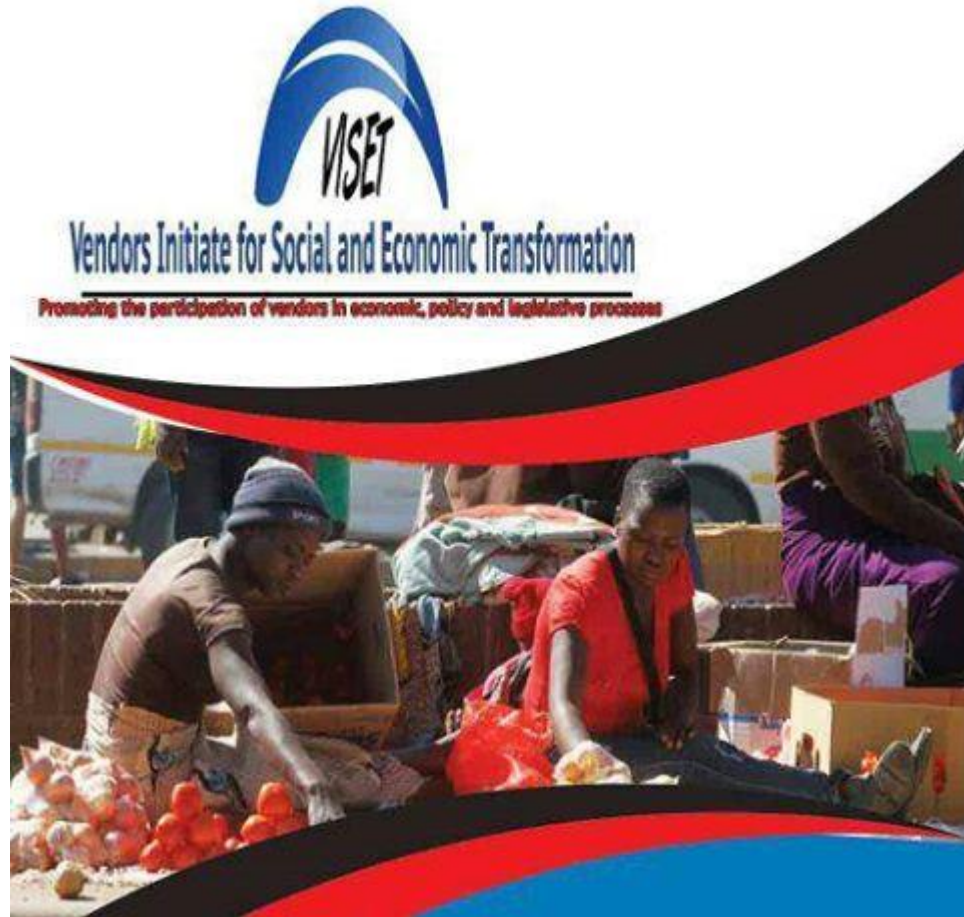


**VISET PROPOSED NATIONAL POLICY FOR URBAN STREET VENDORS**



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## 1. Introduction

This is a proposed alternative national policy for street vending in Zimbabwe:

Street vending as a profession has been in existence in Zimbabwe since the pre-independence era. However, their number has increased manifold in the recent years due to the continuous economic decline the country is facing. In Harare, Central Business District (CBD) alone, there is an excess of 20 000 street vendors, while Bulawayo has an estimated 17,000 vendors. Women constitute a large proportion of street vendors in almost every city.

ZIMSTAT estimates that the informal sector constitutes approximately one third of Zimbabwe's total population, contributing approximately 40 percent of the country's Gross Domestic Product (GDP). Hence, street vendors are key players in the country's national economy which, over the past years has become highly informalised. The role played by the vendors in the economy thus needs to be given due credit but they are considered as unlawful entities and are subjected to continuous harassment by Municipal and Zimbabwe Republic Police. They have been subjected to arbitrary evictions from their vending sites, arrests, assaults, confiscation of goods and several other forms of abuses. These abuses were sanctioned by the Minister of Local Government, Public Works and National Housing on the 1<sup>st</sup> of April 2015, which ordered Town Houses to rid CBDs of street vendors or risk themselves being rid of. As such the exercise to remove vendors from the streets without offering them alternative vending spaces is ongoing regardless of VISET and other likeminded organizations' calls for the immediate halt of the operation. If properly regulated, the small traders on the sidewalks can considerably add to the comfort and convenience of the public, by making available ordinary articles of everyday use for a comparatively lesser price. Urban vending is not only a source of employment but provides 'affordable' services to much of urban population. An ordinary person, not very affluent, while hurrying towards his home after a day's work, can pick up these articles without going out of his way to find a regular market.

