AFRICAN FOOD SECURITY URBAN NETWORK (AFSUN)

FOOD SECURITY IN AFRICA'S SECONDARY CITIES: NO. 4. THE INFORMAL FOOD SECTOR IN OSHAKATI, NAMIBIA

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Food Security in Africa's Secondary Cities: No. 4. The Informal Food Sector in Oshakati, Namibia

Lawrence N. Kazembe, Ndeyapo M. Nickanor, Tobias Shinyemba and Jonathan Crush

Series Editor: Prof. Jonathan Crush

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Authors

Lawrence N. Kazembe is Associate Professor in the Department of Statistics and Population Studies, Faculty of Science, University of Namibia, Windhoek.

Ndeyapo M. Nickanor is Dean in the Faculty of Science at the University of Namibia, Windhoek.

Tobias Shinyemba is a Lecturer at the University of Namibia, Windhoek.

Jonathan Crush is Professor at the Balsillie School of International Affairs, Waterloo, Canada, and Extraordinary Professor at the University of the Western Cape, Cape Town, South Africa.

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1. Introduction

In the context of rapid urbanization and the transformation of urban food systems, there is renewed interest in the role of the informal sector in promoting urban food security (Battersby and Watson, 2019; Chen and Skinner, 2014). Recent policy focus has been on linking small-scale farmers with modern value chains and formal markets, with much less attention paid to the informal food sector's structure and operations (Young and Crush, 2020). The informal sector continues to grow in size and complexity in parallel with modern formal retail and is central to livelihood generation and job creation, particularly for women (Skinner, 2019). In Sub-Saharan Africa, informal markets and food vending now account for more than 80% of total food sales and play a crucial role in mitigating urban food insecurity, particularly among low-income households (Crush, 2014). Most of the literature on the informal food sector and food security has tended to focus on large primary African cities. However, there is now increasing interest in whether the importance of the sector in major cities is replicated at lower levels of the urban hierarchy in secondary cities (Blekking et al., 2019; Tacoli and Vorley, 2016; Resnick et al., 2019).

There is a growing consensus that a new, or at least a significantly improved, model of economic growth and development is required in which the informal sector is seen as an opportunity to foster inclusive economic development, create jobs, alleviate poverty, sustain livelihoods and offer solutions for social protection, decent work, and food security (Chen and Skinner, 2014; Crush et al., 2015; Kraemer-Mbula and Wunsch-Vincent, 2016; Young and Crush, 2020). In major African cities, the involvement of informal enterprises and employees in food supply chains represents an important sub-sector of the informal economy (Battersby et al., 2016; Skinner, 2019). Informal food enterprises in African towns and cities make food accessible through such strategies as (a) selling close to where people live and work, (b) working long hours, (c) selling in flexible quantities that respond to what people can afford, (d) keeping prices lower than large formal retailers, and (e) extending interest-free credit to regular customers (Battersby et al., 2016; Skinner, 2019). In addition to making food accessible, informal enterprises maximize economic and ownership opportunities, creating multiplier effects in the low-income local communities of which they are part (Gulyani and Talukdar, 2010). They also contribute to social integration, including for migrants, and are the "eyes on the street" that create safer and more hospitable public spaces (Brown, 2017).

In Namibia, the informal economy continues to expand with rural-urban migration and rapid urbanization and now makes up about 35% of the national economy. The country's relatively steady post-independence economic growth has not yet been sufficient to deal with the triple challenge of poverty, inequality, and formal unemployment, leading in turn to continuous expansion of the informal economy. The importance of the informal sector is clearly shown in the 2018 Namibian Labour Force Survey, which reported that 418,674 people (or 57% of those employed) were in the informal sector (NSA, 2019). Sixty-one percent of women and 54% of men were working informally. In the urban areas, 173,835 people were informally employed (42% of all informal employment). In terms of the food-related sectoral breakdown, 146,537 people were in agriculture, forestry and fishing (88% of total employment in the sector), 56,956 (59%) were in accommodation and food service activities, 38,952 (48%) were in wholesale and retail trade, and 21,044 (47%) were in manufacturing. Geographically, the Khomas region (in which the capital city Windhoek is located) had 64,266 informal workers (or 37% of total urban informal workers) and the Oshana District (in which the secondary city of Oshakati is located) had 38,933 workers (or 22% of total urban informal workers).

A national sample survey of 4,507 informal enterprises in Namibia in 2016 included 1,084 businesses in Khomas and 594 in Oshana (Republic of Namibia, 2017). In both districts, over 80% of the enterprises surveyed were in urban areas. Overall, there was a clear gender bias with 69% of enterprises run by women and 31% by men. Sectorally, 54% of enterprises were in wholesale and retail trade, 16% in manufacturing and 15% in agriculture. Food-related informal enterprises made up approximately two-thirds of all informal enterprises and about half in urban areas (Table 1). The dominant activity in the sector was retail (which includes non-food products such as clothing) but other listed activities were also carried out by informal food vendors (e.g. butcheries, confectionaries and restaurants). In addition, there are five basic types of informal food retail: street vendors, mobile vendors, open market vendors, informal market vendors, and tuck shops.

TABLE 1: Food-Related Activities in Survey of Informal Enterprises, 2016				
	Urban	Rural	Total	% of total food-related
Abattoir	1	1	2	0.1
Agricultural business	45	16	51	1.7
Bar	259	89	348	11.8
Butchery	88	28	116	3.9
Confectionary	159	96	255	8.7
Crushing mahangu (millet)	2	1	3	0.1
Cup soup	1	0	1	0.1
Cutting meat	6	1	7	0.2
Farming	14	18	32	1.1
Fish	79	40	119	4.0
Fishing	2	2	4	0.1
Fruit and vegetables	206	51	257	8.7
Kapana (grilled beef)	210	56	266	9.0
Restaurant	155	30	185	6.3
Retail	918	294	1,212	41.2
Seafood	1	0	1	0.1
Traditional food	55	12	67	2.3
Wild fruits	3	4	7	0.2
Total	2,204	739	2,943	
% of total enterprises	48.9	49.1	65.2	
Source: Republic of Namibia (2017)				

Studies of the informal food sector in Namibia have tended to focus on the role of informal trading and vending in Windhoek (Crush et al., 2019; Endjala and Botes, 2020; Kazembe et al., 2019; Nickanor et al., 2017; Nickanor et al., 2019a, 2020). Nickanor (2013) has written extensively on the challenges faced by women vendors in the city's informal settlements. Both Black (2017) and Endjala and Botes (2020) further demonstrate the importance of informal vending as a livelihood strategy in Windhoek's informal settlements. Nickanor et al. (2019b) compare the formal and informal food retail sectors and conclude that although supermarkets increasingly dominate the city's food system, informal traders occupy various niches in the system and have a symbiotic relationship with supermarkets.

Kazembe et al. (2019) examine the policy environment in Windhoek, including the City's construction of open markets as a way to contain informal food vending and the reactions this has provoked from vendors. They show how vending was initially demonized and seen as a threat to the city's modern aspirations. Since elimination proved impossible, the

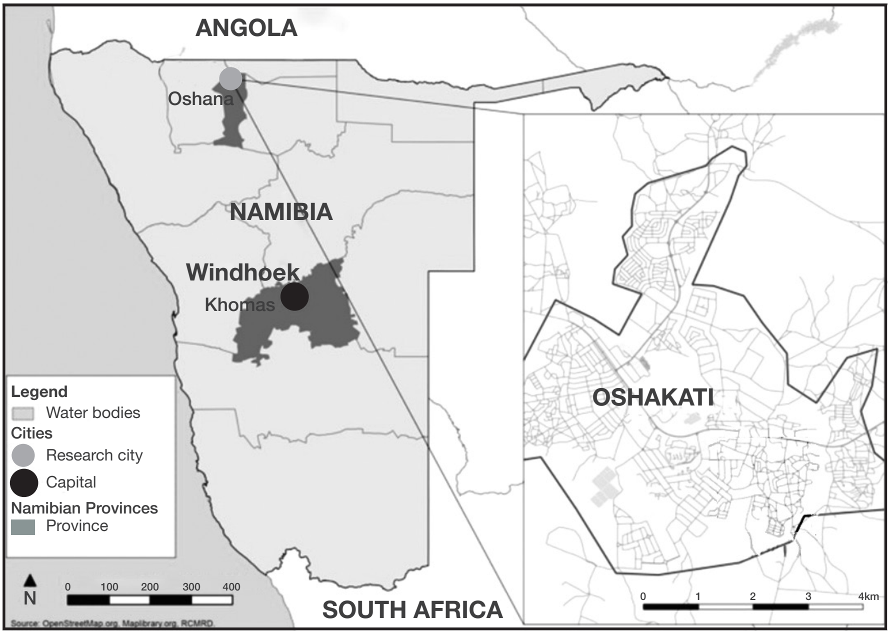
City passed regulations under the Local Authorities Act to regulate and control informal vending. One outcome was the erection of enclosed "open markets" run by the City where vendors could rent stands and use the ablution facilities. The counterpoint to this strategy was intensified police harassment of vendors operating outside these markets, leading to frequent and sometimes violent clashes with groups of vendors whose goods were being confiscated. Vendors responded by grouping in larger numbers at public intersections and transport hubs, forcing the City to eventually recognize and legitimize their presence in the form of what it called "informal markets". This policy of "informalized containment", allowing vendors to operate in some spaces and banning them from others, is now standard practice in Windhoek.

In Windhoek, half of all households get some of their food from open markets, 29% from street vendors and 19% from tuck shops (Nickanor et al., 2017: 60). The open markets are a source of meat, offal, vegetables and fish (fresh, frozen and cooked) while spazas/tuck shops are sources for bread, pies/vetkoek (dough deepfried in oil) and snacks. Street vendors have a market share of fresh fish, offal and kapana (grilled beef) and mobile vendors sell fish door-to-door in low-income areas. The studies have also demonstrated (a) the rapid expansion of informal food vending, particularly in lower-income suburbs and informal settlements in the northern part of the city; (b) the importance of the sector in facilitating greater access and food security for low-income households; (c) the ambiguous response of local government towards the informal food sector; and (d) the co-existence of the sector with the South African dominated formal supermarket food system.

The literature on the informal food sector in Windhoek raises important questions about the nature of informality in Namibia's many smaller towns and cities: Is the sector more or less important in secondary urban centres? Do food vendors operate in the same way and face the same opportunities and challenges? Does the sector rely on the same long-distance food supply chains as enterprises in the capital or does the proximity to rural producers (especially in northern Namibia) mean more local sourcing? Do informal vendors play the same role in ensuring food access for poorer households in low-income areas and informal settlements as in the capital? And are they treated more harshly or more generously by the authorities in smaller urban centres? Is the policy of informalized containment confined to Windhoek or is it applied more generally across the country by local authorities?

To answer these questions and better understand the nature of the informal food sector in secondary Namibian cities, AFSUN-FUEL undertook the first-ever survey of informal food vendors in Oshakati in northern Namibia in 2018 (Figure 1). The project's earlier household survey highlighted the importance of the sector to consumers and the first section of this report re-examines this evidence (Nickanor et al., 2019b). The following section describes the survey methodology for the audit of informal food vending in Oshakati. The remainder of the report presents the information about informal food enterprises in the urbanizing north of the country. As a whole, the report aims to provide insights into informal food vending in African secondary cities more generally.

FIGURE 1: Location of Oshakati



2. Informality and Food Security in Oshakati

Households in Oshakati obtain their food from a variety of sources. Almost all patronize supermarkets, followed by markets (open and informal combined) (55%), small shops (including informal shops) (52%), street vendors (28%) and tuck shops (13%) (Figure 2). Thirty-seven percent rely on food sent by relatives in rural areas. Figure 3 shows the frequency with which households obtain their food from each of these sources. Supermarket shopping is predominantly a monthly activity with 65% of households engaged in this pattern. The majority of market shoppers tend to patronize these outlets once per month. Small shops, tuck shops and street vendors are patronized much more frequently. For instance, street vendors and small shops are visited nearly daily by 10% and 6% of the households respectively. Figure 4 shows that food insecure households are as likely as food secure households to source food from supermarkets. However, food insecure households are more likely to source food from the open markets (58% versus 44%), small shops (56% versus 36%), street vendors (30% versus 19%) and tuck shops (13% versus 11%).

