Policy Brief: Street Vending for Sustainable Urban Development in Bangkok

Background
Since 2014, the Bangkok Metropolitan Authority has led a campaign to reduce the number of vendors under the motto “Return the footpath to pedestrians.” The city has reduced the number of licensed vendors by more than 17,000, with only a few thousand licensed vendors remaining. It has removed more than 500 of over 700 designated vending areas, and plans to remove the remaining 232. Many more vendors in Bangkok have been affected. The policy has also destroyed many of the city’s iconic markets popular with locals and tourists.

There is no national law that specifically protects the rights of vendors to operate. The existing legal framework allows local officers to designate vending areas and hours for vendors to operate. Subsequent BMA-level ordinances establish a licensing system, restrict the size of stalls, displays and tables, prohibit vending in certain areas (e.g. close to public transit stops, pedestrian bridges, cross walks, etc.), establish day and night vending shifts, and set fines for violations. Under these policies, the government can easily grant permission for vendors to operate, but can just as easily—and suddenly—revoke it. The city has previously “cracked down” and tried to reduce vending. However, the waves of evictions since 2014 are the most extreme and far-reaching that the city has ever experienced.

Is this campaign necessary?
At the city level, the given reasons to eliminate the vendors include: street foot traffic congestion, unsanitary conditions or practices among food vendors, and the need to modernize Bangkok’s townscape. Anti-vendor activists on social media complain that vendors are operating in undesignated areas or at undesignated times, do not pay taxes, and that some vendors pay mafia to use the space. They argue that street vendors are not really poor, in spite of common perceptions, and that they are violating the rights of pedestrians. These opinions differ with those expressed by media, food writers, and travelers who perceive vendors as the “charm” of the city.

This Policy Brief seeks to go beyond simple slogans like “return the footpath” versus “charm of the city.” Based on recent research, it uses an urban systems perspective to consider:

- the role of street vending for Bangkok’s economy and urban system, and impacts on these when it is eliminated
- lessons from vending management in cities around the world
- recommendations for innovations in Bangkok’s vending management system that can maximize benefits to pedestrians, consumers, businesses, tourists, and workers alike

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3 The BMA Ordinance on Selling in Public Places and Footpaths B.E. 2545, BMA Directive on Regulations and Conditions of Vending in Designated Areas B.E. 2005, As cited in Tangmorawongkhon 2015
4 Yasmeen, Gisèle and Narumol Nirathron. 2014. Vending in Public Space: The Case of Bangkok. WIEGO Urban Policy Brief No. 16. WIEGO.
5 Anti-Hawkers Facebook Page; BK. “Who will save Bangkoks Sidewalks.” 07 October 2014
This Policy Brief was developed as a collaboration between urban specialists and economists, labor specialists, and the Network of Thai Vendors for Sustainable Development.

**Network of Thai Vendors for Sustainable Development**
The Network of Thai Vendors for Sustainable Development was formed in 2017 by current and former street vendors affected by citywide vendor evictions. It has 6,000 members from 21 districts in Bangkok. Members include food, clothing and dry goods, and souvenir vendors. The Network’s objective is to provide support and solidarity to vendors and to protect their rights.

**The Role of Vending in Bangkok**
Biology tells us that removing any species from an ecosystem will change that system in ways that are unpredictable, and likely undesirable. So what happens when you take the street vendor out of Bangkok’s economic system? Any policy on vending must understand the roles that street vendors plays in the city and the economy.

**Supporting consumers:**
Street vendors provide services for most office workers, government employees and students, as well as for the working poor. A 2016 survey of Bangkok consumers found that 87% purchase from street vendors; 65% purchased three times or more per week. 60% of consumers who purchase every day from vendors earn less than 9,000 per month. 6 Research shows that white-collar workers also rely on the convenience of street vendors, in part because of their long commutes and work hours. 7 For neighborhood residents, the presence of street food is so desirable that condominium developers use it to advertise new buildings. 8

What would happen to consumers if vendors disappeared? One study projected consumers could spend 357 THB more per month on prepared meals, since street food meals are 16.5% cheaper than food courts, shop houses or small restaurants. 9 This represents more than one day of work for minimum wage earners (and much more for many informal workers), as well as a substantial portion of average monthly household expenses on health care and education (27%). 10 Such a change would put additional economic pressure on workers and families in Bangkok, at a time when consumer prices are still increasing but average wages have still not recovered since their dip after 2014. 11 It may also place pressure on businesses to increase salaries, so that employees can meet their basic needs. 12

