURPOSE

- To provide a report on elements of criminality and attacks to undocumented foreign nationals during the period under review.
- To highlight the impact of undocumented foreign nationals in the City.
The functional city-region is coterminous with the administrative borders of the region, as affirmed by the Municipal Demarcation Board with 112 wards.

The population has grown particularly rapidly, thanks to migration that has made it to sky rocket to 3.379 million residents. This figure does NOT include foreign nationals (documented and undocumented).

This rapid growth translates to forced urbanisation which reinforces the spatial segregation instituted under apartheid, meanwhile, population growth has been concentrated in a few locations and resulted in a strong spatial polarisation, urban sprawl and tracts of under-utilised land between main urban centers.

This pattern of development not only reinforces existing inequalities but generates high economic and environment cost. If properly managed, however, the city’s potential for growth could be huge, with its direct implications to the Community Safety and Security portfolio in order to manage the harmonious relations between the government of the city, its inhabitants documented foreign nationals.

Across the organisation, globalisation is increasingly testing the capacity of the regional economies to adapt and exploit their competitive edge, while also offering new opportunities for regional development. This is leading public authorities to rethink their strategies. Moreover, as a result of decentralisation, central government no longer have the sole responsibility for development policies.
And further noting that:

- The need to pursue regional competitiveness and governance is particularly acute in metropolitan regions. Although they produce the bulk of national wealth, metropolitan economies are often held back not only by unemployment and distressed areas but because opportunities for growth are not fully exploited. Effective metropolitan governance is called for if a functional region as a whole is to reach its full potential.

Believing that:

- A **POLYCENTRIC CITY** such as ours requires innovative territorial developmental strategies and governance structure of a special type, in order to meet the circumstances of a rigorous transformation of the physical structure, content and spatial patterns; particularly with special focus on measures aimed at increasing and intensifying an integrated governance model.
ANC’S ROLE IN BUILDING A BETTER AFRICA: A prosperous, stable, secure and peaceful Africa remains an important objective of the ANC’s international relations policy. We have recognised from our establishment in 1912 that South Africa’s prosperity and success is linked to the success and prosperity of Africa. The concrete work done towards the achievement of the African renaissance since 1994 is the ANC’s response to the clarion call for the regeneration of Africa.

Africa was an important pillar of the strategy of isolating the apartheid state and the creation of a rear base for the armed struggle, a strategy that would help bring the apartheid state to its knees. After our liberation, we continued to work with fellow Africans to advance African unity, solidarity, development and integration. For this reason, we played an active part in the transformation of OAU into the African Union with improved capacity to respond to post-Cold War challenges in Africa.” – ANC National Policy Conference: IR Discussion Documents (2017)

Noting the above:

• It is imperative of the South African state under the stewardship of the ANC therefore, to continue engaging the African leadership both at political level and government environment to be aware of the concerted effort of building the democratic organ of the state to institute the laws that would regulate the movement of all people inclusive of our visitors such as the accommodation of refugees and asylum seekers in collaboration with the embassies in managing and monitoring the effects of the movement of the foreign nationals (documented and undocumented).

The Rule of Law

• The continuous undermining of the rule of law by South African firms and business undertakings in the employment of undocumented foreign nationals at the expense of South African citizenry under the watch of the Departments of Labour and Home Affairs must end.

• Illegal practices of businesses that are not approved under any law is a continuous disregard of the political efforts by the leadership of the country to bring about a better life of the South African citizens.
REPORT ON THE SEPTEMBER INCIDENTS
There were various incidents of criminality reported from 02 to 05 September 2019. Arrests were made by both EMPD and SAPS in COE. The City joined efforts with Province to normalise the volatile situation.
<table>
<thead>
<tr>
<th>DATE</th>
<th>AREAS</th>
<th>INCIDENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>02/09/2019</td>
<td>Vusimuzi Section</td>
<td>- Looting of Foreign National Shops</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Barricading of roads with rocks</td>
</tr>
<tr>
<td>02/09/2019</td>
<td>Motsu and Moriting Section</td>
<td>- 3x Foreign National Shops looted</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- 1x Foreign National was escorted by EMPD First Responder Unit out of the area with his remaining goods</td>
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<td></td>
<td></td>
<td>- 3x Community members fatally wounded by SAPS</td>
</tr>
<tr>
<td>03/09/2019</td>
<td>Sethokga Hostel(Nyarhi street)</td>
<td>- All Foreign National owned shops were looted and burned down</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- The looting spread sporadically in and around Tembisa</td>
</tr>
<tr>
<td></td>
<td>Umthambeka, Endayeni, Phomolong, Xubeni, Moriting, Mashemong and Oakmoor section</td>
<td></td>
</tr>
</tbody>
</table>
## SEPTEMBER 2019 INCIDENTS

