

# EFFECT OF INFORMAL SECTOR ACTIVITIES ON LANDUSE MANAGEMENT IN AUCHI, EDO STATE, NIGERIA

**Gabriel, E<sup>1</sup>., Asunogie, O.F<sup>2</sup>, Osagioduwa, M.<sup>3</sup>, Adjekophori, B<sup>4</sup>  
and Ojeh, P.A.P<sup>5</sup>**

<sup>1</sup>Department of Urban and Regional Planning, Federal University of Technology, Akure

<sup>2,3</sup>Department of Urban and Regional Planning, Auchi Polytechnic, Auchi

<sup>4,5</sup>Department of Estate Management and Valuation, Auchi Polytechnic, Auchi

**Corresponding author:**

**Gabriel Emmanuel**

Email: [gabrielemmycarl@gmail.com](mailto:gabrielemmycarl@gmail.com)

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## ABSTRACT

This study is aimed at examining the effect of informal sector activities on land use management within Auchi, Edo State, Nigeria. This was achieved through investigation of socio-economic attributes of the respondents, nature of informal sector activities, land use information, causes of change of land use and land use management information. The research design used was strictly survey and observatory. A simple random sampling technique was used for the survey. Findings revealed that only 8% of the respondents had tertiary education, 19% were into farming, 37% artisans, most of the residential buildings have been converted into mixed use among others. Based on the findings, the research recommends the utmost need for adequate preparing planning documents that must guide orderliness, the need for insistence of appropriate planning approval and permission in compliance with the zoning principles as approved by a gazette planning document for such area, just to mention a few.

**Keywords:** Informal sector, Landuse, Management, Planning approval and Zoning.

## **1.0 INTRODUCTION**

### **1.1 Background to the Study**

Informal sector is a broad term that refers to the many aspects of a country's economy that are not taxed or monitored tightly by any form of government or its agency, (Chen, 2012). It is generally viewed as another sector outside the normal organized formal sector that provides employment and sustenance through engaging in a variety of activities, such as street trading, hawking, vulcanizing, local manufacturing and cobbling to mention but a few (Adeyemi and Gbenga, 2013). Human activities take place in space. The capacity of the informal sector economy to absorb a teeming population of the unemployed into the labour force has posed a considerable challenge to urban land use planning and management not only in Nigeria but also in some other developing countries of the world (Meagher and Yinusa, 1996; Adeyinka, Omisore, Olawuni and Abegunde, 2006).

Generally, urban Land use management involves the arrangement of different structures and activities in space in a rational and environmentally sustainable manner to achieve health, convenience, economy, safety, and beauty. To this end, Auchi is a rapidly urbanizing town in Nigeria and cannot be exempted from this reality with fast growing problems alongside its growth (Asunogie, Momoh, Al-Hasan and Ahmed, 2017). These urban land use problems are being aggravated due to urban growth and the consequent phenomenal increase in population as well as the unstable state of the urban economy whereby more people are diverting into these informal activities for daily survival and sustenance of livelihoods especially for millions of people who have either been retrenched from their jobs, or whose incomes are no longer sufficient to support basic need (Omuta, 1986; Adeyemi and Gbenga, 2013).

Therefore, the study examines the effect of informal sector activities on land use management within Auchi. The study investigates socio-economic attributes of the respondents, nature of informal sector activities, land use information, causes of change of land use and land use management information of the respondents. However, suggestions were made to improve on the situation.

### **1.2 Statement of the Research Problem**

A lot of problems on the challenges of the effects of informal sector land use management exists. However, for the purpose of this research, the following identified problems are of paramount importance and would be addressed. Firstly, the effect of informal sector activities on existing land use is clearly painted on the concept of devaluation. According to Murgor, (2016), the informal sector presents an introduction of commercial and industrial/service industries into residential estate, resulting in a disharmonious urban spatial organization of incompatible land uses, this in turn, devalues the land and houses within the neighbourhood thereby affecting the aesthetic value and the use of such land use in the particular areas where such activities are located (Abolade and Adeboyejo, 2013).

Besides, the activity of informal sector operators greatly defines modern land use alteration. The alterations made by the informal operators are not approved or legalized by constituent authority whose mandate is to manage policies and operations of land use and its management in a well-defined administrative environment. Most of the informal enterprises are located on street pavements or road reserves and building frontages, which are noncompliance with planning regulations such as the building lines (Murgor, 2016).

In addition, the activity of this sector greatly encourages land use conversion with utmost disregard for existing planning policies, guidelines as well as regulations. The informal sector activities tend to change the buildings/neighborhoods and bring out a different physical neighborhood

character from that envisaged by planners and managers of the estate. As a result of this unhealthy reality, majority of the informal enterprises operate in conflict with planning authorities where such authorities have the resources (manpower and technical resources) to resist such inconsistent and unapproved alterations.