FIGURE 2: Household Food Sources in Oshakati

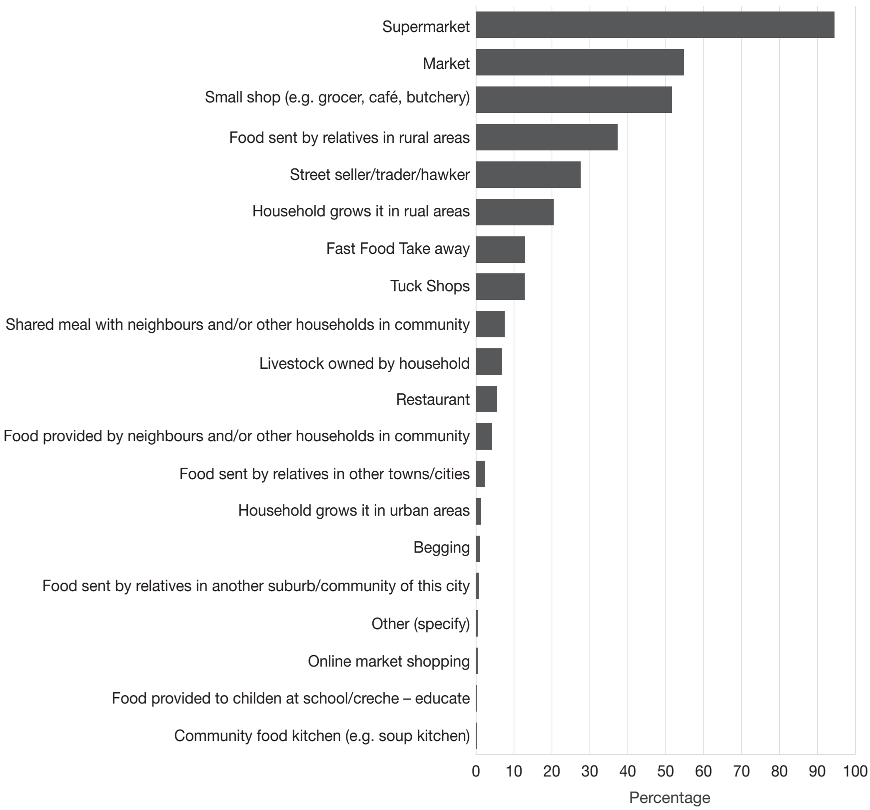


FIGURE 3: Frequency of Food Patronage by Source in Oshakati

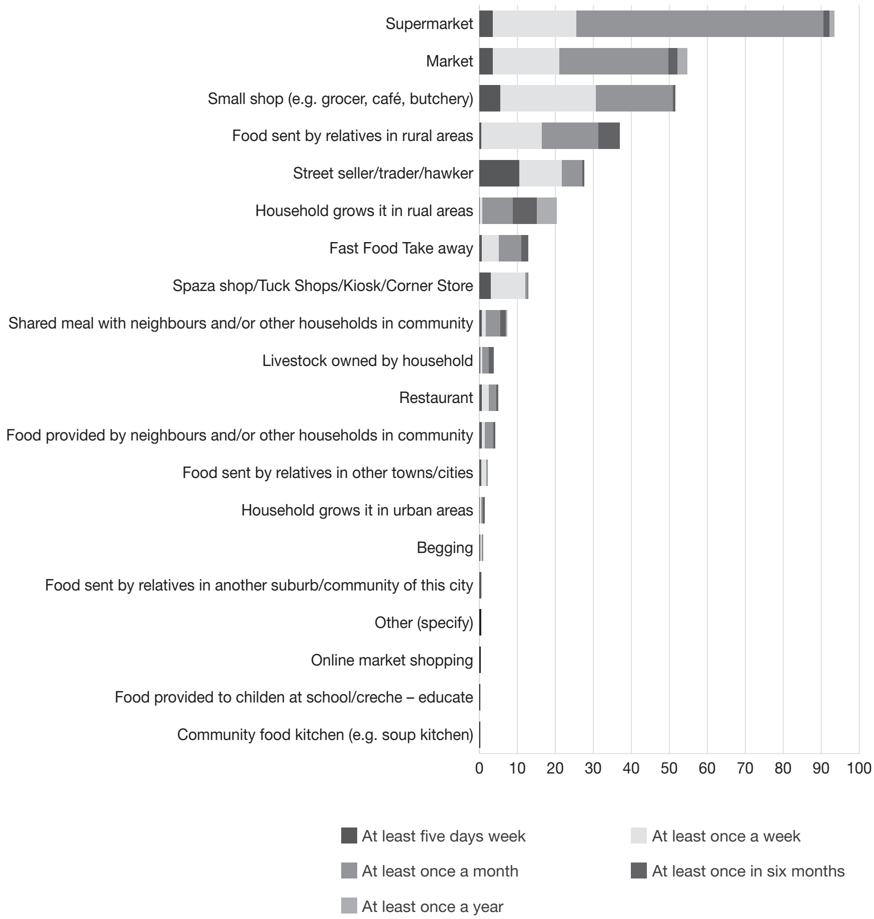


FIGURE 4: Food Sources and Food Security Status in Oshakati

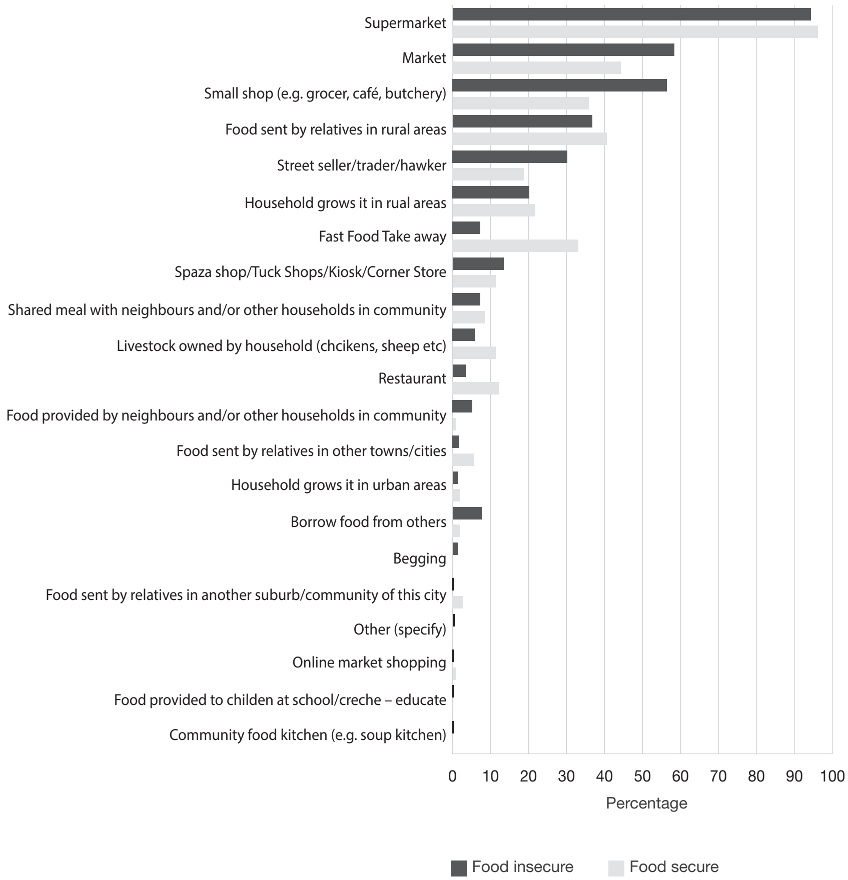


Table 2 shows all food items purchased by households from different sources in the month prior to the survey. The table provides clear evidence that Namibia's "supermarket revolution" has arrived in the north of the country, with South African chains Shoprite and Spar and local chain Woermann Brock (or WB) dominating the food system (Nickanor et al., 2020). Supermarkets are the main source for most of the foods listed with the exception of cooked and dried fish and dried meat (biltong). Supermarkets are the major source for both fresh and processed foods; the former include fresh fruit and vegetables (largely imported from South Africa), although only one-quarter of households had purchased either in the month prior to the survey. Formal (open) market vendors supplied nearly one-half of households with dried fish and meat and 23% of households with fresh meat. Informal markets were also a source of dried products. Street vendors are an important source of cooked and dried fish and tuck shops are a main source of snacks. While the table lists the main source of each product, it is notable that 31 of the 33 listed products are purchased by one or more households from open markets. The equivalent figures are 23 from informal markets, 21 from street vendors and 9 from tuck shops, suggesting that despite supermarket dominance, the informal food sector does offer a wide variety of products for sale.

TABLE 2: Main Source of Food Items Purchased in Oshakati

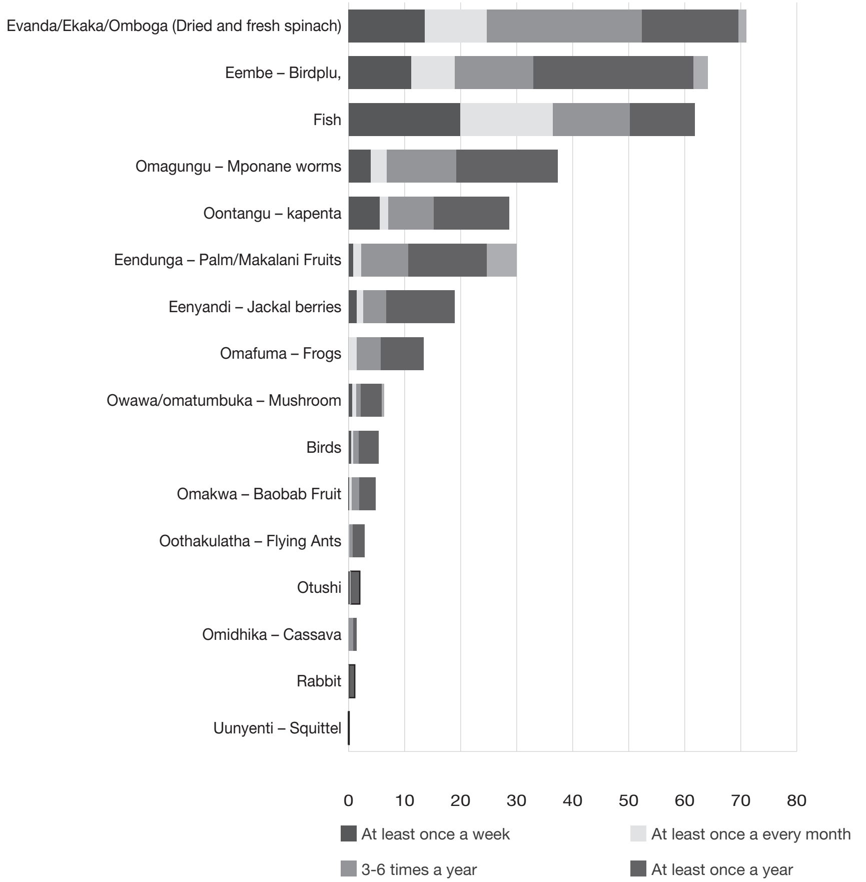
Food item	% of households buying item	Small shop	Butchery or bakery	Formal market	Informal market	Tuck shop	Street seller	Supermarket	Other*
Cereals									
Bread	40.5	23.5	1.0	2.5	0.5	4.0	0.3	68.2	
Rice	66.4	4.0		0.9	0.3			94.8	
Pasta	63.1	2.3		0.6	0.3			96.8	
Maize meal	81.5	5.0		2.3	0.5			92.0	0.3
Fresh									
Fresh fish	44.6	12.8	0.5	11.9	3.2	0.9	11.0	58.9	0.9
Fresh chicken	14.7	1.4		8.3	5.6		2.8	80.6	1.4
Fresh fruit	22.0	4.0		2.8	2.8	3.7	6.5	79.6	
Fresh vegetables	25.7	6.3		7.3		3.2	3.3	80.3	
Fresh meat	56.8	2.2	10.8	22.9	8.6		1.1	54.5	
Offal	12.2		6.7	6.7	1.7		3.3	80.0	1.7
Fresh milk	20.2			3.0			1.0	96.0	
Cooked									
Cooked meat	2.9			14.3			7.1	42.9	35.7
Cooked chicken	2.2			9.1			9.1	27.3	54.6
Chips/ french fries	7.5			2.7	2.7			21.6	73.0
Pies/ samosa/ vetkoek	24.0	5.9	0.8	1.7	2.5	16.1	21.2	48.3	3.4
Cooked fish	1.7			14.3			42.9	28.9	14.3
Frozen									
Frozen fish	23.0	8.0	0.9	8.8	0.9		5.3	76.1	
Frozen meat	14.5	1.4	4.2	1.4		1.4		91.5	
Frozen chicken	31.8	0.6		3.2	1.3		0.6	94.6	
Eggs	20.4	4.0		2.0	1.0	3.0	5.0	85.0	