The right to carry on trade or business is provided for under Section 64 of the Constitution which provides for the right to freedom of choice and practice of a trade or profession. Section 24 of the Constitution provides for the national objective of removing restrictions that inhibit people from working or otherwise engaging in gainful economic activities. Section 13 of the constitution obliges the government to promote private initiatives and self reliance. The right to human dignity, right to food and right to life can all not be realized if people are denied opportunities to earn livelihoods. Street vendors provide valuable services to the urban population while trying to earn a livelihood and it is the duty of the State to protect the right of this segment of population to earn their livelihood.

This policy aims to ensure that this important section of the urban population finds recognition for its contribution to society, and is conceived of as a major initiative for urban poverty alleviation.

## 2. Definitions

A street vendor is broadly defined as a person who offers goods or services for sale to the public without having a permanent built up structure but with a temporary static structure or mobile stall. Street vendors may be stationary by occupying space on the pavements or other public/private areas, or may

be mobile in the sense that they move from place to place carrying their wares on push carts or in cycles or baskets on their heads, or may sell their wares in moving bus etc. In this policy document, the term urban vendor is inclusive of both traders and service providers, stationary as well as mobile vendors and incorporates all other local/region specific terms used to describe them, such as, hawker, sidewalk traders, etc.<sup>1</sup>

### 3. Overall Objective

The overall objective of this policy is to:

Provide and promote a supportive environment for earning livelihoods by the Street vendors, as well as ensure absence of congestion and maintenance of hygiene in public spaces and streets.

#### 3.1 Specific Objectives

1. **Legal:** To give vendors legal status by amending, enacting, repealing and implementing appropriate laws and providing legitimate vending zones in urban development plans
2. **Facilities:** To provide facilities for appropriate use of identified space including the creation of vending sites in the urban development plans
3. **Regulation:** To eschew imposing numerical limits on access to public spaces by discretionary licenses and instead moving to nominal fee-based regulation of access, where market forces like price, quality and demand will determine the number of vendors that can be sustained. Such a demand cannot be unlimited.
4. **Role in distribution:** To make Street vendors a special component of the urban development plans by treating them as an integral and legitimate part of the urban distribution system.
5. **Self Compliance:** To promote self-compliance amongst Street vendors.
6. **Organization:** To promote organizations/associations representing Street vendors to facilitate their empowerment.
7. **Participation:** To set up participatory mechanisms with representation by urban vendors' organizations, (Unions / Co-operatives/ Associations), Voluntary organizations, local authorities, the police, Residents Associations and others for orderly conduct of urban vending activities.
8. **Rehabilitation of Child Vendors:** To take measures for promoting a better future for child vendors by making appropriate interventions for their rehabilitation, schooling and other care and support services.
9. **Social Security & Financial Services:** To facilitate/promote social security e.g. pension, insurance, etc. and access to finances for Street vendors through co-operatives/Micro Finance Institutions (MFIs) etc.

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<sup>1</sup> Min of Urban Employment and Poverty Alleviation, Government of India

## 4. Elements of the Policy

### 4.1 Planning Norms

Following the Pronouncement by the Minister of Local Government, Public Works and National Housing in April 2015, some cities drafted guidelines for regulating urban vending activities. However, the provisions made so far do not generally recognize the fact that demand for vendors' wares/ services is highly specific and varies as to location and time, manifesting as a natural propensity of Street vendors to locate in various places at particular times. On the contrary, the present urban planning norms completely disregard the formation of such natural markets. They also do not have implementation systems in place. Planning norms should be supportive of such natural markets.

#### 4.1.1 Spatial Planning norms - demarcation of vending zones

The demarcation of vending sites should be city/town specific. To make the plans conducive and adequate for the vendors of the respective city / town, the following should be adhered to:

1. It should take into account the natural propensity of the Street vendors to locate in certain places at certain times in response to patterns of demand for their goods/services.
2. City authorities should provide sufficient spaces, designated as 'vendor's markets' in layout plans at locations of such natural markets, for the number of vendors (static and mobile) which can cater to demand for their wares / services. If aspirants to such location exceed the number of spaces available, excess may be regulated by fees or lottery and not discretionary licenses. In any case market forces relating to price, quality and demand will automatically curtail the number of vendors to sustainable levels.
3. Mobile urban vending should be permitted in all areas even outside the designated vendors' markets, unless designated as 'no-vending zone' through a participatory process. The 'no-vending zones' may be notified both in terms of location and time. Locations should not be designated as 'no-vending' zones for frivolous reasons; the public benefits of declaration of a no-vending zone should clearly outweigh the potential loss of livelihood and non-availability of goods and services that it would involve.
4. With the growth of a city/town every new area should have adequate provisions for Street vendors.
5. Designation of vendor's markets / no-vending zones should not be left to the sole discretion of local authorities but must be accomplished by a participatory process by a Town Vending Committee (which for large towns / cities may be constituted on the basis of wards) whose membership may comprise of the following:

(a) Local Authorities

(b) Municipal and Zimbabwe Republic Police

(c) Ministry of SMEs and Local Government

(d) Associations/Organizations representing Vendors

(e) Representative of leading financial institutions

The vendor's representatives should preferably constitute at least 50 % of the total number of members of the Committee. At least two thirds of the representatives of street vendors should be women. The process for selection of street vendors' representatives should be based on Membership based organizations and financial accountability

The Committee should ensure that provisions for space for vendors' markets are pragmatic, consistent with formation of natural markets and sufficient for existing demand for vendor's goods and services. Provisions of space may include temporary sites designated as vendors' markets (e.g. as weekly markets) whose use at other times may be different (e.g. Public Park, parking lot). Timing restriction on urban vending should correspond to the needs of ensuring non-congestion of public spaces / public hygiene. The Committee should ensure continuation and up-gradation of weekly markets

The Committee may also perform the following functions:

1. Quantitative Norms: which refer to the norms on amount of space to be provided for vendors' markets. At the town / city level enough space should be designated for vendors' markets. Each town / city may evolve its own quantitative norms, but after proper surveys and consultations.
2. Qualitative guidelines: which refer to facilities to be provided at vendors' markets by the local authorities. These include: provisions for solid waste disposal, public toilets to maintain cleanliness, aesthetic design of mobile stalls/ push carts, provision for electricity, provision for drinking water, provision for protective covers to protect their wares as well as themselves from heat, rain, dust etc, storage facilities including cold storage
3. Set the terms and conditions (planning) for vending and take corrective action against defiant hawkers.
4. Collection of Revenue – The vendors should be charged a reasonable monthly fee for access to various services. The Committee will also collect registration fee, monthly maintenance charges and fines, if any.
5. Making available a proportion of revenue generated from registration fees and monthly fees to run their operations subject to a minimum grant from the local authority.
6. Monitoring Mechanism - The Town vending Committee / Ward Committee would be entrusted with adequate powers and resources to monitor the hawking activity of a particular ward and the quality of the services provided, take corrective action when required, report to City Level Committee, if required recommend revaluation / changes in specified norms for vending, report to the Central Ministry on the functioning of the Street vendors of the State.

## 4.2 Regulatory Process

Traditionally issuing licenses to vendors was seen as an instrument to give some of them 'legal' status, in an environment where urban vending is ipso facto illegal, which would in turn remove the very basis of

their harassment, extortion and eviction by the concerned authorities. However, the difficulties in obtaining such licenses, which are sought to be justified on the argument that congestion in public places would thus be avoided, has given rise to space baronism and partisan allocations.

Secondly, the demand for vending sites far exceeds the available spaces leading to congestion of pavements and sidewalks. Given this imbalance between available space and the number vendors willing to occupy these spaces, an alternative model which enable the livelihood – congestion trade-off must be adopted. The demand for vending in a particular area can be matched with the supply without over-congestion if zoning plans provide adequate vending spaces both with respect to location and time. A system of registration of vendors and non-discretionary regulation of access to public spaces in accordance with the planning standards and nature of trade/ service should be adopted.

#### **4.2.1 Registration System**

The power to register would be vested with the Town Vending Committee according to the following standards

- (a) All vendors in each city should be registered at a reasonable nominal fee to be decided by the Town Vending Committee.
- (b) Registration should be renewed at intervals to be decided by the Town Vending Committee.
- (c) The registration process must be simple.
- (d) The vendors will be issued Identity Cards which would contain valuable personal details, nature of business etc

#### **5. Relocation and Rehabilitation**

Street vendors are most vulnerable to forced eviction and denial of basic right to livelihood. It causes severe long-term hardship, impoverishment and other damages including loss of dignity. Therefore, no street vendor should be forcefully evicted. They would be relocated with adequate rehabilitation only where the land is needed for a public purpose of urgent need. Therefore:

- a) Eviction should be avoided wherever feasible unless there is clear and urgent public need in the land in question.
- b) Where relocation is absolutely necessary, notice of minimum 90 days should be served to the concerned vendors.
- c) Affected vendors/ representatives must be involved in planning and implementation of the rehabilitation project.
- d) Affected vendors should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms to pre-eviction levels.
- e) Loss of assets should be avoided and if possible compensated.

f) State machinery must take comprehensive measures to check and control the practice of forced evictions.

No street vendor should be arbitrarily evicted in the name of **'beautification of the cityscape'**. The beautification and clean up programs undertaken by the states or towns should actively involve street vendors in a positive way as a part of the beautification program.

## **6. Legislation – Required Interventions**

6.1 Municipal by-laws are the main deterrents to the profession of vending. They are old fashioned, having been crafted in the 70s and as such, do not take into consideration recent trends and developments in the vending enterprise. VISET recommends that the by-laws be amended in line with this proposed policy, thus removing the restrictive provisions in the current By-laws and to include street vending in the planning of cities. It also proposes that a Vendors Act be enacted which would among other things, regulate the exercise of vending and protect the rights of street vendors.

