

# **DIFFERENT IDEAS FOR LICENSING STREET VENDORS, ESPECIALLY IN INDIAN OLD CITIES**

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## **DIFFERENT IDEAS FOR LICENSING STREET VENDORS, ESPECIALLY IN INDIAN OLD CITIES**

**INTRODUCTION:** The Bellagio International Declaration of Street Vendors, 1995 observed that street vending is mainly an informal, unrecognized trade the world over, in spite of the accelerating growth of the sector owing to rapid urbanization. Greater movement into cities from towns and villages translates to a higher number of population seeking low-skilled, laborious jobs. In India, the first policy formulated in response to this declaration was in 2004. It spoke of legalization of the trade, planning hawking zones and improving the skills of the vendors to enable them to ascend to more promising jobs. A revised second policy – National Policy on Urban Street Vendors 2009 – emphasized on the formation and functions of Town Vending Committees, in addition to the objectives of the policy of 2004.

The hard fact, however, is that despite a decade having been passed since the Bellagio Declaration, urban street vending is still not practically legalized across India. This is reflected by the contradictions in the approach of the highest authority of law, the Supreme Court itself. For instance, in the 1989 judgement of *Sodhan Singh vs NDMC*, made it clear that "if properly regulated according to the exigency of the circumstances, the small traders on the sidewalks can considerably add to the comfort and convenience of the general public, by making available ordinary articles of everyday use for a comparatively lesser price. 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 mentioned in Article 19(1)g of the Constitution, on street pavements, if properly regulated cannot be denied on the ground that the streets are meant exclusively for passing or re-passing and no other use." (*Sodhan Singh versus NDMC*, 1989).

Thus a legal argument for space provision for vending was established. However, in later rulings such as in the case of March 2008, the SC directed the MCD to remove all "unauthorized" street vendors from the city's streets within two weeks. The court said that they interfere with the "fundamental rights of the citizens" by squatting on footpaths and roads meant for the benefit of ordinary people living in those localities. The latter judgement being due to MCD's failure to produce a workable plan for creating authorized hawkker zones in Delhi, in accordance with the National Policy for Street Vendors (NPSV) 2004, makes it an even worse case of punishing the victims and rewarding the offenders. Quite a few states have also started to draft their own policies – some on the lines of National Policy 2004, and most following the Policy 2009<sup>1</sup>. Yet, none of the states has implemented the objectives of the policy in totality. This is to show light on the pace of changes, and with this, it should be clear by now, as to what to expect of the National Policy in the near future.

Still, there is hope, for at first, the very tenets of the policy are broadly accepted by the beneficiaries, the volunteers and the intelligentsia alike. Secondly, the few cities in which the policy is soon to be implemented in totality would elucidate the importance of regularizing street trade. And yes, there is a long way to go. This research paper, by focusing on the first demands of the policy – reforms in licensing and planning - aims to show where the few promises of good governance lie, in the scope of street vendor licensing.

## **THE CASE OF OLD CITIES:**

Indian old cities, in general, are those that existed as urban hubs since around the period of the British rule, and haven't undergone any significant change in planning, even post-independence. Even in a large city, which might have undergone noticeable planning measures on a large scale, and despite the dynamic changes in its size and shape, one can often identify a certain old city within, which is usually an (or a cluster of a few) old

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<sup>1</sup> State of UP, Rajasthan, MP and AP, amongst a few others have drafted their respective policies on Urban Street Vendors on the lines of NPSV 2004.

market(s) along with the residential areas of its tradesmen. Owing to rapid urbanization that focused on expanding the cities and building new roads, apartments, blocks and making new markets in and around these, neither have the old markets been developed as per the demands of the growing city, nor have the increasing number of street vendors from the immigrant population been given new spaces for vending. This has led to overcrowding within and around the unplanned old cities, which, by the virtue of harbouring natural markets since the colonial times, accommodate the immigrant, low-skilled population of a rural background, who take to street vending. Consequently, with minimal or no planning in the old city, whose area doesn't expand in proportion with the rest of the city, the increase in the population of the informal sector is unchecked, adding to the problem of congestion. One can thus definitely conclude that the so-called street vendor menace is in fact, a problem of improper planning that arises out of inadequate or contradictory laws that restrict opportunities to the growing, underprivileged informal sector.

In short, a majority of urban markets that cater to the middle class population in general (with its varied strata within) are concentrated in old cities or the old parts of the cities and hence are unplanned, with issues of haphazard settlements of vendors as well as improper parking system, unhygienic conditions, etc.;

*The question of legalization; and its consequence on licensing:*

The Supreme Court, as an outcome of the Sodhan Singh versus NDMC case, identifies the street vendors as legal and has called for the states and their municipal corporations to come up with measures to accommodate for them in the public spaces. By virtue of this fact, street vending is legal in India. However, in practice, with the number of licensees being stagnant, with no or minimal openings for new licenses, and more importantly, with constant eviction drives by the police and municipal corporation officials – not to mention the regular and famous haftas or daily bribes being collected from the vendors and hawkers

– this very fact remains strongly questionable. In addition, the fact that the tehabazari holders are also often made to pay bribes to these government servants and the popular cases of mafia goons threatening vendors of their markets for ‘protection money’ makes the legality of the same a joke. The Municipal Laws and Police Laws being redundant – with our states still following the laws laid in the 19<sup>th</sup> century by the British, orchestrated to restrict the flourishing of local trade – contradicts the very purpose of recognition of street vendors as legal. For example, Section 34 of the Police Act empowers the police to remove any obstructions on the streets. Even where street vending is permitted by the municipality, the police has the authority to remove them.