Dried									
Dried fish	8.8	2.3		46.5	14.0		30.2	7.0	
Dried fruit	2.6	7.7		15.4	7.7			69.2	
Dried meat	7.7			39.5	18.4		7.9	34.2	
Dried vegeta-bles	3.9			31.6	36.8		5.3	21.1	5.3
Processed									
Snacks	20.0	11.2		1.0	1.0	16.3	4.1	66.3	
Sweets/ choco-late	11.0	9.3		1.9	1.9	29.6	11.1	46.3	
Sour milk/ omaere	18.9	4.3		14.0	5.4		8.6	62.4	5.4
Sugar	70.4	5.2		0.6	0.3			93.3	
Tea/ coffee	52.3	2.3		0.4				97.3	
Cooking oil	85.5	5.0		1.2	0.2			93.6	
Tinned vegeta-bles	5.7	3.6						96.4	
Tinned fruit	1.8							100.0	
Tinned/ canned meat	4.1	5.0		10.0				85.0	
Total prod-ucts	33	24	7	31	23	9	21	33	11

**Includes fast-food outlets, such as KFC and Hungry Lion*

The proximity of communal land areas to Oshakati offers opportunities for the development of short supply chains and consumption of indigenous foods by urban households. Informal vendors are an important source of local indigenous foods consumed by many households in Oshakati. The indigenous foods consumed, and the frequency of consumption, are shown in Figure 5. *Evanda*, *eembe* and *eeshi* are part of the diet of around 60% of households. *Omagungu* (or mopane worm) is a delicacy consumed in two-fifths of households, while *oontangu* (kapenta) is consumed by one-quarter of households. In terms of the frequency of consumption, *eeshi*, *evanda* and *eembe* are all eaten at least once per week by 18%, 15% and 12% of households respectively. Most of the foods are highly seasonal and tend to be consumed monthly or several times per year rather than year-round. However, *evanda*, *eembe* and *eeshi* are consumed frequently – mostly on a weekly basis.

FIGURE 5: Household Consumption of Indigenous Foods in Oshakati



Some indigenous foods are sent directly from rural areas or farmed or collected by households. Others are obtained from informal vendors in markets or on the streets. The relative importance of these sources varies with the type of food. For example, *evanda/ekaka* is mostly obtained in markets in the town (45%), sent from the rural areas (34%) or collected in the rural areas by households (29%) (Table 3). Similarly, *eembe* is obtained in markets in town (41%), sent from rural areas (27%) or collected by the household in rural areas (27%). *Eeshi* is also mostly obtained from markets in town (47%), supermarkets (30%) and street sellers (21%). *Omagungu/* mopane worms and *oontangu* are mostly obtained from markets in town (59% for mopane worms and 56% for *oontangu*). When in season, mopane worms are collected by households in the rural areas or some members in towns, especially women, who form groups and go and harvest these from the veld.

TABLE 3: Source of Indigenous Foods Consumed in Oshakati											
Food type	Supermarket	Small shops	Market in town	Market in countryside	Street seller/ trader	Grown in city by household	Collected within urban area by household	Sent from rural area	Grown in rural area by household	Collected from rural area by household	Other
Evanda/ ekaka/ omboga (dried/fresh spinach)	0.9	0.6	45.2	1.5	10.8	0.9	1.5	34.1	2.3	29.2	2.0
Eembe (birdplum)			40.6	1.0	13.2	3.3	2.6	27.1	1.3	27.4	2.0
Eeshi (fish)	29.8	12.8	47.1	3.5	21.1		4.2	10.0		6.6	2.8
Omagungu (mopane worms)	0.2		58.7	1.0	19.0			15.8	0.2	23.4	0.6
Oontangu (kapenta)	0.2	0.2	56.3	1.0	23.1		1.4	19.2		17.4	0.4
Eendunga (palm/ makalani fruits)			5.7		1.0	0.2	0.8	9.4	0.4	8.6	1.2
Eenyandi (jackal berries)			6.5		1.4	0.2	1.0	7.5	0.4	6.1	0.2
Omafuma (frogs)			4.1	0.2	1.4		1.0	3.1		3.7	1.2
Owawa/ omatumbuka (mushrooms)			1.0		0.6		0.2	1.0		2.4	
Birds	0.2		0.4		0.8		0.6	2.0		2.2	
Omakwa (baobab fruit)			0.8				0.2	2.2	0.2	2.0	0.2
Oothakulatha (flying ants)			1.0		0.2		0.8	0.6		0.2	0.2
Otushi			0.2	0.2			1.4			0.6	
Rabbit			0.2		0.2	0.2				0.4	0.2
Omidhika (cassava)			0.6					0.4	0.2	0.2	
Uunyeti (squirrel)										0.2	

3. Survey Methodology

An inventory of all informal enterprises in Oshakati was drawn up and, over a two-day period, information on the types and location of 556 informal vendors was gathered. The initial plan was to interview a sample of 500 vendors. However, since the initial target was only slightly lower than the total enumerated, all 556 listed vendors were treated as eligible for interview. The response rate was very high, with 398 interviews completed, representing 72% of all vendors in Oshakati. There were various reasons why not all vendors were interviewed: firstly, only the owners of enterprises were interviewed, so if the owner was not present, the enterprise was not included in the sample. Secondly, the initial listing identified several types of enterprise (Table 4). Proportional stratified sampling was used to ensure that the actual number of interviews of each vendor type was broadly consistent with the overall proportional breakdown from the listing exercise. Thirdly, a few vendors declined to be interviewed. Finally, some mapped vendors were mobile and could not be traced at the time of the interviews. However, the two sampling errors – due to non-participation and non-contact – had minimal impact on the final sample as these were factored in as non-response errors at sample size calculation. Moreover, because the final sample was over 70% of the vendor population, we have a comprehensive picture of the sector overall.

TABLE 4: Surveyed Enterprises by Location

Location	No.	%
Permanent stall in a market	98	24.6
Temporary stall on the street/roadside	75	18.8
Permanent stall on a street/roadside	73	18.3
In the owner's home	64	16.1
No fixed place (mobile)	31	7.8
Restaurant or hotel	18	4.5
In the customer's home	9	2.3
Workshop or shop	7	1.8
Vehicle (car, truck, motor bike, bike)	4	1.0
Other(s)	19	4.8
Total	398	100

The spatial distribution of all identified informal food vendors is shown in Figure 6. While vendors are distributed throughout the area, there is a clear relationship between location and the major road through Oshakati (Oshakati Main Road) and the three main roads out of the town. The vendors are broadly distributed in two clusters. The first cluster (on the left of the map) includes vendors in the Omatara open market, as well as vendors operating in the lower-income neighbourhood and informal settlements of Oshakati West. The original Omatara market (or *omatala*, which is a common Oshiwambo word for an open market), established in the late 1970s, was demolished to make way for a new facility named after a local businessman in 2016. This expanded enclosed space, still known as the Omatara market, can accommodate up to 600 vendors with different sections including for fruit and vegetables, meat and seasonal products, tailoring, and arts and crafts. The second cluster (on the right of the map) includes vendors in lower-income Evululuko. The clusters are separated by an area in which few vendors operate, including the higher-income residential area of Oshakati East and shopping malls that include supermarkets such as Shoprite.

FIGURE 6: Spatial Distribution of Informal Food Vendors in Oshakati

The questionnaire used in the survey, adapted from the instrument developed by the Hungry Cities Partnership (www.hungrycities.net), collected extensive information on the characteristics of food vendors and their enterprises, the reasons the business was started and the year, business location, types of food sourced and sold, food safety and sanitation, food storage, employment capacity, and business practices and challenges.

4. Profile of Informal Food Vendors

The majority of Oshakati vendors surveyed were women (81%) and single (79%) (Table 5). A greater proportion of men were single (87% versus 77% of women) but it is still notable that the sector is dominated overall by single women (who made up 70% of all vendors surveyed).

TABLE 5: Demographic Profile of Oshakati Food Vendors

	No.	%
Sex		
Female	324	81.4
Male	74	18.6
Marital status		
Married or in a partnership	84	21.1
Single	314	78.9
Mean age		
Female	324	39.3
Male	74	31.1
Total	398	36.5

Given the high rate of single people involved in food vending, a relatively young age profile might be anticipated. However, the average age of all the vendors was 36.5 years, with the women on average 8 years older than the men (39.3 versus 31.1 years). Overall, the proportion of vendors in each age band increased consistently from less than 2% for those under 20 to 13% aged 25-29 to 15% aged 35-39, to 19% 50 or older (Figure 7). Defining youth as anyone under the age of 35, this means that 35% of the vendors were youths and the remaining 65% were over the age of 35. In other African cities, the proportion of youth in the sector is generally much higher, which suggests that in Oshakati the sector is not a particularly attractive option for young unemployed people. However, this general picture obscured the highly gendered nature of the age profile. As many as 61% of male vendors were younger than 35, compared with only 29% of the women.