## **7. Self Regulation**

Besides monitoring by external authorities, it is extremely important for the street vendors to practice Self-Regulation especially with respect to the following:

**7.1 Hygiene and quality control:** It is most important with respect to food vending especially in sensitive areas like near schools, parks etc where there is considerable exposure to children. Though quality control is essential, the practice of 'health inspector' may not necessarily be suitable or productive or always available.

**7.2 Cleanliness:** The street vendors should assume responsibility to keep the environs clean – by properly disposing the waste.

**7.3 Scale of operation:** (Number of vendors operating in a specified area) every land use has a ceiling and it is true for vending also. Overuse can cause complications drawing stringent actions, which can be avoided if the specifications are adhered to. Therefore, the quantitative norms should be respected by vendors as a measure of self-regulation in terms of numbers players in a particular trade to be allowed in a place. Registration system in participation with vendor's unions / associations may be used to regulate the scale of operation so that the ceiling limit is not crossed. In such cases as when the ceiling has been reached, measures must be put in place to incentivize vendors to go to such areas that would have been deemed to be not natural markets. Such measures include supporting economic activities in these areas e.g. Coca-Cola, Coventry Holding Bay etc to promote the flow of human traffic which would translate to markets.

## **8. OTHERS**

### **8.1 Access to Finance**

Street Vendors being a part of the unorganized sector have little or no access to credit from the formal sector financial institutions particularly for their economic activities without which they will have to depend on private moneylenders borrowing at higher interest rates. The government must extend budgetary support to vending as well as encouraging banks to extend credit to vendors. It must, in conjunction with organizations representing vendors, create an interface between the vendors and formal financial sector institutions.

## **8.2 Social Security**

Most of the available social security plans are only applicable to the organized labor sector. Although insurance schemes are available to the unorganized sector of which Street Vendors are a part, it is difficult for the promoters of these schemes to create access for vendors to their products. Social security providers such as Nyaradzo, CIMAs etc must device models that would make it easier for vendors in particular and informal sector in general to access their services. While the Insurance Sector is slowly opening up to the informal sector, according to IRDA, the majority of the vendors in Zimbabwe are not covered by insurance. Insurance is not just a privilege but also a social responsibility. The Street Vendors being a part of the unorganized sector, the vulnerability is very high. Hence, the government and must device models that would ensure that vendors are covered for illness, death, disability, pension fund etc. It is also imperative that the organizations/associations that represent vendors creatively device models to mobilize funds to invest in extending social security to their members.

VISET proposes two schemes for enlisting Street Vendors for the social security benefits:

1. Collection of the contribution of Street Vendors by the registration office on a monthly basis.

Under this scheme, a Welfare Board for Street Vendors will be created. Either banks should be instructed to collect the money from vendors, or the vendors can deposit their contribution in banks on monthly basis. At the end of the month, the banks will transfer the money to the Welfare Boards. The Ministry of Labor should take initiative for creating these Welfare Boards. A fixed amount will be deposited for a variety of social security benefits including health, Medicare, family pension etc. However, this kind of arrangement would probably require enabling legislation.

2. The other scheme would be for Street Vendors' unions to be assisted by NGOs or other agencies to promote Self-Help Groups and networking and federating them to emerge as a financial institution, which will look into extending credit and also delivering other products such as insurance, old age pension etc. The products under social security program could inter alia also cover the following: insurance for health facilities; maternity benefits, old age pension, child care facilities

Street vendors are vulnerable to loss of goods due to natural as well as manmade disturbances that adversely hampers their economic situation. There should be special insurance schemes to cover their products.

## **8.3 Training and Capacity Building**

Street vendors are small businesses/ micro enterprises. They should thus be provided with training to upgrade their technical and business skills so as to increase their income and to grow their businesses. The government must establish an Informal sector skill development fund or a subsidy fund to assist vendors and informal prayers who wish to enhance their business skills so that they can be productive and contribute to the national economy development.

## **9. Organizing the Street Vendors**

9.1 The Street Vendors are part of the unorganized sector. The main objective to get the street vendors to get organized is for providing the following services:

- (a) Access to group insurance for a variety of insurance products
- (b) Access to financial services
- (c) Development of small and medium enterprise
- (d) Access to Housing Schemes
- (e) Vocational Training and Capacity Building for awareness as well as skill up-gradation

9.2 In addition, it is also important to organize them for creation of a united front for negotiation / bargaining for the protection of their rights. In this regard, it is required to promote organizations of street vendors' e.g. VISET to facilitate their empowerment. The organization should build adequate systems for managing finances/ investment to be handled by professionals.