What the governments should do now, is first, to change these laws in such a way that they do not contradict with the legality that the SC identifies. Simultaneously, the licensing system has to be revamped – the states must recognize that even with an upper limit, the current number of licenses provided by them is outrageously low. For example, though with an estimated population of 5,00,000 street vendors in Delhi, only 3,000 are licensed.

Then comes the question of the need of having an upper limit towards licensing at all. The argument provided by the authorities for the need of a limit is that unchecked, unrestricted growth of street vendors would lead to either increased competition or difficulty in planning, or as is often stated, both.

The counter-argument is three-pronged: One, market economics of demand would decide the need for more street vendors; the proliferation already seen (and still continuing, for that matter) despite the lack of provision of new licenses stands proof of the huge demand that exists as a fact. Even if there's limited demand, the discretion of the vendor would act and he/she would choose what's best for them. If any, it's this lack of demand and not some external force like the restrictive laws that should constrain the vendor from setting up a business.

Two, when the government has adopted the Liberalisation, Globalization and Privatization policy for large businesses, claiming the same law of market demand as stated above, also adding that increased competition would improve scope for better choice of products and services, why is the informal trade – that contributes above 65% of our national GDP – devoid of this provision?

Three, when the municipalities can plan for more skyscrapers, malls, multiplexes and supermarkets but not for the street vendors who often occupy either banks of an often-commuted road, it speaks clearly of its vested interests in catering to the moneyed. This is proved by the study done by IIT-Delhi which states that the Indian cities can accommodate their present number of street vendors in addition to the booming malls, and still avoid traffic problems.

Examples of successful markets like that of Fashion Street, Mumbai<sup>2</sup> go a long way in speaking of both the sensibility as well as the ability of the vendors in managing the most in a limited space, while creating a good demand for themselves.

Of course, the municipalities need to adopt a rational urban plan that is on one hand, inclusive of street vendors, and with sensible parking space management and vehicular regulations on the other. This requires some skill and effort that the different rungs of governing bodies do not wish to practice, due to different reasons. Besides the pro-rich approach of a majority of our upper-level leaders and law makers, the fact that unlicensed and hence illegal street vendors translates to more 'fines and fees' collectible by the local authorities, makes licensing an undesirable change. This vicious circle continues to feed itself from the fact that police collect a special bribe in order to inform the street vendors of oncoming raids by the Municipal Corporation, hence conveniently perpetuating the state of non-license.

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<sup>2</sup> Fashion Street is a garment market with a cluster of about 200 shops that sell the surplus inventory of export quality clothes at low prices. Most of the shops here are unlicensed.

## **The status quo:**

As of 2006, only two Indian cities – Imphal and Bhunaneswar have made provisions for street vendors by including them in their plans, with the former being the only city to have laid out clear rules on street vending. In residential areas it provides for four to six shops and ten hawkers per 1,000 people. Kolkata is one of the few recent examples in explicitly legalizing street vending. Lucknow is one promising city in terms of its scheme for street vendors. Andhra Pradesh, West Bengal, Uttar Pradesh, Rajasthan and Madhya Pradesh are those whose state policies are taking shape on the lines of the National Policy, and can be expected to be implemented soon.

The state of Goa is a suggestive example of how despite the lack of policy or Government back-up, the vendors have redesigned their markets with appealing kiosks and carts. Of course this was feasible due to the high touristic value of the place.

New licenses, however, are being given only in the cities of New Delhi, Surat and Vadodara – as less as 18,000 in the former, and about 5,000-6,000 in each of the latter two. This speaks of the complacency towards implementation of the National Policy, from which one can list legalization and licensing as the prerequisites for improving the state of the street vendors. Thus, this doesn't reflect much difference from the previous state of things. In the recent past, MCD's scheme of 2007 talks about regularization of street vending through demarcation of market by declaring vending and non-vending zones and about providing license to street vendors. In 2007 application for license was invited. Around 1, 31,000 vendors applied for squatting license and around 16,000 vendors applied for hawking license. However, not a single license has been provided through this scheme so far, and it is apparent that the Corporation has scrapped it altogether.

Of the few licenses to be provided soon, there exists a debate over the system of provision – by lottery, or seniority or on the basis of experience. Delhi has already opted for the lottery system. But, owing to the state of things since a few decades, it is rational to provide

them first to those who have been bearing the brunt of illegality, corruption and social insecurity, which is to say, those with the longest period of experience in street trade deserve to be licensed first. Considering past examples of schemes being scrapped, it is only time that would reveal the fate of the new licenses now promised to be given out.