FIGURE 7: Age and Sex of Oshakati Food Vendors

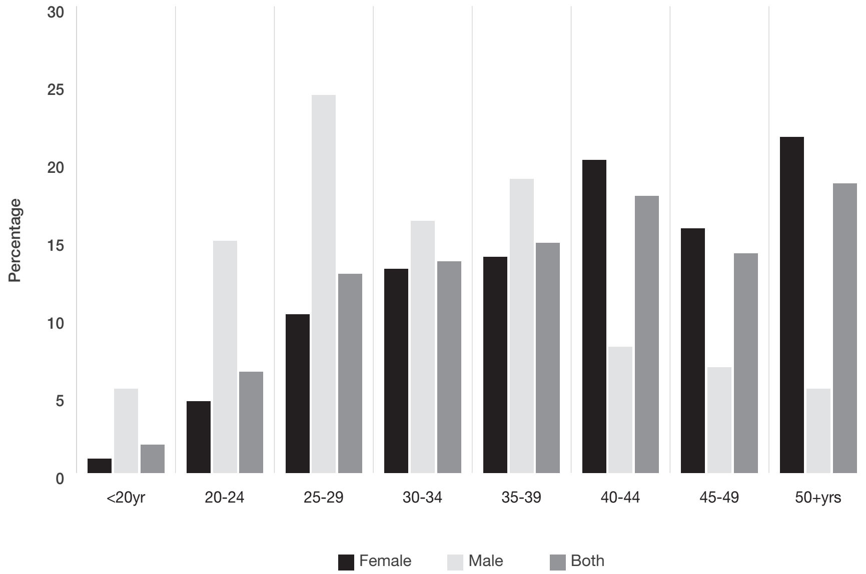
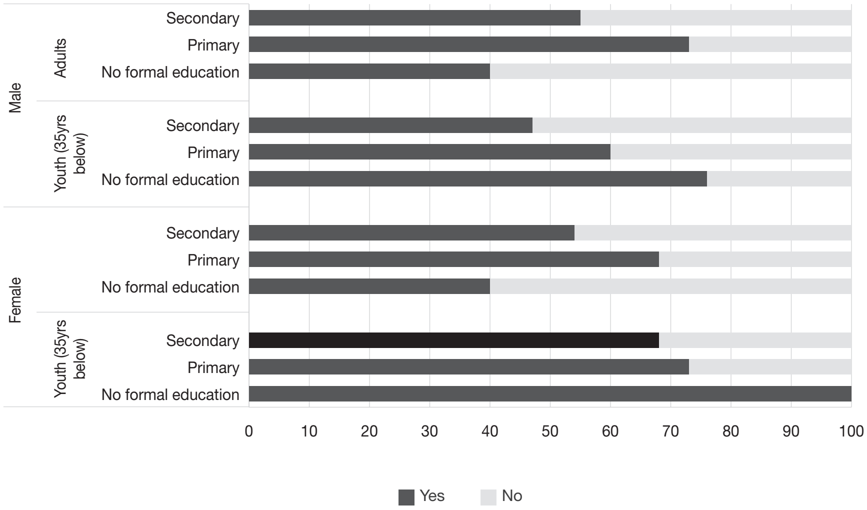


Table 6 shows a marked difference in levels of educational attainment between male and female vendors. As many as 30% of male vendors had no formal education, compared with only 3% of female vendors. Or again, while 70% of female vendors had secondary (66%) or tertiary education (4%), only 46% of male vendors had achieved this level of education.

TABLE 6: Education Level of Oshakati Food Vendors			
	Female (%)	Male (%)	Total (%)
No formal education	2.5	29.7	7.5
Primary	27.2	23.0	26.4
Secondary	66.0	43.2	61.8
College/university	4.0	2.7	3.8
Not stated	0.3	1.4	0.5

Almost 40% of the vendors (41% male and 39% female) had a previous occupation prior to starting their food enterprise (Figure 8). This is an important finding because other occupations can provide skills and initial capital (in the form of personal savings) for enterprise start-up, as well as potentially providing a better understanding of the work and business environment. While the survey did not ask for information on types of previous occupation, it is possible to establish the level of education, age and gender of those with prior occupational experience (Figure 8). In general, the more educated the vendor was, the more likely she or he was to have had a previous job. However, the groups most likely to have had a prior occupation were the older adults (35+ years) and women and men with no formal education. On the other hand, the least likely to have had another occupation were the young women and men, suggesting that the sector is attracting some youths who have no other options.

FIGURE 8: Previous Occupation by Education Level, Gender and Age



Internal migration from rural areas to nearby towns like Oshakati is a well-documented phenomenon in Namibia, driven by rural poverty and better prospects of earning an income (Frayne and Pendleton, 2001; Greiner, 2010; Lai et al., 2019; Pendleton et al., 2016; Venditto, 2018a, 2018b). The AFSUN household survey in Oshakati in 2018 found that 50% of the household members were born in Oshakati, while 38% were born in rural areas of the country (Nickanor et al., 2019b). However, 81% of the informal food vendors surveyed were migrants to Oshakati, with 63% born in a rural area of Namibia (Table 7). Gender differences were again evident, with a greater proportion of women than men (67% versus 46%) having migrated from a rural area in Namibia. On the other hand, more male vendors than female (27% versus 18%) were born in Oshakati.

TABLE 7: Migration Status of Informal Food Vendors in Oshakati

Place of birth	Female (%)	Male (%)	Total (%)
In Oshakati	17.6	27.0	19.3
Another city in Namibia	13.0	13.5	13.1
A rural area in Namibia	67.0	45.9	63.1
A foreign country	2.5	13.5	4.5

5. Characteristics of Informal Food Enterprises

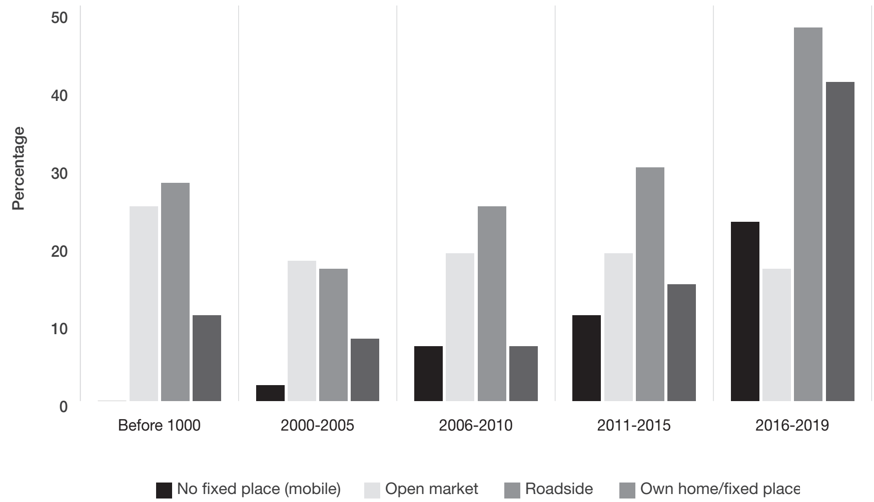
5.1. Year of Start-Up

Table 8 shows when the food vendors started their business in Oshakati. One-third had started up in the previous three years (2016-2019) and just over half in the last decade (after 2010). Only 17% were in business before 2000 and 5% before Namibia's independence in 1990. These recent start-ups are consistent with the reality of an urban centre undergoing rapid urbanization and a fast-growing informal sector. If start-up year is related to type of enterprise, it is clear that there has been a significant increase in roadside and mobile trading, as well as vendors operating from a fixed location such as their home or a structure like a tuck shop (Figure 9).

TABLE 8: Year of Business Start-Up

	No.	%
Before 1990	15	4.5
1990–1995	24	6.1
1996–2000	28	6.2
2001–2005	53	13.4
2006–2010	62	15.5
2011–2015	85	21.3
2016–2019	131	33.0
Total	398	100.0

FIGURE 9: Business Location and Year of Establishment

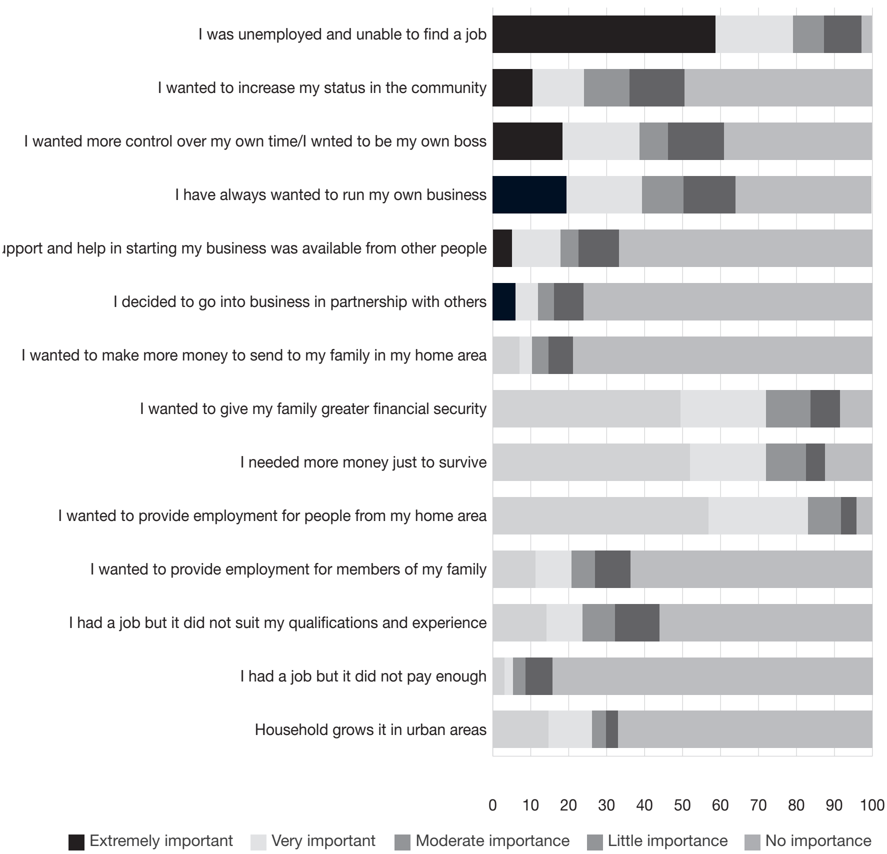


Note: Own home/fixed place refers to tuck shops/selling points embedded within the perimeter walls of the household.

5.2. Rationale for Establishing Enterprise

Respondents were asked to rank a pre-determined list of reasons for starting their food business on a five-point scale from extremely important to unimportant. As Figure 10 shows, a few factors had significant ratings. Most related to economic need and included needing more money to survive (over 80% said it was very/extremely important), wanting to provide the family with greater financial security (around 70% very/extremely important) and wanting to make more money to remit to family in the rural areas (also around 70%). Nearly two-thirds said that being unemployed and unable to find a job was also very/extremely important. The dominant motivations for starting a food business therefore appear to be survivalist in nature – earning money to survive or to support family (including in the rural areas), unemployment and inability to find work. At the same time, some had entrepreneurial motivations, with 50% saying they had always wanted to run their own business and 40% that they wanted to be their own boss and have more control over their time. Most of the other possible motivations on the list did not rate particularly highly.

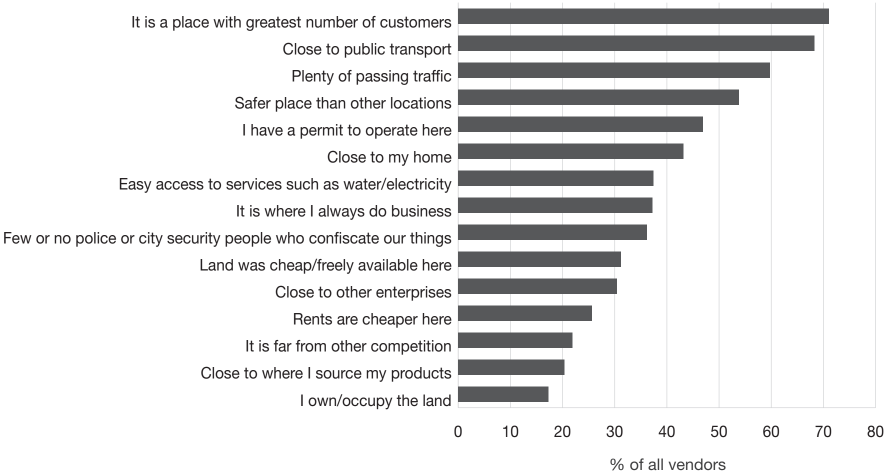
FIGURE 10: Reasons for Establishing Food Business



5.3. Operating Location

In terms of the factors influencing choice of business location, it was clear that access to as many customers as possible was key. As many as 71% of the vendors said they chose their location because they could access the greatest number of customers, while 68% said that proximity to public transport was an important factor (Figure 11). Over 60% indicated that they chose the location because there was plenty of passing traffic. Around half of the vendors mentioned that they had chosen a safe location, mostly in the open market where a permit to operate was required. Just over 40% of the vendors cited proximity to where they lived as a significant locational factor.