**Vibrant local economies**
Global research demonstrates that vendors play an important role in neighborhood economies. In many of Bangkok’s neighborhoods (Ramkhamhang, Talat Saphan Song, Bang Khun Tian, Huay Kwang), vendors were the first businesses to arrive. They created a safe, commercial

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6 Nirathon, Narumol 2017. Street Vendors in Bangkok. Thammasat University
7 Nirthon 2017, Carrillo Rodrigueuz and Reed 2018
8 See for instance advertisements from Sansiri and Ananda related to Phahon Yothin road in Chatuchuk [https://tinyurl.com/y9rxetzm](https://tinyurl.com/y9rxetzm), [https://www.sansiriblog.com/pradipat-area-of-positivity/](https://www.sansiriblog.com/pradipat-area-of-positivity/)
9 Carrillo-Rodriguez, Jorge and Reed, Sarah (Forthcoming) If Street Food Disappeared: Projecting the cost of consumers in Bangkok. WIEGO
10 Carrillo-Rodriguez and Reed 2018
11 National Statistical Office (2016) Quarterly Labor Force Surveys 2012 - 2016; Thailand Ministry of Commerce Database. Wage data was available only up to Q3 2016
12 Carrillo Rodrigueuz and Reed 2018 (forthcoming)
environment where more formal enterprises could develop and thrive. Far from competing with formal businesses, they attract customers to come shop in the area.\textsuperscript{13}

Recent evictions in Bangkok have had a negative impact on local business. In \textit{Ramkamhaeng market}, store proprietors report that the number of customers has dropped severely since the eviction of vendors in 2017. They estimate that sales volume has declined by 50-80\%, and that between 10\% and 20\% of shops in the areas have closed. Most shops have reduced their opening hours, and one store owner reported that he was forced to terminate four employees. Businesses owners around \textit{Sukhumvit Soi 11} likewise complain that the number of visitors has plummeted since the disappearance of the Sukhumvit Night Market. Rows of shops along Soi 11 have closed or relocated; one local business owner report that many shops have already shut down.\textsuperscript{14} 30 businesses have signed a petition to the District Office asking that vendors be permitted to return. At the former site of \textit{Pak Klong Flower Market}, store owners report that their business has declined by 70\% as a result of the vendor evictions in 2016.\textsuperscript{15}

In these areas, shop owners felt that they were living hand-to-mouth, hoping that the vendors would come back to attract the customers again. As one business owner described, “Before I thought that this was the problem of the street vendors. But now I know that the street vendors’ problem is my problem too.”\textsuperscript{16}

\textbf{Making Bangkok Liveable, Walkable, and Safe}

Critics argue that vendors impede pedestrian foot traffic and create chaos. But the evidence suggests otherwise. A 2015 Walkability study in Bangkok finds that vendors are among the lowest on pedestrians’ list of sidewalk obstacles.\textsuperscript{17} Most pedestrians cited inappropriate infrastructure, advertisement banners and poor condition of pavements as larger obstacles to comfortably using the city’s walkways.

In fact, the presence of vendors may actually draw more foot traffic than an empty street.\textsuperscript{18} Urban planners recognize that the close presence of diverse dry goods, prepared food and groceries typically makes a city more walkable and more “liveable”, allowing residents to walk down their street to make purchases rather than drive to a food court or market.\textsuperscript{19} The BMA itself has acknowledged that the presence of vendors reduces commute time and expenses for workers.\textsuperscript{20} Vendors can also make an area more inclusive “sittable”; since most areas in Bangkok do not have public benches, vendors allow elderly and disabled people to participate in public life by providing a place to sit.\textsuperscript{21}