The few states that have begun to implement the National Policy have been ignoring the need for licensing and moving on with provision of social security and formation of Town Vending Committees (TVCs). These, too, are being followed on a superficial basis. Tamil Nadu, for instance, has constituted Welfare Boards for street vendors, the functionality of which is questionable, considering the lack of organization of the same. In the few cities that have been having Town Vending Committee meetings, Delhi for one, the street vendors contribute not more than 15% - against the suggested figure of 40% - thus resulting in the meetings ending up as street vendor-bashing sessions, with the committee being heavily populated by the Municipal Authorities, Police and local residents.

Therefore, unless the attitude of the State and its states turns towards recognizing not only the legality and importance of street vendors, but also the problems associated with them at the local level, one cannot see the much-required change in their status. At the least, the governing bodies must recognize that by licensing street vendors, the State is also benefited through the revenue a legal sector like this would generate. With as much as 2.5% of the urban population being street vendors, with a geometric proportion of their services being used by the common masses, and an equally good number of local farmers, craftsmen and small-scale industries profiting from these markets, there is no reason why India mustn't turn towards organizing and developing this sector for the better, immediately.



## **LICENSING IDEAS:**

Though it has already been established that we hold a sorry state of licensing, as a common rule, there are some exceptions.

After the formulation of the National Policy on Urban Street Vendors 2009, and with NDMC taking up the biometric survey of street vendors, the idea that comes first on licensing methods is of biometric licensing. If implemented well, it would definitely serve the purpose of both registration as well as identification of the street vendors, owing to the use of individual-specific technology. Thus, the question of contractors or 'third parties' bidding out licenses gets ruled out. Also, a census of the vendors can be maintained, to be used in planning and space management. Though this idea is a part of the National Policy, and hence carries similar constraints as the other proposals of the same, (NDMC is the only local body to have started the process and that too is at the survey level alone) it should be considered for its capacity to break through the problems of identification, space allocation and if possible, legitimate tax collection. This idea, if grouped with the practice of licensing without an upper limit, would both benefit the planners by giving them a census to plan for, as well as the street vendors simply by giving everyone the opportunity to vend.

Considering the biometric licensing not yet being a part of reality in India, as of date, the best practice of licensing seen in the country would solely be that of Bhubaneswar, where vending zones of legal status have been established and photo identity cards are being issued. The case study of the city's transformation from a hostile space for street vendors to the one that has become a model market with zones for the same reveals the importance of participation of both the Street Vendor Unions as well as the Public Enterprise in creating a win-win situation for the vendors and the Government alike.

## **BHUBANESHWAR – An old city to a planned hub of Vending Zones:**

The case of licensing and creation of vending zones in the city of Bhubaneswar is unique, as it displays the collaboration of public, private and community organizations in building a street vendor market.<sup>3</sup>

A strong scene of Vendors' Union Movement made it possible to involve the Municipal Corporation and the State Government in taking up the task of "Making Markets work for the Poor". The BMC's principal motives of motive of "Negotiating change through minimum friction" and "Progress through partnership" also steered forward the process of creation of 52 vending zones as of date and allocating licenses to above 2,000 vendors, thus benefitting about 11,000 family members of the street vendors.

The unique feature of vendors in Bhubaneswar is the high degree of organization and cooperation. Almost all the vending zone has one respective union with a general secretary affiliated with NKUBM.

Let's first deal with the obvious challenges involved in the uphill task of transforming the so-far unplanned city of Bhubaneswar into a city with vending zones for its street vendors.

### **CHALLENGES:**

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<sup>3</sup> Public partners: B.M.C, State Government of Orissa (G.A Department) and S.B.I.

Private partners: Advertising agency; individual vendors themselves.

Community partnership: NASVI and its associates AORVA (All Orissa Roadside vendors Association) & NUKBM (*Nikhil Utkal Khyudra Byabasayee Mahasangha*, another vendor association). Other community participation includes the N.G.O's *Nidan*, *Bhagidari* (a franchisee organization through which SBI disbursed loans) and Awareness (a micro finance organization).

*LAND ACQUISITION:* As the land belonged to the Government Authority (Orissa), several negotiations had to be made by vendor associations such as NASVI to get the land sanctioned in the first place. On one hand, unavailability of land was simply declared, and on the other, even after sanctioning, some non-vendors acquired the shops through bribes given to some Councilors of the BMC. Only with continuous protests and lobbying by the vendor associations that gathered greater momentum by the day, was the land rightfully given to the street vendors.

Even the vending zone survey (conducted by BMC and NASVI) kicked off only after constant pressure from the vendors' associations and the supporting hand of a cordial BMC Ex-Commissioner.

*FUNDING FOR CONSTRUCTION:* An advertising agency (Sinotel) was given the rights to put up ads on top of the vending shops in order to meet the construction costs of construction. However, this wasn't done extensively. Thus, the vendors had to pay from their own pockets.