<table>
<thead>
<tr>
<th>DATE</th>
<th>AREAS</th>
<th>INCIDENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>03/09/2019</td>
<td>Kempton Park CBD</td>
<td>EMPD (FRU) managed to disperse rowdy crowd and monitored the situation around the CBD.</td>
</tr>
</tbody>
</table>

### NORTHERN REGION ARRESTED

**A total of 25 arrests made in Tembisa**

- 02/03/2019 - 1 person was arrested for possession of suspected stolen property, malicious damage to property and public violence.
- 02/03/2019 - 12 people were arrested at Moriting Section
- 03/09/2019 - 3 people were arrested. EMPD officers recovered unlicensed firearm from a Foreign national who shot at looters and was charged with attempted murder in Mashemong Section.
- 03/09/2019 - 8 people were arrested for malicious damage to property and public violence in eXubeni Section.
# SEPTEMBER 2019 INCIDENTS - EAST

<table>
<thead>
<tr>
<th>DATE</th>
<th>AREAS</th>
<th>INCIDENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>02/09/2019</td>
<td>Actonville Hostel</td>
<td>• 1 Dead body discovered - shot by shop owner.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• 1 shop burned</td>
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<tr>
<td></td>
<td></td>
<td><strong>Hostel dwellers attacked foreign nationals in retaliation to the discovered body</strong></td>
</tr>
<tr>
<td>03/09/2019</td>
<td>Emandleni</td>
<td>• 1 hostel dweller was shot by a shop owner</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Foreign nationals chased out of informal settlements and 50 Foreign National were displaced</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• FRU and Tracing Unit deployed to monitor the volatile situation</td>
</tr>
<tr>
<td></td>
<td>Lindelani</td>
<td>• All Foreign National Shops were closed</td>
</tr>
<tr>
<td>DATE</td>
<td>AREAS</td>
<td>INCIDENTS</td>
</tr>
<tr>
<td>------------</td>
<td>--------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>02/09/2019</td>
<td>Germiston CBD</td>
<td>• Foreign National shops were looted</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Main Street was barricaded with rocks</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• EMPD FRU responded and cleared the area</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• <strong>Alberton</strong>: Old Veereniging road was barricaded with rocks.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• <strong>Vosloorus</strong>: Mguni Section, Sotho Section and Extension 28 - Foreign Nationals were attacked</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• <strong>Germiston Taxi rank</strong> there were attacks</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Somalian Nationals were chased out of Makause/Marathon informal settlement</td>
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<tr>
<td></td>
<td></td>
<td>• 2 Dead bodies recovered at Victoria Street in Germiston.</td>
</tr>
<tr>
<td>03/09/2019</td>
<td>Tokoza, Sotonga Mall</td>
<td>• Somalians attacked and shops looted</td>
</tr>
<tr>
<td></td>
<td>Boksburg</td>
<td>• Sotonga Mall was looted</td>
</tr>
<tr>
<td></td>
<td>Eden Park, Sky City Mall</td>
<td>• All shops were closed</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• EMPD FRU deployed at the mall for monitoring</td>
</tr>
</tbody>
</table>
### TOTAL ARRESTS
(02/09 – 16/09/2019)