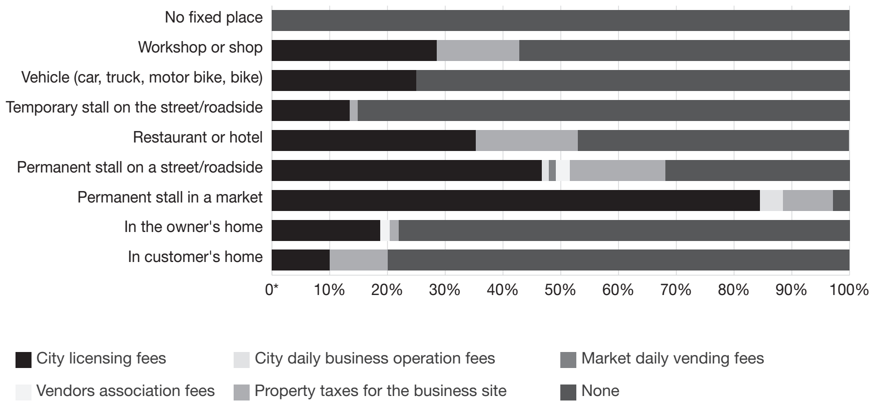
FIGURE 11: Factors Influencing Choice of Business Location



Most of the vendors operated on property that they did not own; only 27% were owners or part-owners of the property on which their business was located (Table 9). Of the remainder, one-quarter of the total (almost exclusively in the open market) paid rent to the Oshakati municipality and 12% paid rent to a private owner. Another one-quarter operated rent free, either with the permission of the owner (11%) or without permission (13%). Over half (54%) of the informal food businesses had no licences to operate, while 39% had obtained licences from the town council. Figure 10 shows that mobile food vendors, those with a temporary stall on the street/roadside, those working from their own home or a customer's home, and those selling from a vehicle did not pay for any licence.

TABLE 9: Tenure Status of Business Occupancy		
	No.	%
Owner or part owner	108	27.1
Pay rent to council	99	24.9
Rent-free, without permission	52	13.1
Pay rent to private owner	46	11.6
Rent-free, with permission	44	11.1
Mobile vendor	33	8.3
Share space/premises with others	16	4.0
Total	398	100.0

FIGURE 12: Payment of Business Licences to Operate



5.4. Food Products Sold

Each vendor was asked to identify up to five food products that they sold. Table 10 shows the range of products – from cereal staples to fresh produce, and from cooked to processed foods – and the number and percentage trading in each product. Overall, fresh produce in the form of vegetables (39%), red meat (23%), fruit (17%) and fresh fish (14%) were the most commonly traded food items. For cereal staples, a high proportion were selling *mahangu* (13%), and a few (less than 5%) were selling bread, pasta, maize meal and rice. With regards to cooked food, 11% were selling pies/samosas/vetkoek and chips/french fries and around 6% were selling cooked fish, chicken and meat. In general, informal food vendors tend to make relatively healthy food options available to low-income residents and can therefore not be held directly responsible for the documented increase in obesity and non-communicable diseases (Kazembe et al., 2021). However, some vendors were purveying processed foodstuffs such as crisps and Nik Naks (16%) and sweets/chocolates (15%).

TABLE 10: Food Products Sold

Food type	No.	%
Cereal staples		
Mahangu	52	13.1
Bread	18	4.5
Pasta	13	3.3
Maize meal	10	2.5
Rice	9	2.3
Fresh produce		
Vegetables	155	38.9
Red meat	90	22.6
Fruits	69	17.3
Fresh fish	54	13.6
Potatoes	32	8.0
Eggs	25	6.3
Chicken	23	5.8
Kidney, liver, tripe, offal	8	2.0
Milk	2	0.5
Cooked food		
Pies/samosas/vetkoek	45	11.3
Chips	42	10.6
Fried/cooked fish	25	6.3
Chicken	24	6.0
Meat (e.g. kapana)	23	5.8
Vegetables (e.g. chakalaka)	11	2.8
Eggs	2	0.5
Frozen food		
Chicken	12	3.0
Fish	9	2.3
Meat	3	0.8
Processed food		
Snacks/crisps/Nik Naks	66	16.6
Canned meat/wors	34	8.5
Sweet/chocolates	22	5.5
Powdered milk/omaere/sour milk	11	2.8
Sugar	5	1.3
Tea/coffee/spices	5	1.3
Cooking oil	3	0.8
Cool drink	2	0.5
Canned fruit	1	0.3

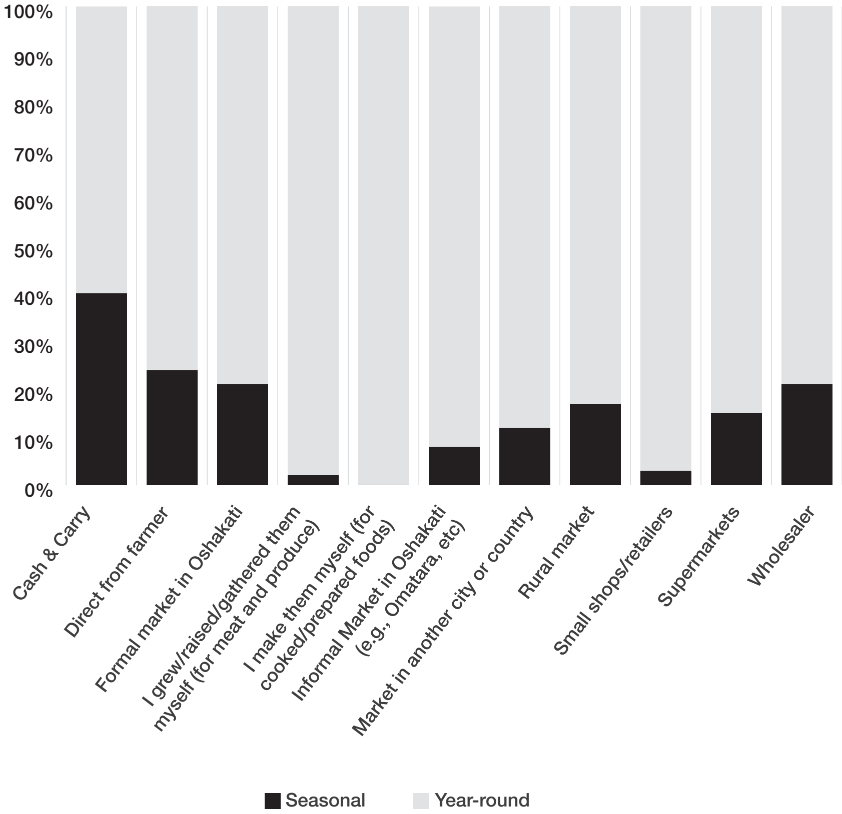
The most important source for produce was Oshakati's Shoprite supermarket, with nearly 60% of vendors purchasing stock there to sell in other parts of the town (Table 11). Given that supermarkets and informal vendors are often seen as competitors, this buying pattern is evidence of the same formal-informal symbiosis that was observed in Windhoek (Nickanor et al., 2019a). Another major source of produce was the open market (used by 53% of all vendors and 70% of those operating outside it), which suggests that vendors in non-market locations buy produce from informal vendors in the market to sell at other locations. Given that the market was established in an effort to control the spread of informal vending, it may ironically be having the opposite effect by making stock more accessible. Another 35% of the vendors obtained their stock from formal sector wholesalers, and another 8% from a specific wholesaler – Cash & Carry. Because Oshakati is in a predominantly rural area it might be expected that the informal food sector has short supply chains connecting them to local farmers. But most vendors do not source produce this way. Just over one-quarter of the sampled vendors (28%) sourced food from local farms and 15% purchased produce at rural markets or from individuals in a rural area (both of these proportions are greater than in Windhoek). Very few (less than 3%) grow or produce the food they sell. One of the advantages of not relying on local supply chains is that products are available year-round. There was more seasonal variability in the supply from nearby rural sources.

TABLE 11: Source of Stock

Source	No.	%
Supermarkets (Shoprite)	224	56.3
Omatara formal market in Oshakati	212	53.3
Wholesaler	139	34.9
Direct from farmer	110	27.6
Small shops/retailers	74	18.6
Informal markets in Oshakati	63	15.8
Rural market	60	15.1
Market in another city or country	53	13.3
Cash & Carry (Metro)	31	7.8
I make them myself (for cooked/prepared foods)	22	5.5
I grew/raised/gathered them myself	11	2.8

Note: Multiple-response question

FIGURE 13: Seasonality of Food Sources



5.5. Operating Expenses

Figure 14 provides a general overview of the operating expenses incurred by food vendors and the average amount spent on each item. The figure shows that the expense category incurred by most vendors was for telecommunications, IT and mobile phones (around 40% of vendors), followed by rental fees, electricity, water, and permits. However, a different picture emerges when the data is reconfigured to show how much vendors spent in each category (Figure 15). Utilities (electricity and water) cost the most, followed by salaries/wages.

FIGURE 14: Business Operating Costs in Previous Year

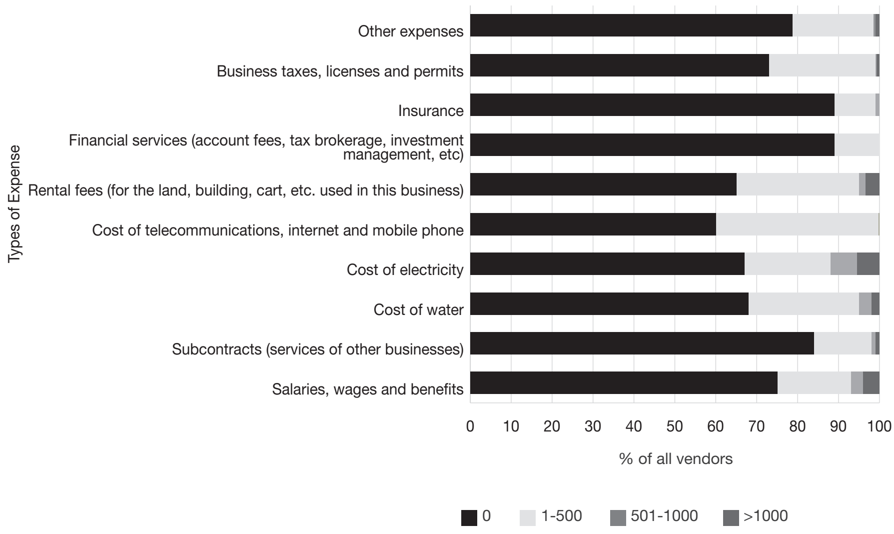
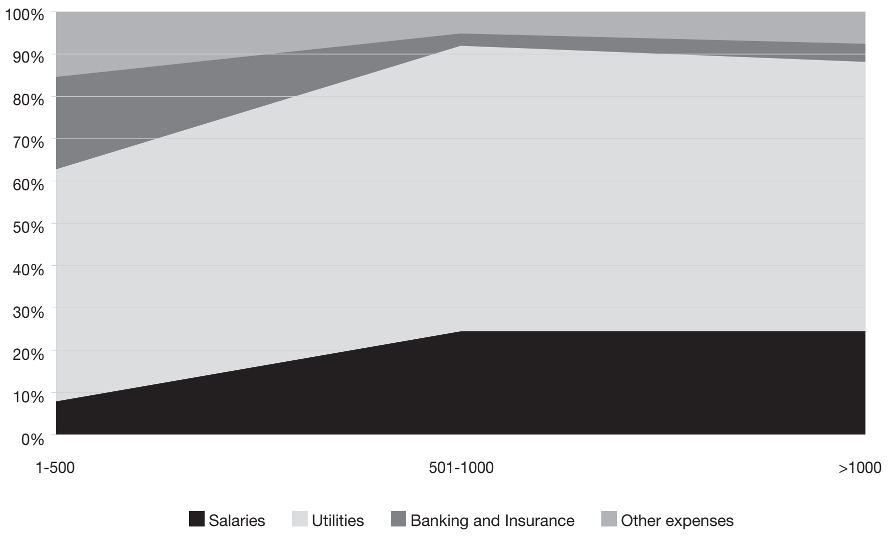
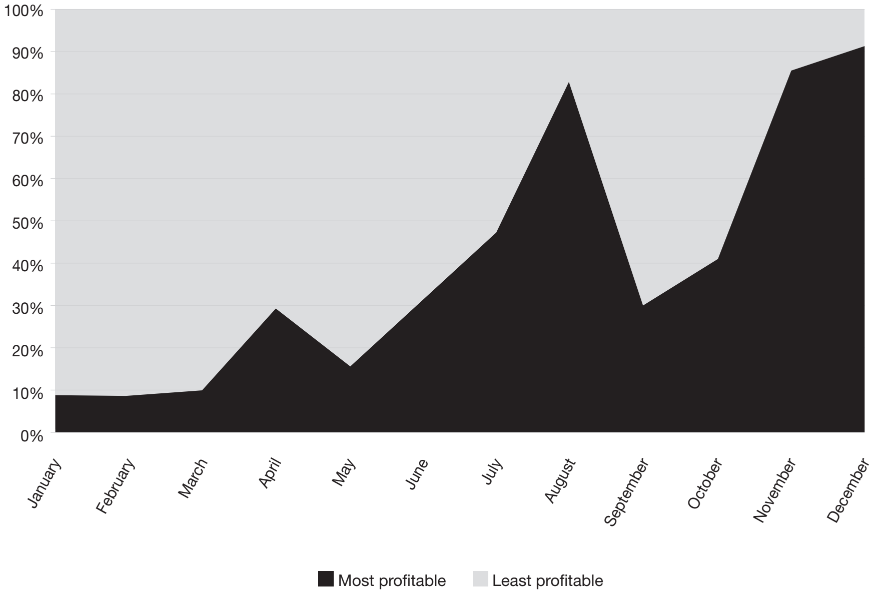