Many who didn't have the capital were aided by SBI's Bhagidari Scheme that kept the trade license of the vendors issued by B.M.C. as security and loans were granted with an interest rate of 15% per annum.

Due to both a significant reduction in other costs such as the unofficial payments as well as the increased profits over time, the vendors could afford such investments.

*FEW CASES OF DECLINE IN PROFITS:* The study mentions an average of 65% vendors mentioning increase in profits, while about 15% say that the business has remained the same, and around 10% state decrease in customers. The latter case was found out to be owing to the few cases of relocation of vendors away from their natural markets. For

instance, a flower seller seated right outside a temple would attract less customers when shifted to a kiosk a bit further away.

The above challenges are to be analyzed to confront such issues in the future in setting up spaces for the vendors in other parts of the city and other Indian old cities as well.

Now, onto the actual procedure of creation of vending markets in the city -

## **THE PROCESS:**

### *CREATION OF VENDING ZONES:*

1. Care taken to create vending zones in the natural markets
2. In case of inevitable relocation, areas not far away were given
3. New vending zones were created in prime areas too
4. Exclusive vending zones, for example, meat market – this works, as the customers have a wider choice of the same product at one place.
5. Photo survey done to identify the vendors who would occupy the respective vending zones.

### *SETTING UP THE MARKETS:*

1. After sanctioning of vending zones, bamboo structures were constructed for a 6-month trial period.
2. After the probation period, non-concrete iron structures were erected.

3. B.M.C did not issue individual trade licenses initially. The individual licenses were disbursed only after declaration forms were verified by the NKUBM President. NKUBM also made sure that no proxy vendor gets space in the vending zone.

4. BMC-affiliated contractors constructed aesthetic looking shops for the vendors. The cost came to between Rs.12, 000/- - Rs.19, 000/- per shop depending upon the location and size.

5. *Parking Space Management:* Public Private Partnership Parking (PPPP), a joint venture that works for the rest of the city as well, manages the parking around the vending zone in an effective way.

Unemployed youth, NGO's and trusts were also roped into this activity of parking space management.

The profits out of parking fee are shared on a 50-50 basis. Out of the 39 parking slots functioning, 27 are through PPPP.

Several philanthropic institutions like *Rotary Club, lions club & Marwari Yuva Manch* have provided dustbins and uniforms to sweepers. Such contributions, though small, reflected the meaningful efforts of the community in developing the public spaces.

#### **PAYABLES:**

It is interesting to note that neither the Government Authority nor the BMC charge the vendors with rents for the shops they sell from, despite high value of the land under the vending zones.

Market value of land: Rs. 47,044,800/-

Rental value of land: Rs.78,408,000/- (annual)

What the vendors have to actually pay is only a fixed trade license fee which is submitted

annually. This annual fee of Rs 500/- per vendor (amounting to a sum of Rs 10,91,000/- from the 2,182 vendors) is received by BMC through NKUBM, thus minimizing the efforts of BMC to collect the revenue. This is a significant monetary concession provided to the urban poor, and this attitude deserves to be emulated by the corporations of other cities as well.

## **THE OUTCOME:**

### *BENEFITS TO THE PARTICIPATING PARTNERS:*

With the course of time, as predicted, all the stakeholders were benefitted.

1. Vendors: The new market thus developed improved their business;

Due to their status of legality, there is neither the instance of large sums going into bribes, nor the fear of eviction.

Note: As of date, 7 vending zones have been issued photo identity cards.

2. BMC: Besides generating a new source of revenue, the establishment of these vending zones yielded the corporation the prestigious IATO award for city beautification drives in 2008;

In 2007, B.M.C was rated 5th cleanest city (among 18 capital cities) of India by a survey conducted by AC Nelson.

3. The vendors' organization, NASVI has got a strong case of capacity-building and negotiation that can be replicated in the many other Indian cities it is active in.

4. The State government has seen a reduction in liability of providing sustainable livelihood for the urban poor.

5. S.B.I.: Apart from gaining more customers in the form of vendors, the bank has proved yet again, its readiness to help out the common man.

## **Exemplary case:**

The Commissioner of Kolkata Municipal Corporation (K.M.C) commissioner enquired the B.M.C about the strategy adopted for making the vending zone concept a success.

The Ministry of Housing and Urban Poverty Alleviation (MHUPA) had urged Delhi Commissioner Mr. K.S. Mehra to learn from the success story of Bhubaneswar and take suitable steps to regularize the street vendors of Delhi.

Patna is trying to follow the footsteps of Bhubaneswar and issued notification for the identification of vending zones.

Guwahati Municipal Corporation has decided to go for partnership model in forming the vending zone.

### **LICENSE AND LIMIT: THE DEBATE**

The above ideas summarize the exemplary model of licensing methods that can be implemented across different cities. Speaking of license provision, the question of which arises when there is an upper limit to licensing, an ideal practice, as already discussed, would be to provide license based on experience of the vendors. Emphasis on this practice is being made, as, a liberal system with no upper limit to licensing is a distant dream, and stress on the rightful distribution of a certain number of new licenses would be a practical approach.