<table>
<thead>
<tr>
<th>CRIMES COMMITTED</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public violence</td>
<td>73</td>
</tr>
<tr>
<td>Robbery and assault (GBH)</td>
<td>3</td>
</tr>
<tr>
<td>Business break-in, possession of suspected stolen property and public violence</td>
<td>52</td>
</tr>
<tr>
<td>Attempted murder and illegal possession of a firearm</td>
<td>5</td>
</tr>
<tr>
<td>Theft and burglary</td>
<td>8</td>
</tr>
<tr>
<td>Malicious damage to property</td>
<td>115</td>
</tr>
<tr>
<td>Murder and attempted murder</td>
<td>2</td>
</tr>
<tr>
<td>Discharging a firearm in public</td>
<td>3</td>
</tr>
<tr>
<td>Possession of suspected stolen property</td>
<td>4</td>
</tr>
<tr>
<td><strong>GRAND TOTAL</strong></td>
<td><strong>265</strong></td>
</tr>
</tbody>
</table>
In addition to making 265 arrests, the City provided shelter to displaced foreign nationals at DH Williams Hall in Katlehong and Tsholo Hall in Thokoza.

The City together with Department of Home Affairs assisted in the repatriation of 379 foreign nationals to their respective countries.
2

GENERAL IMPACT OF UNDOCUMENTED FOREIGN NATIONALS
COE is faced with complex socio-economic challenges:

- High youth unemployment, poverty and inequality
- Encroachment by foreign, undocumented immigrants and marginalisation of locals
- The increased number of hawkers negatively impacts the City’s capacity to enforce by-laws.
- Increased illegal mining activities. Approximately 70% of all arrested illegal miners in the City of Ekurhuleni are undocumented foreign nationals. The majority are from Zimbabwe, Lesotho and Mozambique.
- Increased demand for unplanned service delivery by the city.
EFFECTS OF UNDOCUMENTED FOREIGN NATIONALS TO THE CITY

- Use of municipal services without proper billing;
- Illegal immigration bring undocumented workers, adding to overpopulation in the City;
- Unfair competition with locals for limited municipal opportunities and limited resources;
- The sale of expired and counterfeit goods;
- Unfair trading competition – excessively low prices;
- Trading spaces are not kept clean, thus impacting the City’s image and brand;
- Overcrowding, which makes the City unattractive to investors;
- Increased levels of crime in the City amongst local traders and foreign traders; and
- Xenophobic attacks, which cause a lot of instability in the City impacting the economy heavily;
The growth of Informal Economy has created opportunities for micro-retail, presenting the following challenges:

- Proliferation of informal trading activities in the form of Informal traders, micro retail shops (Spaza Shops) the majority operated by foreign nationals;
- Violation of municipal by laws;
- None compliance with Businesses Act and other related regulations.
- These developments put a strain on limited municipal resources such as budget and personnel.
- The number of hawkers outside local trading malls has grown beyond infrastructure and law enforcement capacity.
CHALLENGES FACED WHEN ENFORCING BY-LAWS

- Trading stalls and permits are allocated to CoE residents who rent them out to foreign nationals;
- Forgery of permits issued out;
- One foreign national rents the entire facility, and rent it out to other foreign nationals (syndicate);
- When conducting checks, foreign nationals claim to be working for local community members;
- None payment of rental fees to the City;
- Non-adherence to zoning guidelines;
- Over crowding of facilities, which puts a strain on maintenance.
Most of the informal settlements have a significant number of undocumented foreign nationals which contributes to the following challenges:

- Growing number of informal settlements or expansion of the existing informal settlements.
- Disruption of Human Settlement Projects by non-qualifying foreign nationals who reside in informal settlements and resist any attempt to formalise the informal settlement e.g. Lindelani informal settlement on hold since 2016.
- Housing beneficiaries illegally selling houses to undocumented foreign nationals which results in community unrests and accusations of providing houses to undocumented foreign nationals by government.
- While the city is committed to the eradication of informal settlements by relocating qualifying beneficiaries – *the informal settlements continue to expand.*
The townships and CBDs vulnerable to illegal business and social use which contravenes the approved Land Use Rights of the City (shops, churches, taverns, scrap yards, illegal adult entertainment/human trafficking etc.)