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\textsuperscript{14} Interview conducted with business owners in Ramkhhamhang and Sukhumvit soi 11, March 2018
\textsuperscript{15} Nirathron 2017
\textsuperscript{16} Interview with store proprietors in Ramkhamhaeng market, March 2018
\textsuperscript{18} Hazan, Victor (2017) The Production of space by the street vending system: The case of the neighborhood of Ari in Bangkok.&nbsp;
\textsuperscript{19} Efroymson, Debra, Tran Thi Kieu Thanh Ha, Pham Thu Ha. 2009. Public Spaces: How they humanize cities. Health Bridge, WBB Trust.
\textsuperscript{20} BMA. 2012. Street vendors in Bangkok. Division of Policy and Planning, BMA Department of Urban Planning
\textsuperscript{21} Hazan 2018
\end{flushright}
Street vending also serves a public safety function by providing “eyes on the street” (in the words of world famous urban planner Jane Jacobs). It was a street vendor who, in 2010, stopped a bombing in New York City’s Times Square. Bangkok vendors are proud that they deter crimes and report suspicious activity to local officials, and keep their neighborhoods safe. Research in Soi Rang Nam demonstrates how vendors create a friendly and safe atmosphere through their regular contact with customers. In contrast, shop proprietors in Sukhumvit perceived that crime, including theft and drug deals had increased since the city had prohibited vending. An official in Phaya Thai District agreed that vendors should be permitted to operate on main roads especially at night, to counter a rise in theft by motorcyclists in the neighborhood.

**Generating revenue**
The criticism that vendors do not pay taxes and fees is misleading. Vendors report that they file personal income taxes, and receive frequent visits from District Revenue Department to ensure that they are reporting accurately. Vendors also pay value added tax (VAT) on goods and raw materials that they sell.

Vendors pay a large variety of fees, as well. A 2016 study of 400 vendors showed that 39% pay a fee to thesakit and 17% pay a fee to the BMA. In Ari, food vendors pay 2000 baht per month to the district office and 250 per month for collection of solid and liquid waste (such as cooking oils). This provides a reliable source of revenue to the local government.

As with vendors all over the world, most Bangkok street vendors are eager to operate in a legitimate, formal manner and to pay higher fees for stable vending places and services like waste disposal, water, and electricity. In contrast, international experience shows that making vending illegal does not make vending disappear, but creates more opportunity for corruption and less for legitimate public revenue collection.

**Generating employment**
Vending has always helped fight poverty and reduce inequality in Bangkok, by providing business opportunities for hardworking people with little access to capital. It also absorbs labor during times of economic downturn or crisis, such as the 1997 Tom Yum Gung crisis.

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26 Meeting with Phaya Thai District Office, 13 March 2018.
27 Interview with vendors in Ari
28 Nirathron 2017
29 Meeting with Phaya Thai District Office, 13 March 2018.
31 Benit-Gbaffou, Claire. 2015. In quest for sustainable models of street trading management: Lessons for Johannesburg after Operation Clean Sweep. Center for urbanism and build environment studies, University of the Witwatersrand, Johannesburg
32 Nirathron 2006, Yasmeen and Nirathron 2014
remains one of the few sources of employment available to older people (particularly women) with low education levels.

A 2016 survey of 400 vendors found that 70% were over the age of 40, 70% were women, and over 40% had finished only primary education. The vendors had an average daily profit of 970 THB, before fees; most supported two or more dependents and most relied on vending as their primary household income. Over 50% reported earning sufficient income for daily living (subsistence) only, with no savings. Most see vending as a platform for survival or economic mobility; they do not want to be vendors their whole lives, and they do not want their children to become vendors. One vendor whose child has since gone on to study engineering at Chulalongkorn University explained that “my son grew up on the footpath. You see how the footpath creates human resources.”

Interviews with vendors from 20 locations who were evicted in 2016 and 2017 show the human cost of BMA’s new policy. In most parts of the city, vendors received a warning of 2-3 months, followed by a final notice a month before eviction. Though some district offices directed vendors to alternative markets, all but one of these new markets were undesirable and unsuccessful because of their distance from foot traffic. Most vendors have continued to look for alternative locations on their own, but in the process most have lost 50% or more of their earnings. As one vendor explained, “We can adapt to new policies – but not suddenly like this.”

Luk has worked as a soy milk vendor in Ratburana district for 20 years. Her husband passed away when her son was only seven years old. In spite of the challenge of raising a child as a single mother, Luk’s son recently entered university to study engineering. Yet after Luk’s vending location was cancelled by BMA in 2016, she used all of her savings to cover his tuition fee of THB 30,000. Her son could not afford to continue his studies after that semester and was forced to withdraw. He currently works as electrician to support his family, disrupting perhaps permanently his opportunity to build a middle-class future for himself and his family.