FIGURE 15: Total Operating Costs in Previous Year



The volatility of small informal businesses arises in part from the unpredictability and seasonality of profitability. The informal food sector is potentially more vulnerable since supplies of certain foods can be seasonal. The study explored whether or not there was monthly variation in the profitability by examining which months were most or least profitable. Figure 16 shows that the most profitable months for food vendors were in the second half of the year, rising steadily from June and July (marking the end of harvesting period) to the highly profitable months of November and December, which might be because people tend to spend more on food in the run-up to the Christmas festive season.

FIGURE 16: Seasonality of Business Profitability



6. Informal Food Vending Business Practices

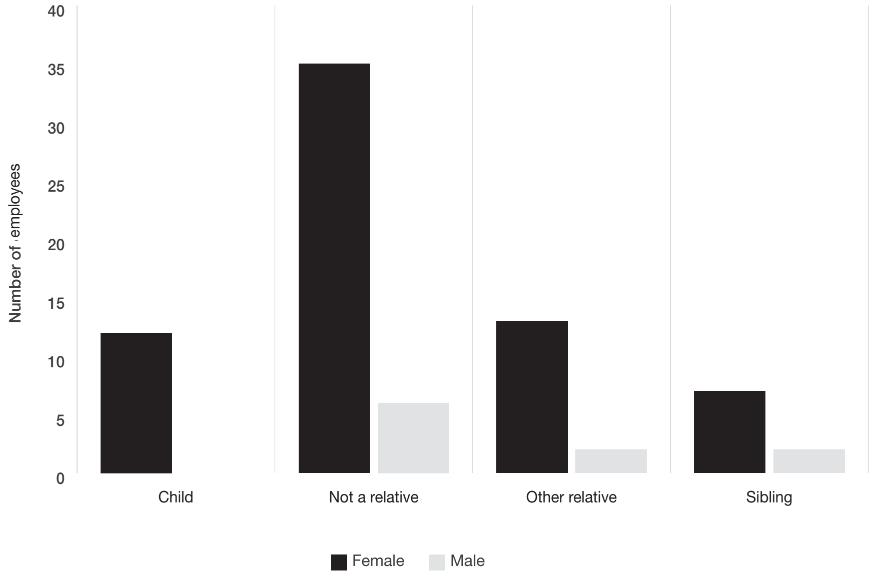
6.1. Job Creation

The informal sector is often recognized as an important source of employment in developing countries and cities, both through self-employment opportunities and in providing jobs for others. In Oshakati, however, most enterprises are single-person operations (87% of the total) (Table 12). Of the remainder, another 8% had only one employee, and 5% had two or more. Only one enterprise had four employees. The 53 enterprises with employees therefore generated 77 jobs (or only 0.2 jobs per enterprise in total). Of these, most (87%) were women and almost half (47%) were relatives including children and siblings (Figure 17).

TABLE 12: Employment Provided by Informal Food Enterprises

Employees	No.	%
None	345	86.7
1	33	8.3
2	17	4.3
3	2	0.5
4	1	0.3

FIGURE 17: Relationship with Employer by Gender



6.2. Food Sanitation and Safety

A major policy-related concern with informal food businesses and street food is sanitation and safety. In many instances across Africa, city authorities bulldoze the areas in which street vendors work, citing a threat to environmental health (Young and Crush, 2020). Knowledge of food handling practices and hygiene on the part of informal food vendors is critical to ensure the health and safety of the consumer. This section of the report therefore examines key elements of food sanitation and safety practices in Oshakati that emerged from the survey, including food safety information sources, availability of sanitation and hygiene facilities, disposal of leftovers, and food storage.

More than half (54%) of the food vendors said they had knowledge of food safety and hygiene and had acquired this from three main sources. Most had learned from other food vendors (32%), followed by public awareness campaigns (31%), while slightly over one-fifth (21%) acquired knowledge from government officers or city extension workers (Figure 18). There was not a significant difference in the sources of information among different types of vendors, although those who traded from their own homes seemed most influenced by public awareness campaigns and least by other vendors, which is perhaps unsurprising since they are less likely to interact with others on a daily basis. That nearly half of the vendors (46%) had not acquired the knowledge suggests the need for public awareness raising and education by officials and extension workers.

FIGURE 18: Sources of Food Safety Information

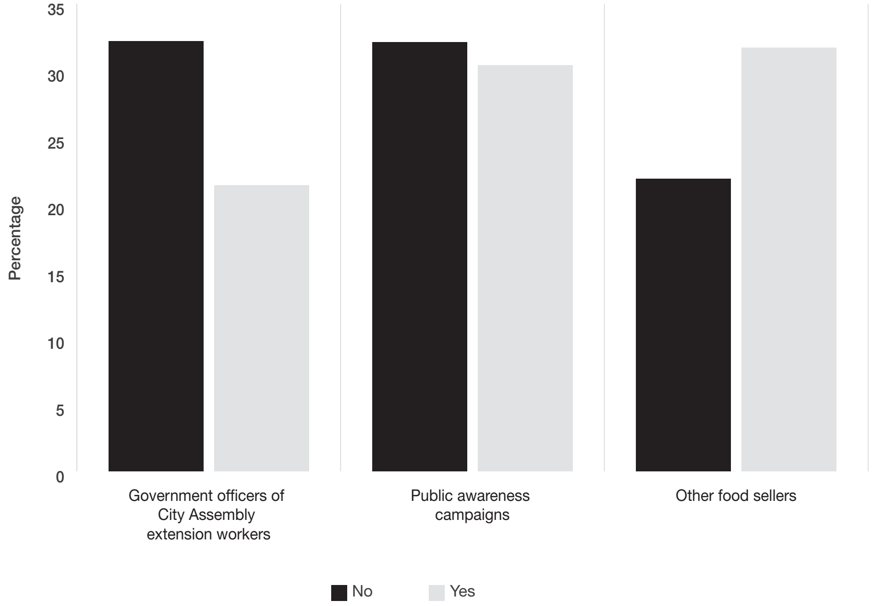
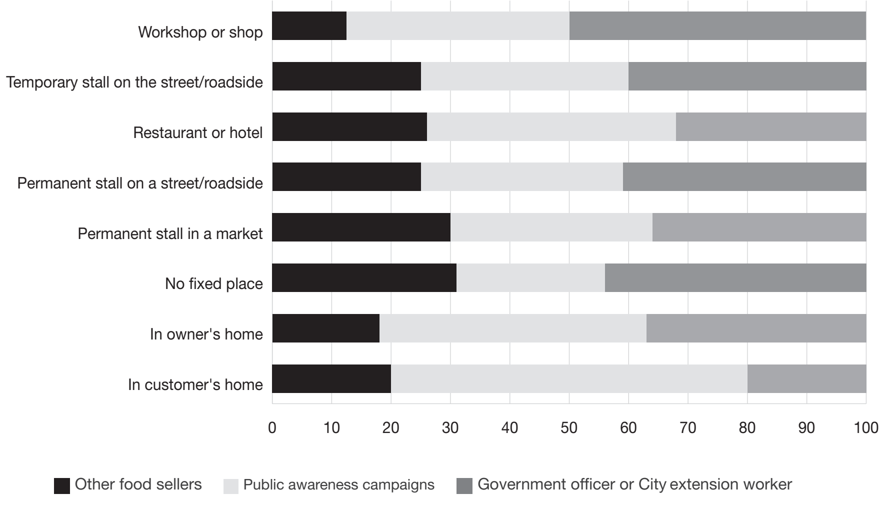
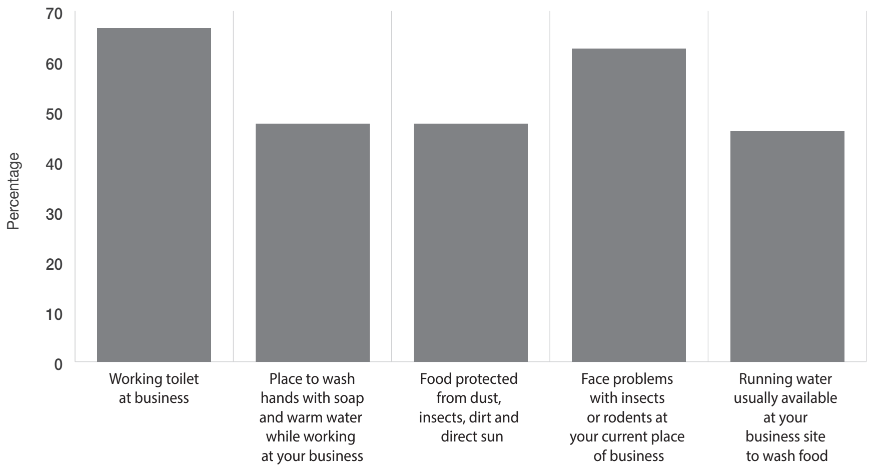


FIGURE 19: Sources of Food Safety Information by Type of Business



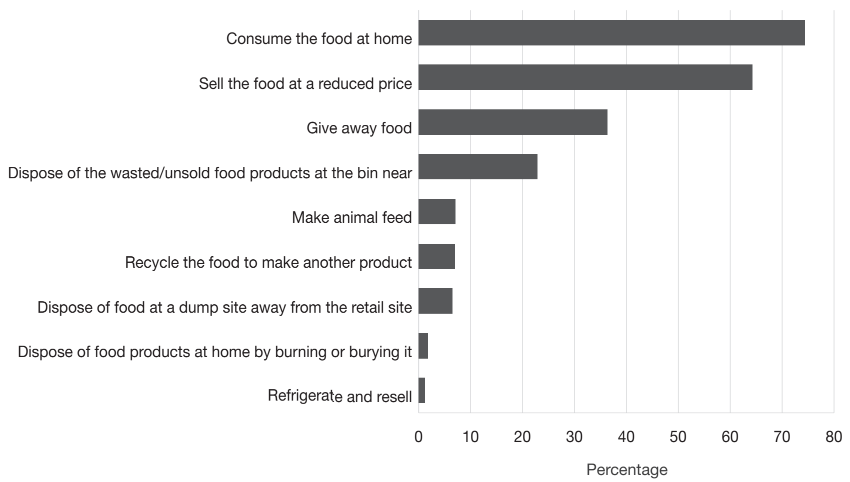
Food safety policies and practices in public spaces need to be accompanied by and reinforced with appropriate facilities. This is particularly important in the localities where informal markets and street vendors trade stock. Figure 20 indicates that two-thirds (67%) of the Oshakati informal traders had a functioning toilet at their business premises, but less than half had a place to wash their hands with soap and warm water (48%), could protect their produce from dust, insects, dirt and direct sun (47%), or had access to running water to wash food (42%). As many as 63% said they faced problems with insects and rodents at their place of business. Access to food safety facilities largely depended on the location of the business.