### **THE STREET VENDOR "MENACE":**

What immediately follows is the aspect of planning old cities and their markets for accommodating its street vendor population, while also tackling the oft-stated associated problems of traffic congestion, hygiene and aesthetic maintenance. Besides the study conducted by IIT-Delhi already mentioned, a look at the plans of the old cities, or even a mere tour around their markets suggests that rational planning, which is the need of the

hour, can soundly accommodate both the street vendors and maintain the roads for moving and parked vehicles.

Addressing the challenge of hygiene, the example of Kolkata<sup>4</sup> should speak for itself: Its street vendors, numbering more than 1, 00,000 are mostly open-air street food sellers. They were given basic training in efficient methods of storage, handling and maintenance. Right away, their business reached a new high, with improvement in their aesthetic appeal. This example holds the need for the role of government in enabling the street vendors to better their livelihood, as it is the predicament of the authorities to provide for the expansion of the opportunities of the economically constrained class.

The following is an excerpt from the article, 'Street Foods in Calcutta' by I Chakravarty and C Canet, working with AllHPH and FAO respectively:

"The Calcutta Municipal Corporation and the All India Institute of Hygiene and Public Health (AllHPH) needed better data on both food safety and the socio-economic aspects of the street food sector. Thus, the Government of India sought assistance under the FAO Technical Cooperation Programme in 1992 to assess the street food situation, to identify measures to reduce the health risks for consumers and to improve the street food sector. Studies covered such issues as the legal aspects of street food vending; the safety of foods prepared and sold in the streets; socio-economic factors affecting consumers and vendors; street food industry practices; street food contamination; and the environmental and sanitary consequences of the activity. The project, Improving Street Foods in Calcutta, also conducted field testing of actions such as training and improvement of street food infrastructure. AllHPH was responsible for the project's execution. Advisory and technical committees comprising representatives from the

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<sup>4</sup> Indian government has taken the initiative to train the food vendors, with a pilot project run by the All India Institute Of Health And Hygiene together with UN's health and food organisations.



government, local authorities and AIIHPH were formed to monitor, advise and assist the project.”

### **SPACE MANAGEMENT: IDEAS**

One popularly suggested idea on making use of existing space efficiently by more vendors, is the creation of night markets, which would fare well in cities or specific locations that have a good night culture. Another idea stands on the aspect of space creation – for example, Delhi, that has an open drain system, can cover its sewage pathways and generate space for its teeming street vendor population. The INA market of Delhi is shaping up on a model suggested by NASVI, well equipped with toilet facilities and the like.

Let's also consider one idea that is often called utopian and futuristic in the Indian case – creation of malls for street vendors. The idea does seem very far-fetched, considering the state of this sector, economically speaking. But on further inquiry, one would learn that if street vendor population is so huge, and they have been paying bribes since quite a few decades, it translates to a huge sum of money that could have otherwise been used to their own welfare. This logic is statistically supported by the study that points out that if we assume a modest average of Rs 500/- per person per month towards cash bribes and Rs 300/- per month for loss of income during the eviction drives, the 5,00,000 vendors of Delhi are being robbed of Rs 40 crore a month, which tantamounts to Rs 480 crores a year by the government functionaries. “If we take into account the amount of protection money paid by these poor vendors in the last 30-40 years, that sum would have easily erected many huge malls for these deprived people all over the country.” This being the case of calculating in Delhi alone, one can only imagine what would be the tune of the monies thus extracted from the vendors through corrupt practices across the nation.

Moving from a flashy idea to one standing on common sense and general observation originates a simple, indicative idea on rational planning. This, of course, is supported by the following case study, conducted in the old markets of Jaipur, as elaborated below:

#### **CASE STUDY I: Chowpads (old city markets) of Jaipur.**



**Street vendors selling on the pavement at the entrance to Badi Chowpad**



**Entrance to the markets at Choti Chowpad. Note the wide roads that can accommodate 3 lanes of traffic on one side, conveniently.**

The markets visited are Choti Chowpad, Badi Chowpad and Ramgunj, all that fall within the old pink city, and all extending in a 3 km-long stretch. All along this pathway, the road is at about 40 feet broad (from one bank to the divider) with most of it (2/3<sup>rd</sup>) occupied by vehicular traffic. Even at the peak hour, the traffic doesn't jam, but only slows down occasionally. Of the rest 1/3<sup>rd</sup> width, about half is occupied by street vendors, and the other half by parked 2 and 4 wheelers, if not congested by garbage. Religious buildings also often occupy either a major portion of the road/walkway or just appear in the middle of nowhere.



*Mandir* in the middle of the market road



The orange-walled temple occupies the footpath, as a clothes vendor sets up his shop at a corner

The three markets are also similar in their simple structure, where large, single-storey buildings host permanent shops, outside which the street vendors sell their goods on carts and kiosks (*thelas*).