Eed and his wife used to sell handmade souvenirs to tourists in Silom. Their business was not lucrative, but Eed learned enough to rent an apartment and pay for treatments for his son’s mental illness. Since 2016, vendors in Eed’s area were forced to leave. Though Eed moved into a small shared room, his new job as a security guard earned him too little to support his wife and son, who moved to live with relatives outside Bangkok. His son’s condition worsened after missing several medical appointments. The stress effected Eed severely. Early in 2018, he suffered from a sudden hemorrhagic stroke. The stroke resulted in partial paralysis, forcing him to return home to receive care from his ailing mother.

According to a recent study by WIEGO and HomeNet Thailand, after a year of the policy, many vendors have lost homes or cars, taking monetary support from family members to avoid repossession by banks. Others have had to turn to informal lenders, who charge monthly interest rates of 20%. In one reported instance, a vendor and her family have been made homeless.

33 ibid.
35 Angsuthanasombat, Kannika (forthcoming). Mapping of Bangkok street vendor evictions. WIEGO and HomeNet
sleeping in a storage space under their former building. Another vendor committed suicide because of the ongoing crisis. Many have withdrawn their children from high school, university, or vocational school. While some vendors have taken low paying jobs such as security guards, many older vendors are now dependent on their adult children.\textsuperscript{36}

The policy appears to be in direct conflict with the country’s economic blueprint “Thailand 4.0,” which emphasizes reducing inequality, supporting SMEs, and developing advanced human resources in science and technology. Banning street vending means “firing” tens of thousands (if not hundreds of thousands) of older workers who have little chance to find other employment, and imposing a burden on their families and ultimately on the larger economy and society. It hurts existing SMEs, rather than supporting these SMEs to formalize, innovate, and digitize. The policy has curtailed the ambitions of many children of street vendors who could have become engineers, programmers, or doctors. In this way, it also contravenes Section 77 of Thailand’s 2017, which outlines the State’s responsibility to “repeal or revise laws that are....obstacles to livelihoods or engagement in occupations.” The policy exacerbates economic inequality that the government has committed to reducing under Thailand 4.0 and the Sustainable Development Goals, and breaks with commitments under ILO Recommendation 204 on facilitating access to public space for livelihoods.\textsuperscript{37}

Lessons learned – Creating a model of vending management in Bangkok

Bangkok was once seen as a model city for inclusive street vendor management that created a win-win-win for employment, businesses, and tourism.\textsuperscript{38} Today, in many Bangkok neighborhoods and other Thai cities, vending is integrated very effectively into urban planning.

- On soi Ari (Phahon Yothin soi 7), local vendors and districts officials work together to strictly enforce rules around vending hours, waste management, cleanliness, and collection of fees. Vending provides a source of revenue for the district, with high fees (2000 per month for food vending and 1000 for non-food activities) clearly stated, billed by the district office, and transparently collected. District officials support collaborations with businesses, for instance by supplying umbrellas for vendors to advertise businesses and piloting a National Savings micro-loan bank scheme with Ari vendors. Banks also promote e-payment and mobile payment platforms among Ari street vendors. When some vendors were forced to leave Phahon Yothin road in 2017, district officers helped them to find affordable new locations in spaces offered by local businesses to vendors who can afford them.\textsuperscript{39}

- The Municipality of Songkla partners with the Songkla Street Food Vendor Club, which represents over 3,000 vendors. The city has extended designated vending areas, adjusting infrastructure to make space for vendors to support both local consumers and tourism. Municipal authorities also collaborate with the Vendor Club to promote food hygiene through “Clean Food Good Taste” trainings and certification. Similarly, Chiang Rai Municipality works hand-in-hand with the members of the Chiang Rai Walking Street Vendor Association to coordinate the city’s weekly walking street, which has grown into one of Chiang Rai’s biggest tourist attractions.