FIGURE 20: Availability of Safety, Sanitation and Hygiene Facilities



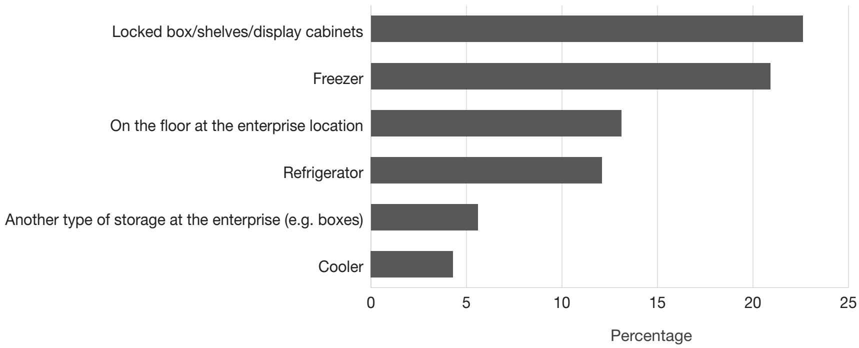
How unsold food leftovers are handled and disposed of is essential to the design of food safety guidelines and education among informal traders. Figure 21 shows that three-quarters of the vendors consume unsold food at home. Nearly two-thirds said that they try to move the food by selling it at a reduced price. Just over one-third (36%) said they give the food away, while only 23% said they throw it out.

FIGURE 21: Disposal of Unsold Leftovers



The shelf life of food obviously depends on what kinds of storage are available. In Oshakati, just over half the vendors surveyed (52%) had storage facilities at the business location; mostly those working from home or in the open market (Figure 22). The most common form of storage is locked box/shelves/display cabinets (23%). Only 21% had freezers and even fewer had refrigerators (12%).

FIGURE 22: Food Storage Facilities

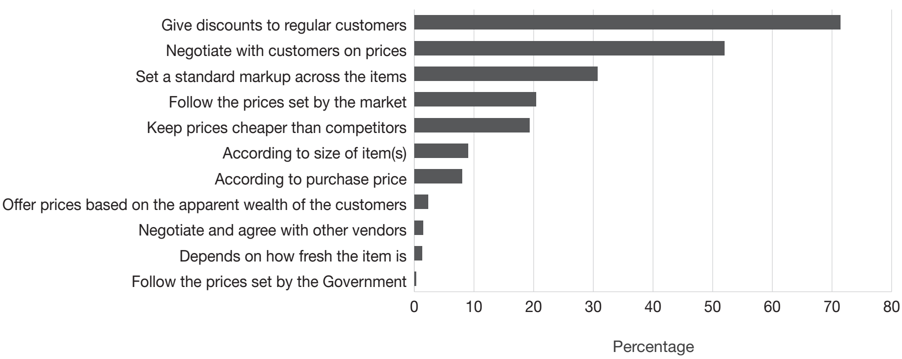


Informal food enterprises are an important component of the urban food landscape in Oshakati, and their ability to keep operating in a highly competitive environment depends on the extent to which they are able to surpass others through the adoption of various business operating practices.

6.3. Price-Setting

A distinguishing characteristic of most informal food businesses is flexible food pricing. While fixed pricing involving a common or standard mark-up on the source purchase price may take place, it is far more common for the consumer to see prices varying. Because prices are not commonly marked on the foods, there is room for negotiation and even for vendors to charge different prices for different customers. Most Oshakati food vendors (71%) provide discounts to their regular customers or negotiate with their customers (52%) (Figure 23). Only 31% adopt a standard mark-up for all items. Interestingly, despite the competition, most do not try to undercut their competitors or set prices in relation to what others are charging. Less than 20% said that they deliberately keep their prices lower than the competition.

FIGURE 23: Methods of Setting Prices

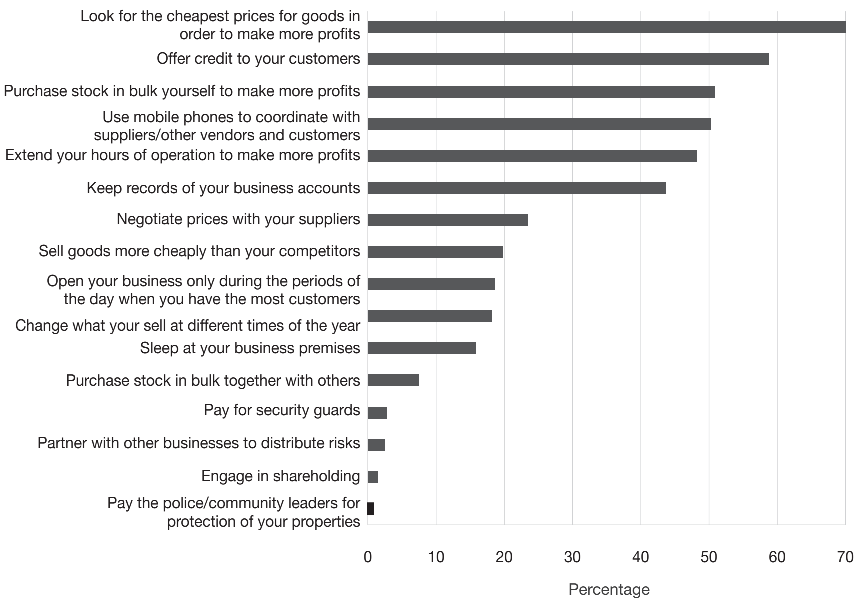


As nearly three-quarters of the Oshakati vendors give discounts to their regular customers, it is probable that this strategy keeps customers loyal. Seventy percent of the vendors reported having regular customers, although loyalty may be tied as much to location as to who they are and the services they provide, as only 30% thought their regular customers would follow them if they moved. Around one-third stock items especially for their regulars.

6.4. Maximizing Profits

Figure 24 summarizes some strategies used by Oshakati food vendors to make a profit. Three-quarters of the vendors reported that they sourced goods as cheaply as possible to increase their profit margins. Offering food on credit to customers is another key strategy to increase turnover, maintain customer loyalty, and compete with formal sector retail outlets. This is a very common practice in the informal sector in general. In Oshakati, 55% of the vendors said they engaged in this practice while 51% purchase stock in bulk (and also bulk-break to sell in smaller quantities). Other reported strategies include extending operating hours (48%) and keeping records of their transactions (44%). Half of the vendors use mobile phones as part of their business operations. Most other strategies were pursued only by small numbers.

FIGURE 24: Profit Maximization Strategies



6.5. Offsetting Food Price Volatility

Food price volatility and increasing prices can have serious impacts on the already narrow profit margins of informal traders. Table 13 shows the main strategies adopted by Oshakati informal food vendors to offset a decline in the availability of stock as well as the impacts of food commodity volatility. Just over one-third (35%) had experienced a decline in availability in the previous year. The most common response was to change the amount of food stocked (two-thirds of affected vendors), followed by changing the selling price (45%). Fewer (27%) switched to selling other products. Over half (55%) of the vendors had to respond to changes in the price of stock obtained from suppliers. Nearly 60% of these had been forced to change the amount of food and 52% had changed the selling price. Again, only a minority switched to selling different products. In general, regardless of the source of volatility, changing the amount of food stocked was the most common response.

TABLE 13: Strategies to Offset Impacts of Food Price Volatility

	No.	%
Change in the availability of the food that you sell	138	34.7
Changed the amount of food that you stock	93	67.4
Changed the price of the food that you sell	62	44.9
Changed the type of food that you sell	37	26.8
Change in the price of stock that you buy from suppliers	217	54.5
Changed the amount of food that you stock	122	56.2
Changed the price of the food that you sell	113	52.1
Changed the type of food that you sell	33	15.2
Note: Multiple-response question		

7. Operating Challenges

7.1. Access to Financing

The informal economy does not have access to many sources of finance and generally has low levels of capital investment. Table 14 shows that much of the capital in Oshakati is sourced from personal savings (69% of vendors). Some vendors are able to leverage social capital by taking loans from relatives in Namibia (12%) or accepting gifts of money from relatives (11%). What is most striking is the very low levels of access to loans from banks, micro-finance institutions, informal lenders and NGOs. In a few cases, social capital is important as it allows vendors to access credit schemes through rotating savings.

TABLE 14: Source of Operating Capital		
	No.	%
Personal savings of money	276	69.3
Relatives living in Namibia	49	12.3
Money gift from a relative	43	10.8
Loan from non-relatives	5	1.3
Loan from a bank	4	1.0
Loan from an informal financial institution	4	1.0
Loan from an NGO	4	1.0
Loan from a micro-finance institution	2	0.5
Money from usurers (money lenders)	2	0.5
Loan from a government agency	2	0.5
Loan from relatives in another country	1	0.3
Business credit (goods on terms)	1	0.3
Loan from a religious institution	0	0.0
Note: Multiple-response question		

Only 10 respondents indicated that they had applied for a bank loan and only six that their application was successful. Those who had never applied for a bank loan provided various reasons (Table 15). In total, 22% of respondents think that banks are reluctant to make loans to informal businesses like theirs, that banks fear loans will not be repaid (21%), that they do not have sufficient guarantees/collateral (20%), and that banks only lend to formal businesses (18%).

TABLE 15: Perceptions of Bank Loans to Informal Vendors		
	No.	%
Banks are reluctant to make loans to businesses like this	87	21.9
Banks think that the loan will not be repaid	82	20.6
It is because of insufficient guarantees/collateral	80	20.1
They only loan money to formal businesses	72	18.1
It is because banks believe these enterprises are not viable	67	16.8
It is because of they have insufficient initial capital	40	10.1
Insufficient initial capital	2	0.5
Not a citizen of this country	1	0.3
Activity/enterprise was deemed not viable	1	0.3
I did not have a pay slip	1	0.3
Old age	1	0.3
Note: Multiple-response question		

7.2. Competition with Supermarkets

The Southern African region as a whole, and Namibia in particular, has seen a rapid expansion of supermarkets in the last two decades (das Nair, 2020; Nickanor et al., 2017). The pace and scale of expansion is often said to limit informal traders' participation in retail spaces (Battersby and Watson, 2019). Others have argued that the presence of a supermarket has benefitted informal traders as they can access supplies from supermarket sales and also, through strategic location, attract supermarket customers. In this study of Oshakati, we were interested in how the advent of supermarkets was perceived by informal food vendors. Table 16 shows that the vast majority (80%) did not feel that supermarkets had affected their business in any way. Only 12% saw supermarkets as competitors and 14% said that they had the same customer base as supermarkets. Even fewer said that supermarkets drew customers away from their business.