Choti, Badi Chowpad mainly have permanent settlements that sell clothes, hardware, electronic equipment, etc.; and their street vendors sell clothes ranging from dupattas to night clothes. Ramgunj has a good concentration of fruit, vegetable, flower and clothing accessory vendors. Trinklet vendors are spread out among all the three markets. Other street vendors include those selling portable utensils, crockery, and food items – cooked or packed.

*Badi Chowpad:* Dinesh Kumar Jain sells ceramic mugs on a cart (*rehri*, which is movable). He earns Rs 250 per day on an average and says neither the police nor the MC have ever bothered him. At the same time, he mentions that there is an 'understanding' between him and the policemen who collect a weekly *hafta* from him. Only on being questioned why not, he asserts that it is his right to vend – otherwise, he seems to be frightened of the officials and maintains that relocation is inevitable, especially because vendors like him are causing traffic congestion.

*Ramgunj Chowpad:* Fruit vendor Kaaru speaks of the relocation plan which has been on since 5 years. He says relocation won't affect his business of 25 years, which is probably true, considering the demand in a tourist-ridden area. He is licensed, but on questioning, admits that raids do affect the licensed vendors too. He has more or less accepted the authoritative power over his folk and speaks their words – 'What can be done if there's traffic problem? We have to relocate, as and when the government asks us to'. But when asked if he thinks the government should plan the market in a better way, he agrees but

adds on that it's only a matter of sour grapes for them to expect government to take such steps.

*Choti Chowpad:* A spices store is one among the long array of stalls of the shopping complex. Right in front of its steps stands a fruit vendor selling his produce throughout the day from his stationary cart. At the very mention of that street vendor, Ganesh, the owner of the store, instantly points out that the vendor earns well – about Rs 300 per day, which is validated to be true. When inquired if he thinks street vendors should be relocated, he turns pensive and answers they in fact help the established stores in getting customers, due to their appeal and popularity.

Licensed, placed vendor Mohammed Shahid of the same market whose tea stall has been running since 40 years, adds on that it is the fresh, reasonably priced goods of these street vendors that attract great numbers of people to the market, and that his business would decline if they are ever to be relocated.

The auto rickshaw and cycle rickshaw parking spaces are both maintained by the Jaipur Development Authority (JDA) and rent is collected from the respective drivers for use of the public space. Auto Union President of Jaipur, Comrade Babu Bhai, however, points out that they conveniently occupy double the space meant for them by 'maintaining an understanding' with the local police. The private parking lots are maintained by private contractors, and most of the parked vehicles are 4-wheelers. They are parked in a haphazard manner, using up more space than they should.





Confusion at crossroads: Apart from improper parking space management, lack of good traffic management at this important crossing stands testimony to the negligence of the authorities towards the issues they are ostensibly concerned about.

Shyamlal, a vegetable vendor points out at the garbage dump lying by the turn of the road and asks an important question: "The authorities say that we cause traffic congestion, are dirty and cause nuisance to the public, and hence, should be relocated. But what about the heaps of garbage, lying on these same roads meant to be beautified, since ages? Are we so unwanted that garbage can be excused and not us?"



**Unkempt 'parking', not a facility**



**Cattle feeding on the garbage strewn along the street, but where are its vendors?**

Within the Old City, the Janta Market, a legal, licensed market selling vegetables and fruits is the only authorized one. Like many typical authorized zones, it is a rectangular area with overhead sheds and rows of vendors selling their commodities.

This paper elucidates the examples of two authorized markets in the newer parts of the city, that hold relevance due to their efficient functioning, which is an outcome of active participation of the respective vendors' associations.

The land for the Vidyadhar Nagar *Phal Sabzi* (fruit and vegetable) market has been given by the JDA and the vendors have set it up from scratch, to a state where it now boasts of electrification, toilet, parking and water facilities, a sweeper and an overnight guard to look after the stalls of the vendors in which the produce is simply covered.



**The vending stalls by the boundary wall of the market**



**All for an average vegetable market: Vehicles parked, hand pump for water, constructed toilet**

The Murlipura market is a similar establishment, made on the land sanctioned by JDA. Only, while the other market has a boundary for itself, this stands on what is more like an extended bank of the road. Yet, it remains equally organized with none of its 80 stalls encroaching the space that isn't theirs.



**One of the rows of the busy market of Murlipura.**

**2 kinds of sheds – the thatched ones for the vending areas, the fibre plastic ones for the customers' area**

Both these markets have Presidents of their own, who are looked upon as important leaders by their co-street vendors. One important realization from the study of these markets is that, owing to their settlement, the vendors are able to open bank accounts and finally escape the vicious interest rates of moneylenders. The vendors, of course, need to mobilize better amongst themselves, as very few of them are aware of microfinance.