\textsuperscript{36} Angsuthanasombat, Kannika (forthcoming)
\textsuperscript{37} International Labor Organization (ILO) Recommendation 204 on Transition from Informal to the Formal Economy
\textsuperscript{38} Yasmeen and Nirathron (2014)
\textsuperscript{39} Interview with District Cleanliness Chief, March 13, 2018
Ironically, as the BMA seeks to eliminate vending from its streets in an effort to be seen as a modern, global city, many cities around the world are striving to create the kind of vibrant street culture and affordable shopping for which Bangkok is famous. This reflects the global trend to see inclusive management of street vending not only as an imperative for equitable economic growth, but also as an asset for making cities more attractive to visitors and residents alike. London, Detroit, Darwin, and Adelaide (among many others) are working to attract vendors to street markets and popular lunch-time zones.40

Many other cities have experimented with innovative approaches to incorporating vending in urban life. There is no “best” model of vending management - the unique economic, cultural, spatial and governance characteristics of any given city make replicability of models difficult. A 2015 review of global policies finds that the most effective management approaches prioritize minimal relocation of vendors and supporting existing markets; use knowledge research and knowledge (including vendor surveys) to guide policies; establish multi-stakeholder advisory committees and encourage dialogue; support the establishment of street vendor organizations; and encourage area-based management with flexible local arrangements.41 Examples from global cities include:

- **Lima, Peru** is home to nearly 300,000 street vendors. In 2014, the city passed a new ordinance that expedites the licensing systems for vendors. The new ordinance extends the license period from one to two years; prioritizes licensing for vendors who live in poverty or with particular hardships, particularly women, and supports them in building savings and money, stabilizing their incomes, with the objective of a transition toward formalization of their businesses over time.42 The ordinance was developed through a consultative process with over 150 street vendor organizations in the city over the course of almost two years.

- The city of **Durban, South Africa** regulates vending based on an area-based management approach that supports participation between city officials, businesses, and vendor associations. The policy focuses on retaining access to existing markets and others that will be profitable for vendors.43 This model is based on a successful project in the now world-famous Warwick Junction Market, in which the city council worked hand-in-hand with organizations of vendors to renovate their trading space in the heart of the city, which has now become one of the city’s principal attractions for visitors.

- **Singapore** is famous for its vendor management strategy through Hawker Centers throughout the city. These were constructed from 1971, when a national program helped to register and relocate vendors to the centers. There are many positive aspects of the Singapore approach: the centers provide a stable, secure location at an affordable price, with services such as water, electricity, and waste management services. In some cases

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40 See for instance London, Darwin, Adelaide, and Detroit’s efforts to foster street markets and attract vendors to popular street locations. 

41 Benit-Gbaffou 2015

42 WIEGO. Lima, Peru: Impact: Street Vendors in Lima Peru. 
http://www.wiego.org/wiego-in-brief/lima-peru

43 Benit-Gbaffou 2015.
developers were required to allocate space for Hawker centers in new buildings. However, the approach is not replicable in Bangkok today: it depended on Singapore’s urban density and transportation network, strategic market locations, and a highly regimented land-use and zoning system, and strong government support for relocation. Moreover, vendors were relocated in a gradual process over a period of almost three decades rather than in just a few years. The lack of vending on the streets contributes to the perception of Singapore as a lifeless city.

**Recommendations and commitments**

Bangkok has the opportunity to build a model that works best for Bangkok - for residents, visitors, vendors and government alike. The Network of Thai Vendors for Sustainable Development is ready to collaborate with BMA, district offices, local businesses, and urban planners and innovators to optimize benefits and minimize problems for all stakeholders. It calls on the BMA to:

1. Permit vendors to return to their previous locations in all designated vending areas that were cancelled since 2014.
2. Promulgate a legal degree recognizing the rights of vendors to earn their livelihoods, to sell in historically profitable areas (“natural markets”), and to participate in decision-making related to management of public space and vending in Bangkok
3. Establish a Bangkok Vending Committee, comprised of representatives of the Network of Thai Vendors, BMA, academics, and civil society. The Committee will oversee development of a Street Vending Strategy for Bangkok, surveys of vendors, licensing, and vendor area designation.
4. Establish District Vending Management Committees, comprised of representatives of vendors from each market, district government, and civil society. These committees will have responsibility for overseeing local level vending and liaison with the Bangkok Vending Committee, including development of Local Vending Strategies.

The Network of Thai Vendors will act as partners in this process. It commits to:

1. Mobilize members to participate in consultations, pilot projects, trainings, festivals or walking streets, or other events organized by the BMA or district offices
2. Ensure that members comply with all city-level ordinances regulating vending, including size of stall, distance to pedestrian areas, fees, etc.
3. Ensure that members adhere to local-level rules, customs, and good practices, including waste management practices, adoption of uniforms, market zoning by product, etc.

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44 Kuskabe, Kyoko. 2014. Street-vending policies and practices: A case study of Bangkok. Asian Institute of Technology
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