Furthermore, the challenges of the informal sector on urban environmental management have been widely acknowledged by different researchers including Enemark, (2007) who commented that the appalling environmental conditions associated with informal sector activities have been unfortunate. They constitute a major threat to the health and well-being of urban life. This thus creates the main challenge of how to support and regulate the informal sector in order to promote productivity and income for the poor, and at the same time ensure a safe healthy and socially acceptable environment (Farinmade and Anyankora, 2012). Consequently, this study addresses the problems associated with socio-economic attributes of the respondents, nature of informal sector activities, land use information, reasons for change of land use and land use management information.

## **2.0 LITERATURE REVIEW**

### **2.1 Nature of Informal Sector Activities in Nigeria**

The informal economy or informal sector is a broad term that refers to the many aspects of a country's economy that are not taxed or monitored tightly by any form of government and are not included in the GNP of that country, (Chen, 2012). The sector in Nigeria refers to economic activities in all sectors of the economy that are operated outside the purview of government regulation. This sector may be invisible, irregular, parallel, non-structured, backyard, underground, subterranean, unobserved or residual (Onyenechere, 2003). The informal sector is generally viewed as another sector outside the normal organized formal sector that provides employment and sustenance through engaging in a variety of activities, such as street trading, hawking, vulcanizing, local manufacturing and cobbling to mention but a few (Lawanson, Nwokoro, and Olajide, 2012).

### **2.2 The Concept of Land Use Planning Management in Nigeria**

Generally, the aim of land use planning is to arrange different structures and activities in space in a rational and environmentally sustainable manner to achieve health, convenience, economy, safety, and beauty. According to Abolade and Adebeyejo, (2013), land use planning as to do with the control of the use of land and natural resources and land development within an environment. It is designed to arrange different structures and activities in space in a rational and environmentally sustainable manner to achieve health, convenience, economy, safety, and beauty. Land management encompasses all activities associated with the management of land and natural resources that are required to achieve sustainable development. The concept of land includes properties and natural resources and thereby encompasses the total natural and built environment. Land use management generally refers to the officially recognized system that determines and regulates use of land. It deals with processes by which land is developed, usage of land is defined, and activities on land are regulated. (Rubin, 2008).

The Land Use Act of 1978 vested land in the government and charged various state governors to hold it in trust and administer for all Nigerians in public interest. It empowered governors to administer and acquire land through compulsory acquisition and/or revocation of right of occupancy. This has therefore exposed most of the initial community lands to the threats of many agitating interests and uses. Land use management deals with processes by which land is developed, usage of land is defined, and activities on land are regulated. The organizational structures for land management differ widely between countries and regions throughout the world, and reflect local

cultural and judicial settings. The institutional arrangements may change over time to better support the implementation of land policies and good governance. Within this country context, the land management activities may be described by the three components: Land Policies, Land Information Infrastructures, and Land Administration Functions in support of Sustainable Development (Enemark, Williamson, and Wallace, 2005).

### **2.3 Informal Sector as Part of the Economy System and its Role in Economic Growth**

The Informal Productive Sub-sector encompasses all economic activities involving the production of tangible goods. They include agricultural production, small-scale manufacturing, building and construction. Specifically, they manifest in food production, woodwork, furniture making, garment making, welding and iron works, among others. This Sub-sector includes repairs and maintenance, informal education services, health services, counselling services as well as labour for menial works. Repairs and maintenance services include tailoring, vehicle repairs and maintenance, tinkering, carpentry and servicing of various household and commercial tools. Informal health services, especially in the rural areas, include traditional birth attendants, herbalists and other traditional medical practitioners (William, 2015).

The informal economy or informal sector is a broad term that refers to the many aspects of a country's economy that are not taxed or monitored tightly by any form of government and are not included in the GNP of that country (Chen, 2012). Employment in Third World cities is heavily reliant on petty services and petty commodity production on a small scale-what has been called Informal Sector economy. The informal sector plays an important role in employment creation and poverty alleviation by providing incomes to unskilled and semiskilled workers who otherwise would be unemployed. The use of the state to foster growth and development has been common in developing countries (Goorha, 2000).

The International Labour Organization (ILO) estimates that the proportion of the urban work force engaged in the informal sector is highest in sub-Saharan Africa, and accounts for more than 50% of urban employment in two-thirds of the countries surveyed in 1999 (Nwaka, 2004). In terms of Food Security, the share of informal economic sector employment out of total gainful employment in Nigeria rose from 27.3% in 1970 to 38.2% in 1989 thus observing that more than 90% of Nigeria's food supply comes from the informal sector. (Nkom, 2000).