#### **STATUS OF THE NATIONAL POLICY IN JAIPUR:**

##### *IN THE WORDS OF THE AUTHORITIES:*

The motive of interviewing the officials of the Jaipur Municipal Corporation was to find out the challenges faced/being faced by the government in implementing the two main postulates of the National Policy – creation of vending zones and licensing (photo-identification, if not biometric). The interaction with the JMC authorities reflects significant aspects of the attitude of the governing bodies. For one, the Municipal Corporation appears to be still celebrating its 'initiation' of implementation of the State Policy 2007, on the lines of National Policy 2004. This step of initiation is, however, merely a survey of not more than a 1,000 vendors that has been done in a haphazard manner – the vendors weren't well-informed about the survey that was to take place. The fact that the survey was only a

The authorities of the different zones where the vendors have been sampled have not even forwarded the survey details to the Municipal Corporation, despite repeated reminders from the latter asking the former to do so. This is a one-year-old matter. It has to be noted that



the survey is only a primitive step and holds no meaning if it doesn't lead to processes such as zoning at the least, and licensing in the later stages.

The authorities, when asked about the challenges the government is facing in implementing the National and State Policies on Urban Street Vendors, promptly point out at the lack of space in the city. With reference to the same, when stressed that the observations from the previous study show that Jaipur has broad and well-paved roads, and on being enquired if the lack of allocation of vending zones is indeed a simple space management issue to be tackled by the planning authorities, one interviewee immediately retorts in an oft-heard manner that the JMC is trying its best, while another argues that despite the government's efforts, the vendors will continue to encroach spaces, as has been their habit for ages.

Other arguments raised by these authorities are the examples of attempts to relocate vendors from an old market within the city to Manasarovar (a new expansion that is miles away), that faced protests from the vendors who would lose a substantial amount of business by moving away from their natural market to a space with completely different conditions; and the case of street vendors abandoning the kiosks provided to them by the government, about an year ago, owing to these being stationary and difficult to use for their particular trade.

#### **EXAMPLES FROM REST OF SOUTH ASIA:**

From a study on Indonesian street vendors' licensing, it is observed that "...the dominance of the Chicago and Los Angeles Schools in the practice of urban planning in Indonesia has contributed to the lack of spaces for the informal sectors in urban areas.". The Chicago School of Urban Sociology, developed in the early 1920s explains the development of the urban migration that is controlled by generating ecological patterns, such as invasion, survival, assimilation, adaptation and cooperation. The Los Angeles School of Urban

Geography initiated in the late 1990s explains the development of metropolitan Los Angeles in the post modern era that emphasizes the importance of the capitalist economic and political globalization of the economy. Both of these are clearly theories modelled on the significance of urban spaces in the developed world, which cannot be afforded to be emulated directly in the developing nations of South Asia, where employment in the informal sector is of a drastically different scale.

Though the case of street vending in India doesn't follow a sociological model devised by a Western school, or any academic school at all, it clearly follows the similar attitude of pro-large-scale, pro-formalized businesses, where the country's own tenets of liberalization, globalization and privatization aren't provided to the informal sectors. This attempt to ape the West, while ignoring its own glazing intricacies, would only spell doom to its economy as a whole.

Though the case of street vending is similar across the South Asian countries – with the vendors' occupation of space in overpopulated urban locations bringing up problems of traffic, and issues of hygiene, and the general attitude of governments towards street vendors as an unwanted menace – even in countries like Vietnam and Cambodia where the State is ostensibly popular for working for the masses – there are a few examples of both initiative by the State as well as resilience of the vendors to fight for their rights, that India can positively borrow from.

The following are excerpts from Sharit K Bhowmik's "Street Vendors in Asia: A Review" –

**SINGAPORE:**

- This must be the only country in the world with all its street vendors licensed.
- The Hawkers' Department has the duties:
  1. To check that there are no unlicensed hawkers and issue licences to those wanting to hawk goods on the pavements.

2. To ensure that the hawkers maintain good hygiene, even of their surroundings and do not restrict the pedestrians. Its officials inspect all stalls and see that they abide by the Environmental Public Health Act of 1968.
3. To organise regular training courses on food and personal hygiene, and nutrition. Between 1990 and 1996 the department had trained more than 10,000 hawkers.
  - As in most south-east Asian countries, in Singapore too, food hawkers predominate.
  - In 1971, a national programme aimed at building food centres and markets to resettle licensed street food hawkers was taken up. It provided basic stall facilities and services such as piped potable water, electricity and garbage collection and disposal.
  - By 1996, all street hawkers had been completely resettled into food centres and markets.
  - In 1988, there were 23,331 hawkers operating in 184 centres of whom 18,878 were engaged in selling cooked food. At present there are nearly 50,000 street vendors in this city-state.
  - Younger, better educated street vendors are on the rise, as rising unemployment has put 13,000 graduates out of jobs. Many of these have taken to street vending. The change is more noticeable in food hawking.
  - The variety of food offered is wider than the traditional fare earlier. The younger, educated food vendors are willing to experiment with new international dishes and this has increased their popularity.
  - The government decided to upgrade the food stalls in the densely populated residential areas. By 2003, 45 such centres were upgraded. Though the rents charged by the government have increased, the street vendors still get a lot of clientele because the items they sell are cheaper than those sold in shops.

- One significant fact about street vendors in Singapore is that over the past 30 years they have helped keep the cost of living down since workers, students and the poorer sections depend on them for their daily necessities, including their meals. This is true of other places as well but unfortunately the planners rarely consider these contributions to the local economy.