Lack of communication to residents about the status of asylum seekers residing in their areas is the main course of conflict in communities.
CHALLENGES - COMMUNITY SAFETY

• Litigation against the Municipality after arrests by EMPD.
• Language barrier during enforcement of by-laws and normal crime prevention operations.
• Inability to trace undocumented foreign nationals after commission of crimes.
• No linked law enforcement central database of undocumented foreign nationals.
The following are criminal activities linked to undocumented foreign nationals per CBD:

- Benoni - Illegal mining
- Boksburg – Drugs and Prostitution, Hijacked properties
- Brakpan – Illegal mining, Drugs and Prostitution
- Edenvale – Drugs
- Germiston – Drugs, Hijacked properties and Prostitution
- Kempton Park – Drugs and Prostitution
CHALLENGES - HEALTH

• Expenditure by city that cannot be reclaimed from concerned countries.
• Demand outstrips supply, as the limited budget is not adequate for the number of patients seen.
• Increases the expenditure on paupers burial (due to untraceable next of kin).
• Drive expenditure on medical costs (Managing of complications, costly procedures that are warranted, lost to follow up).
• Undocumented Foreign Nationals involved in “Medical shopping”. A person can move from one Health facility to the next collecting medication.
CHALLENGES – HEALTH MIGRATION ISSUES

• The Department Health Information System has no tool to capture information of immigrants.
• Manual tool are being used to capture these information which is not yet up to expectations.
• The following slides shown some information captured per facilities.
CHALLENGES - IMPACT OF MIGRATION

- Increased patient numbers due to migration of patients from other Districts, Provinces and neighbouring Countries.
- Long waiting times due to increase of patient numbers with same number of staff.
- Budget based on District Populations statistics. Unexpected influx of patients put stress on the District budget.
- Follow up of patients becomes difficult with a negative impact on the efficiency indicators.
- Communication barrier due to language problems.
The City of Ekurhuleni is one of the biggest waste generators in Gauteng and South Africa respectively with 670 807 ton of waste generated during the 2018/2019 financial year.

The city has in recent times experienced backlogs in waste management services influenced by both internal and external factors.

The City of Ekurhuleni provide waste management services based on its recorded waste service points and its registered population.

Based on the fact that the City of Ekurhuleni has a huge number of unregistered undocumented foreign nationals, the city finds it difficult to accurately plan its services.

This results in the City spending more time in one area and taking more loads of waste to the landfill than what was originally planned for.

The City in the process fails to meet its collection target and incurring transport cost which are not in its plans.
The City provides the collection services to informal settlements free and does not generate any form of revenue during this process.

Due to the increase in undocumented foreign nationals, the informal settlements are growing very fast which further increases the need for additional free services.

The growth in informal settlement increases the scope of work for this free service and further increases the cost incurred by the City.

The spreading of informal settlements further increases the rate of illegal dumping in the City which affects the residential aesthetics.
The City of Ekurhuleni has five landfill sites with four of the landfill sites attracting informal waste pickers for recycling. Several internal studies suggest that more than 65% of the waste pickers in landfills are undocumented foreign nationals.

This poses a serious threat to the landfill management as the city fails to formalize and register the waste pickers.

Most of the undocumented foreign nationals resist formalization, recording and this is contravention to the landfill Waste management License as it provides for waste pickers to be formalized.

The City therefore stands a risk of being penalized by the authorities for not complying with the waste management license conditions.
WAY FORWARD

• Ensure effective and consequential border management and controls.
• Effective relations between different spheres of government are required in order to improve the delivery of public services, which would require among other things to respond to the need to create “A DECENT WORK AND SUSTAINABLE LIVELIHOOD”.
• Enhanced inter-governmental strategies to support the City in its efforts to deliver on its mandate.
• Regulate and enforce the participation of foreign nationals in the formal sector of the economy.
• Broaden localized law enforcement forum to include EMPD, Home Affairs, Customs, SAPS, Immigration amongst others. This includes ongoing joint operations on hijacked buildings.
• Review of Immigration Act – in order to address the abuse of waiver provisions.
• Consider the utilization and integration of the City's Municipal courts as Immigration Courts provided for by the Immigration Act have not been established.
• Enforcement of labour law regulations -70/30% apportionment in favour of South Africans.
• That an Intergovernmental Relations programme be implemented by the City of Ekurhuleni and Home Affairs (migration) department with an aim of correcting the status of undocumented foreign nationals, this must be done in conjunction with relevant Embassies.
Thank You