TABLE 16: Vendor Perceptions of Supermarket Competition

	No.	%
Have supermarkets affected your business in any way?	77	19.3
Do supermarkets target the same customers as your business?	56	14.1
Are supermarkets competitors with your business?	47	11.8
Do supermarkets attract customers away from your business?	43	10.8
Do supermarkets attract customers towards your business?	33	8.3
Do supermarkets assist your business?	28	7.0
Do supermarket prices cause you to change the price of the food you sell?	28	7.0

Note: Multiple-response question

7.3. Competition and Crime

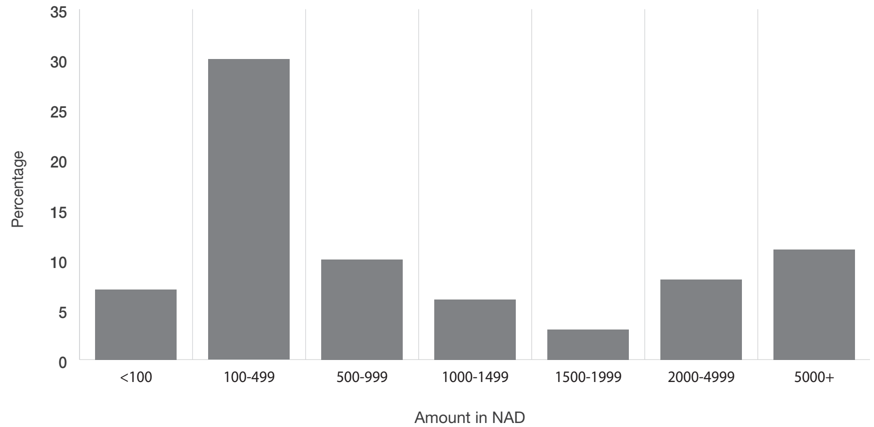
A central issue associated with informal trading and its survival is the relationship between operational challenges and entrepreneurial activity. In this context, the study sought to investigate the operating challenges of informal food vendors in Oshakati. Table 17 shows that the major challenges faced by vendors in the previous year were too few customers (76%), followed by suppliers charging too much (70%), insufficient sales (67%) and too many competitors (53%). Nearly half of the vendors said they had problems with customers not paying their debts; an inevitable risk of making goods available on credit. Other potential challenges were much less important; all experienced by less than 20% of the vendors. Most seemed able to avoid falling victim to theft and other crime. However, a total of NAD151,341 was reported as lost through theft of cash, goods and stock in the preceding 12 months. The average amount lost was NAD2,045. Figure 25 shows the distribution of amounts stolen with most losing less than NAD500. However, for small businesses operating on the margins, any amount can be severely detrimental. Only a few of the vendors had been arrested or detained by the authorities in the previous year.

TABLE 17: Business Challenges in Previous 12 Months

	No.	%
Too few customers	304	76.4
Suppliers are charging too much	277	69.6
Insufficient sales	265	66.6
Too many competitors around here	210	52.8
Customers not paying their debts	184	46.2
Verbal insults against your business	121	30.4
Storage problems	79	19.8
Refrigeration problems/do not have a refrigerator	75	18.8
Competition from supermarkets/large store	64	16.1
Theft of goods/stock	60	15.1
Restricted by lack of relevant training	50	12.6
Theft of money/income	37	9.3
Conflict with Namibian entrepreneurs	25	6.3
Prejudice because of your nationality or ethnicity	18	4.5
Prejudice because of your gender	15	3.8
Conflict with entrepreneurs from other countries	8	2.0
Arrest/detention of yourself/employees	6	1.5
Physical attacks/assaults	4	1.0

Note: Multiple-response question

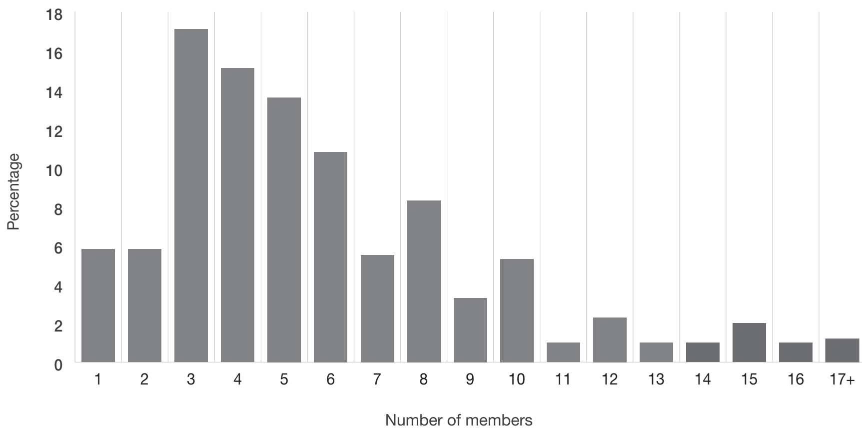
FIGURE 25: Estimates of Loss Through Theft of Cash, Goods and Stock



7.4. Supporting the Household

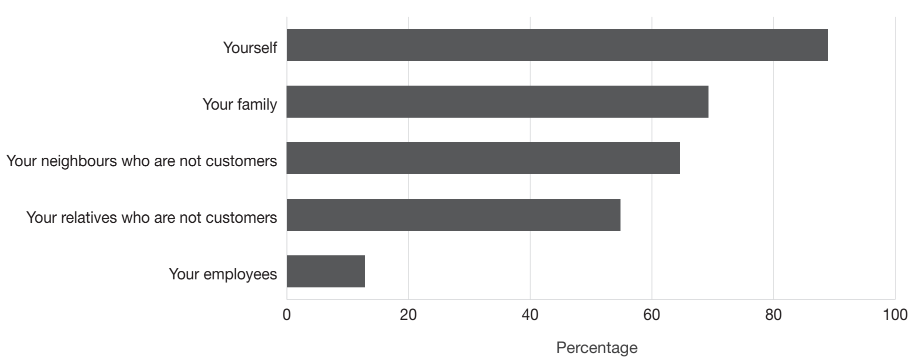
Many vendors come from households in which the food business is the only source of household income. This means that funds that could be reinvested in business expansion go instead to meeting basic household needs. The mean number of household members was as six, though with some variation (standard deviation of 3.8). Figure 26 shows the distribution of the number of household members across the sample.

FIGURE 26: Household Size



Informal food enterprises are also an important source of food for the immediate family. Figure 27 shows the strong family dependence on the business for food such that almost all business owners (89%), their immediate families (69%), neighbours who are not customers (65%) and relatives (55%) often consume the food bought for the business.

FIGURE 27: Consumption of Food Bought for Business



8. Conclusion

Informal food retailers in Namibia's smaller urban centres are as adept as their counterparts in Windhoek at responding to the needs of poor urban residents. This study demonstrates that secondary centres such as Oshakati have a vibrant informal food sector that mirrors many characteristics of the sector in larger urban spaces. As in large cities, informal vendors in secondary centres self-monitor and self-manage their vending sites to reduce congestion, crime, grime, and public health risks. They also face many of the same operating and business challenges. This survey of various types of food vendor in Oshakati found the following:

- Households in Oshakati obtain food on a frequent basis from a variety of informal sources including the open market, street vendors, mobile vendors, home-based vendors, and tuck shops. Poorer, food insecure households are more likely than the food secure to source food from the informal sector.
- While vendors are distributed throughout Oshakati, they tend to locate along major roads through and from the town as well as in the Omatara open market. There are also clusters of vendors in the low-income neighbourhoods and informal settlements of Oshakati West and Evululuko. The two clusters are separated by the higher-income residential area of Oshakati East and shopping malls. Around 70% said they chose their location because they could access the greatest number of customers, while two-thirds said that proximity to public transport was an important factor.
- The majority of vendors are women (81%). Single women made up 70% of all vendors surveyed. The average age of all the vendors was 36.5 years, with the women on average 8 years older than the men. As many as 61% of male vendors were under the age of 35, compared with only 29% of the women. There were also marked gender differences in levels of educational status, with 30% of male vendors having no formal education, compared with only 3% of female vendors. Also, nearly 70% of female vendors had secondary education compared to 46% of male vendors.
- Most food vendors were migrants, mostly from a rural area in the country (63%), followed by those from another urban centre (13%) and another country (5%). Gender differences were again evident, with a greater proportion of women than men (67% versus 46%) having migrated to Oshakati from a rural area in Namibia.
- Most food businesses were established recently, which suggests that the sector is expanding rapidly as Oshakati grows. One-third started

up within the previous three years and just over half since 2010. The main motivations for starting a food business were survivalist in nature – earning money just to survive or support family, and because of unemployment and inability to find work.

- A wide variety of fresh, cooked and processed foods were sold. Most popular were vegetables, red meat, fruit, fresh fish and mahangu. In general, informal food vendors tend to make available healthier food options to low-income residents.
- The most important source of produce for resale was supermarkets with nearly 60% of vendors purchasing stock there. Another major source for street and other vendors was the open market. Given that the open market was established in an effort to control the spread of informal vending, it may be having the opposite effect by making stock more accessible. One-third of the vendors obtain their stock from formal sector wholesalers. Just over one-quarter of the vendors source food from local farms. Very few grow or produce the food they sell.
- While informal food enterprises in larger urban centres such as Windhoek create employment for others, in secondary cities such as Oshakati, it appears that most of the micro-enterprises are single-person businesses. Only 53 enterprises in Oshakati had employees, together generating 77 jobs.
- The majority of Oshakati food vendors have regular customers to whom they offer lower prices and food on credit. They do not try to undercut their competitors or set prices in relation to what others are charging. Offering credit is an important business strategy but has disadvantages since many reported later difficulties in getting payment for goods advanced.
- Three-quarters of the vendors reported that they look for low-priced goods to purchase in order to increase their profit margins. Other strategies to increase turnover, maintain customer loyalty and compete with formal-sector retail outlets include purchasing stock in bulk and having long operating hours.
- Many vendors come from households in which the business is the only source of income. This means that funds that could be reinvested in business expansion go instead to meeting basic household needs.

Clearly, the rapidly expanding informal food vending sector plays a significant role in feeding the urban population of Oshakati. To ensure that it plays an optimal role, necessary improvements include:

- An enabling policy environment that regulates but does not discourage or adopt a punitive approach to informal food vending.

- Improved access to financial support for those operating in the informal food sector so that their enterprises can be a vehicle for job creation in addition to self-employment.
- While the new open market has relieved some of the congestion by providing stands and facilities for vendors from the original omatala, improvement of other smaller clusters of informal market vendors is necessary to avoid congestion, to address unemployment, and to increase access to food.
- While short supply-chains and sourcing from local smallholders is desirable, most Oshakati vendors rely on out-of-area sources for many products. Greater support for local farmers could ensure shorter supply-chains and create mutual benefits for vendors and farmers.
- Vendors play a critical role in making indigenous foods available in urban areas and should be further incentivized to participate in the delivery at affordable prices of these popular ingredients.
- Many informal vendors use the income from their enterprise to support their households, constraining reinvestment of profits in business growth. Employment creation and social grant expansion could diversify household income sources and free up capital for reinvestment.
- Greater health and safety education needs to be provided to food vendors, many of whom either have little knowledge about this or depend on other vendors for reliable information. The Health Department from the City Council and the Public Health Section from the Ministry of Health should provide continuous training because traders are highly mobile.
- Given the growing prevalence of non-communicable diseases in urban Namibia, improved knowledge on healthy and unhealthy foods, on expiry dates of food purchased from supermarkets and on other health issues is critical.

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Food Security in Africa's Secondary Cities: No. 4. Oshakati, Namibia

This report forms part of the African Food Security Urban Network's efforts to increase knowledge on urban food systems and household food insecurity in Africa's cities. It presents the findings of AFSUN-FUEL's survey of informal food vendors in Oshakati in northern Namibia and aims to provide insights into informal food vending in African secondary cities more generally. In Namibia, the informal economy continues to expand with rural-urban migration and rapid urbanization and now makes up about 35% of the national economy. The country's relatively steady post-independence economic growth has not yet been sufficient to deal with the triple challenge of poverty, inequality and formal unemployment, leading in turn to continuous expansion of the informal economy. There is a growing consensus that a new, or at least a significantly improved, model of economic growth and development is required in which the informal sector is seen as an opportunity to foster inclusive economic development, create jobs, alleviate poverty, sustain livelihoods and offer solutions for social protection, decent work and food security. This study demonstrates that Oshakati has a vibrant informal food sector that mirrors many characteristics of the sector in Namibia's capital, Windhoek. It shows that informal food retailers in smaller urban centres are as adept as their counterparts in large urban spaces at responding to the needs of poor residents.

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