#### **MALAYSIA:**

- According to DHPT (Department of Hawkers and Petty Traders) the number of licensed street vendors rose by 30 per cent between 1990 and 2000. The total number of licensed street vendors in 2000 was nearly 35,000.
- In addition it was believed that there were more than 12,000 unlicensed street vendors operating. This figure could be an underestimation as there is no proper survey on the actual number of street vendors in the city.
- The increase of unlicensed street vendors is mainly because the DHPT has stopped issuing licenses after 1996.
- The financial crises took place three years later and a number of people who had lost their jobs during the time of the crises took to street vending.
- The objective of the DHPT is to relocate street vendors, in the case of food hawkers, to food centres in buildings or to central sites. It also helps in designing vans for mobile hawking. Around 35 per cent of the total number of street vendors is food hawkers.
- However there are other sites where street vendors can carry out their business. These are the densely populated residential areas and the industrial estates. There are hardly any hawking sites in these areas. More licences could be granted if this was done.

- Licensed street vendors have access to institutional credit as the government has provided funds for this. Training programmes are organised regularly for these vendors in which they are taught about health and hygiene, business skills, accounts, etc. The DHPT organises some of these programmes and seeks the cooperation of NGOs too. There are 60 NGOs engaged in this activity. The unlicensed street vendors do not get any of these benefits.

**MANILA:** The Hawkers' Permit Services, a division of the Metropolis' Business Promotion and Development Office, was created to receive, process, review, analyse applications for street vending. It has inspectors who are expected to regulate street trade and collect daily fees from regular (licensed) and other street vendors.<sup>14</sup> The object it appears is increase revenue of the municipalities.

In 2001 the Philippines government took a decision to legalise street vending. The government decided to issue them identity cards and allow them to ply their trade in certain areas. Despite all promises, the actual fate of street vendors in the Philippines, especially in Metro Manila where a third of the country's vendors operate, is no better than in most of the other countries mentioned earlier.

**CAMBODIA:** According to the study by Kusakabe, women vendors in Phnom Penh are from poor backgrounds and have low levels of education. Street vending is the only way they can earn a living with dignity. She finds that these women are less dependent on their husbands as they are the main bread winners in the family. In most cases the husbands do not have regular jobs and because of 'male superiority' they do not do housework, including taking care of the children's education. Kusakabe finds that street vendors who are widowed or divorced are not interested in finding husbands because they feel that they are independent and do not need the support of males. The USG study finds that a major motivation for

women vendors to earn more is to provide a decent education to their children. However their long hours of work outside the house leave them little time to look into their children's studies. Most of the vendors said that though they could send their children to school they could not supervise their studies or their homework as they were busy with their work.

**SUMMARY AND CONCLUSION:** Licensing ideas focus on expansion of street business only in the developed countries. In the developing ones, if not the very question of legality, licensing ideas stop at planning for accommodating its existing street vendors, and that's a crucial step that needs cooperation and coordination of all the governing bodies at different levels. scope of improving business is possible only when the markets are established and secure, without issues of threats from the very governing bodies. The oft-stated issues of traffic congestion, hygiene and beautification of urban spaces reflect the biased attitude of the State and its functionaries towards the street vendors, as they are an informal sector. While suggesting ideas for licensing, one must keep in mind solid arguments to tackle these very 'problems' to come up with a comprehensive and coherent model that involves inclusive planning. For this to be feasible, however, practical legality and licensing is essential. The governing bodies – especially those at the local level better wake up to realize the importance of street vendors, if not for their services and economic value, their beautification of concrete urban spaces, at least for their large population that can generate great revenues through registered, taxable trade.

Here is a summary of all the challenges of licensing and planning the street vendors of any typical Indian old city, and the probable effective solutions the study of the relevant cities hold across the world hold-

***Space Management:***

*In the (Existing) Natural Markets:*

- Removal of unwanted obstructions on the road – especially garbage;
- Parking Management – regulation of space provided for parking. Accountability through an inspection authority;
- Creation of sufficient, demarcated spaces of vending on broad roads;
- Provision of compact kiosks, to stationary vendors; and compact pushcarts to mobile vendors;

Keeping in mind the cultural tendency of certain squatters to vend from certain limited spaces, providing them appropriate stalls in the vending zones

*Creating new markets:*

- Attempt to avoid relocation from natural markets;
- If inevitable, relocating to an area close to natural market;
- Zoning appropriately, as required by the demands of the environment – a meat shop in a temple area wouldn't work;
- Keeping in mind the ease of access of the new market and its visibility to the customers used to visiting the natural markets

***Other significant strategies:***

- Acting locally – decentralizing the models of vending zone creation, as and when required, to suit the local demands;
- Opinion of the street vendors as well as the rest of the community (as possible in the case of a Town Vending Committee) to be considered for the formation and maintenance of vending zones;
- Local bodies, or in an even better case, the local association of street vendors taking up the task of training vendors in aspects such as hygiene and food storage.

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