### **2.4 The Concept of Urbanization Land Use Change**

The concept of urbanization is a function of a researcher's perception or aim of his research. This is because the concept could be seen from varying perception as long as it suits the purpose of his study (Asunogie, Momoh, Al-hasan and Ahmed, 2017). Basically, urbanization is simply the effect of rapid expansion of cities due to influx of population from mostly rural environments resulting from pull forces emanating from such cities and as a result increases the pressure on existing facilities in the host community.

The rapid pace of urbanization in some developing countries (like Nigeria) has brought about tremendous changes in the use of land (Ifeoluwa, 2011; Olayinka, 2012) of which the Auchi town is not left out (Asunogie, et al 2017). However, studies have shown that, the increased rate of urbanization in the developing countries is also strengthened by the activities of the multinationals that tend to concentrate their investments and manufacturing projects within urban areas. Urbanization especially when characterized with uncontrollable population growth produces both positive and negative effects (Egunjobi, 2004).

Some of the positive effects on cities includes concentration and complementarity of various economic activities to build economic of scale with the concomitant opportunities such as employment, high demand for goods and services, innovation and information diffusion, investment potentials and proximity to the various means of satisfying human wants all of which have made the towns and cities centres' of attraction. This ultimately affects the growth and increase of informal sector activities in such areas Thereby creating pressure on land use within the built environment through undue and unapproved changes (Bromley, 1978).

## **2.5 Effects of Informal Sector Activities on Land Use Management**

### **2.5.1 Building/Neighbourhood Alteration**

Since most human activities have spatial dimension and coupled with the fact that there has been no considerable provision for land space to accommodate all the operators who engaged in informal enterprises, hence there is high demand for land and spaces for the accommodation of ever growing need of the sector, both to settle and trade. Consequently, every suitable and available land space is converted to the use that suits the business activity thus resulting in erection of shops, kiosks and other temporary structures without formal approval. It is also clear that the initial neighborhood design has undergone a lot of transformation, which have been brought by urbanization challenges which planners failed to incorporate in their initial plan, (Abolade, 2012).

### **2.5.2 Neighbourhood Devaluation and Waste Disposal Pollution**

Most operators of the informal sector in Nigeria especially street hawkers, market vendors, small automotive and machine repairers, shoemakers, barbers, hairdressers and tailors generate by-products in their daily efforts to provide goods and render services. These by-products deface the streets, and clog the drains. The concomitance of these actions is the stimulation of health hazards, flooding, noise pollution, traffic obstruction and nuisances even road accidents (Onyenechere, 2010).

The widespread of the unplanned and poorly accommodated informal enterprises in most parts of African cities make the collection, transportation, and proper treatment of municipal wastes extremely difficult. This is worsened with the general problems of lack of control over waste minimization, lack of appropriate landfill site and inadequacy of financial resources. This could breed and exacerbate environmental problems and health hazards. Therefore, as the urban informal enterprises expand, there is bound to be a proliferation of workshops and work sites as well as intensification in the use of informal economic locations. The resultant effect of this is vast deterioration of the environment (Abolade, 2012).

## **3.0 Materials and Methods**

Auchi, an emerging Business District, is located in Estako West, Edo State, Nigeria. The area was predominantly residential in nature with some complementary commercial service places such as school, market, shops, playground and religion centres, until recent time when the area started witnessing transitional use in land. The land use transformation occurs majorly as a result of increase in the concentration of business activities. Also government developmental projects such as road expansion and other infrastructural facilities provisions aided land use changes in the area (Asunogie, et al 2017). Although the study was carried out in Auchi, emphasis was on Iyekhei Girls Secondary School road, popularly known as sharp corner via Auchi Polytechnic's School of Business Studies' gate linking Aviele, where the perceived informal sector activities appear to be on the rise recently.

According to ETF, (2010) research methodology is simply a systematic procedure that is or will be used in the actualization of any research, stating categorically all the steps and the basis for the steps employed in the research work. For this study, the research design used was strictly survey and observatory approach. The research population were the landlords along the study area and the operators of the informal sector activities therein. From the two groups, 25 respondents for each group were captured and sampled. However, a simplerandom sampling technique was used for the survey.

## **4.0 Results and Discussion**

### **4.1 Basic Socio-demographic information of Respondents**

From the survey, it was established that 82% of the respondents were male while only 18% were female; that 64% of the respondents were married while 36% were not but all of different religion. About 69% of the population were educated up to primary level, 23% have secondary level and 8% up to tertiary level; 19% of the population were into farming while 27% were into crafting and 54% trading.

### **4.2 The Nature of Informal Sector Activities of Respondents**

The information generated from the survey showed that all the activities sported along the study area were non-taxable activities and do not exist in the tax base record of relevant agency. The study revealed that 53% of the sampled population engaged in commercial activities, 37% were artisans that were into fabrication or construction of different product and while 20% of the sampled population were into beautification activities.

### **4.3 Land use information of respondents**

The survey observed that Landuse conversion gradually became visible from 2012 when the road was constructed and rapidly manifested around year 2015 till date. Based on the information generated from the landlords that, the existing land use within the study area before the dynamics of conversion now noticed was mostly residential accounting for about 8% institutional use, 22% agriculture, 11% transportation network, 3% commercial use while the rest were strictly residential use. The study also observed that recently, the land uses along this traffic corridor have greatly changed in favour of commercial land use which now controls 88% of the total land use while residential and transportation now account for barely 12% respectively. Sadly, the study observed that 92% of the residential housing units (before 2013) were either mixed use or have been completely converted to commercial use and all the landuse conversion within the study area were never directed, ordered or approved by any town planning agency as expected.

### **4.4 Influential Causes for the Change in Use**

The study noted that the study area dramatically experienced a change in economic growth and development as a result of the expansion of the polytechnic's facilities towards the study area. This influenced the bases for the drastic arrival of informal sector activities around the study area. The study revealed that 81% of the property owners converted their property from its original use to a new one for financial benefits, 12% converted their property because the act was trendy while 2% converted due to compatibility convenience and 6% converted due to population pressure. Again, the study also revealed that property conversion is never a one way thing. Thus it observed that 98% of residential properties along the main roads were converted to commercial use and only 2% were converted to mixed use.

#### **4.5 Landuse Management information of respondents**

The study observed that land use management as a phrase was new to 71% of the respondents stating that they were not aware of any agency empowered to manage land use in an already built up area while 29% were well informed; it was also observed that there appears to be no proper planning/zoning document that is meant for implementation in the study area by relevant agency thereby creating the free for all abysmal conversion without due process. The study also observed that there was uncontrolled level of corruption among planning agency's personnel who pretended to be blind when money changed hands. This was verified in the location by the highly noisy informal activity (welding) along the fence of Iyekhei girl's secondary school, a learning environment. However, planning authority officials conduct development control exercise in the same area with no questions asked.

#### **5.0 CONCLUSION AND RECOMMENDATIONS**

Based on the research findings, the study concludes that, the emergence of informal sector activities in any urban area is a function of the rate of developmental growth of opportunities and avenue for earning income by a population of the society that is not under gainful employment of a formal agency. The growth of informal sector activities is a function of the pace at which social and economic developmental growth are springing up, which in turn has positive impact on rental value of the affected properties in the area but negative index for the housing stock within the said area.

However, it appears that relevant agencies of the land management system have failed in the regulation of the spatial interaction of the landuse of the informal sector that is dependent on the formal sector for survival. Thus whatever is desired by a land owner is right. This explains the ugly trend that exists currently in the study area as land use change resulting from influential factors that allow informal sector activities to thrive being an inevitable occurrence associated with emerging major urban city centres like the study area. The nature and pattern of such land use dynamism has to be appropriately monitored and regulated by putting in place effective checks to curb adverse impacts and maintain planning orderliness by appropriate agency that is competent and qualified by law to do so.

To this end, this study therefore recommends that there is utmost need for relevant agency entrusted with the responsibility of plan preparation of the different urban areas or growth centers within the state to be up to their responsibility of adequately preparing planning documents that must guide orderliness. These documents must clearly specify and separate different land uses with emphasis on compatibility where mixed use is to be permitted; Appropriate planning approval and permission must be sought and obtained from planning agencies before property owners/users carry out any physical re-development (like modification or alteration) that will affect the existing land use in compliance with the zoning principles as approved by a gazette planning document for such area; Relevant government ministries/agencies/parastatals should come alive to their responsibilities in ensuring that proper monitoring and site inspections are undertaken.

This can only be possible where such agency has technical, human, financial as well as material resources to be able to effectively execute the assignment; There is need to re-enact the enforcement of extant laws concerning land use change and re-developments so as to curtail the excesses of land owners/users in their quest for maximizing economics opportunities by the strict enforcement of a well prepared planning and or zoning document for such an area; Land owners/users should be sensitized on the importance of due process in their pursuit of property planning and

development by emphasizing the associated adversities that incompatible land use changes may impact on the society.

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