# The Regulation of Street Trade in Karoi:

## Opportunities and Challenges for Improving Vendors' Livelihoods

ZCIEA
"The Chamber That Delivers"

WIEGO
Women in Informal Employment: Globalizing and Organizing

StreetNet International

Street vendors are an essential part of the fabric of town life in Karoi, Zimbabwe. They provide much-needed goods and services in convenient locations and at affordable prices. But many work informally. This exposes them to a range of challenges, which make it difficult to earn a decent living.

The Zimbabwe Chamber of Informal Economy Associations (ZCIEA) is collaborating with Women in Informal Employment: Globalizing and Organizing (WIEGO) and StreetNet International (SNI) on a project aimed at improving dialogue between vendors and town councils, by drawing on two legal tools:

1. **Administrative justice:** A set of rules that require public officials, including local authorities, to follow proper procedures when taking action and making decisions.
2. **Recommendation No. 204:** Guidance from the International Labour Organization (ILO) on improving the conditions of informal workers and helping them transition to more formal work. Since 2019, ZCIEA has used R204 to sign memoranda of understanding (MOUs) with over 20 councils across the country (including in Beitbridge, Chikomba, Chitungwiza, Gwanda and Plumtree) to encourage regular negotiation on shared concerns.

The first step of the project was to better understand why vendors in Karoi work informally and the challenges they face as a result. This brief explains how this research was carried out, highlights its key findings, and makes recommendations for next steps.

## What was the research about and what did it involve?

The research sought to answer three questions: What are the rules regulating vending? How do they work in practice? What factors help or prevent them from working well?

It was carried out in 2024 in Karoi and Plumtree, two towns where ZCIEA sees opportunities for improving relationships with the town council. In Karoi, the four steps of the research were:

| Scoping Visit | Law on the Books | Urban Governance | Law on the Ground |
|---|---|---|---|
| | | | |
| Interviews with 7 vendors and 1 ZCIEA leader to get to know worker organizations, their priorities, and the local context. | Desk research to get an overview of the legal framework regulating vending. | Desk research and interviews with 5 Town Council officials and 6 ZCIEA leaders to understand the institutions that impact the activities of vendors, how they operate and the power dynamics that influence them. | A survey of 40 vendors, including one person with a disability, and two focus group discussions (one group was women only) with a total of 13 vendors to learn how the law is implemented and enforced, and what impact this has on workers. In addition, validation workshops were held to share draft reports and gather inputs from ZCIEA members and others. |

# What did we learn from the research?

- Many vendors are working in poor conditions. Their spaces are badly located; they lack water, toilets and shade; and waste management is inadequate. This negatively affects their livelihoods.
- Very few vendors have authorization to trade. Reasons include lack of knowledge about the process; time and cost; and perceptions that applications won't be successful.
- Fees for trading are unclear. Vendors are paying different amounts and are unsure what the payments are for. The fees that are well known (such as the annual US $40 licence fee) are seen as too expensive for most vendors.
- Without authorization, vendors are vulnerable to harsh enforcement actions that interfere with their work. Confiscations are common. Vendors complained that these are done without warning, and that their goods get damaged or are not returned.
- Urban governance challenges weaken relations between vendors and the town council. These relate to issues such as transparency and information-sharing, vendors' participation in decision-making, and devolution of power.

## Poor working conditions affect vendors' livelihoods

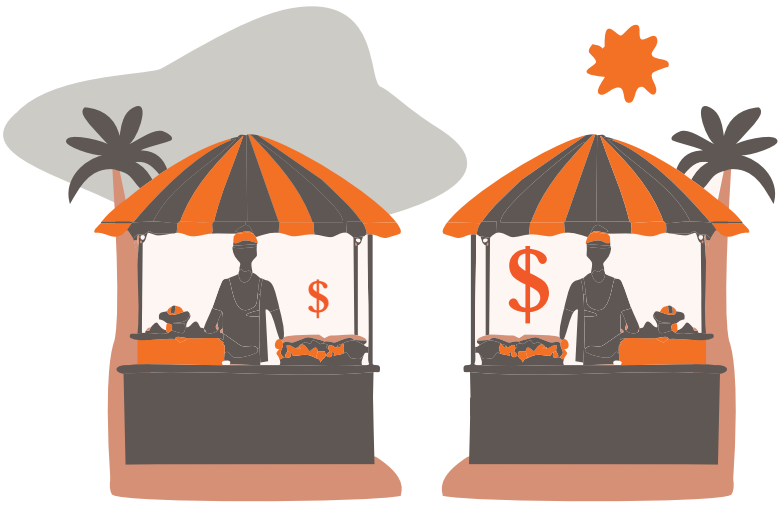
Almost two-thirds (26) of the vendors surveyed said **infrastructure and service delivery** were their biggest needs. They described:

- No shades. This leads to vendors' exposure to heat and rain, and damage to their goods.
- No access to free, functioning toilets, which is especially hard for women and people with disabilities.
- A lack of running water. This leads to water-borne diseases as well as the inconvenience of carrying water.
- A lack of lighting. This makes it dangerous to work at night, especially for women.
- No bins or waste collection service.

Most council markets are **poorly located** – far from customers – so vendors avoid them and choose places likely to have more customers. But these places are less desirable, for example, near beer halls and dumpsites, and vendors are often **harassed by passersby**.

**Unfair competition** is another concern. A few vendors complained that the Council allows unlicensed hawkers to trade; traders from neighbouring countries to trade in retail for long hours when they are supposed to only sell wholesale, and for a few hours; farmers to sell retail from trucks, without paying quarterly fees.

Vendors believe that the officials allow this in exchange for bribes. There were reports of traders refusing to pay monthly (flea market) fees or daily (trader on public road) fees in protest. A council official said that the situation regarding foreign nationals is partly due to understaffing in the police section.

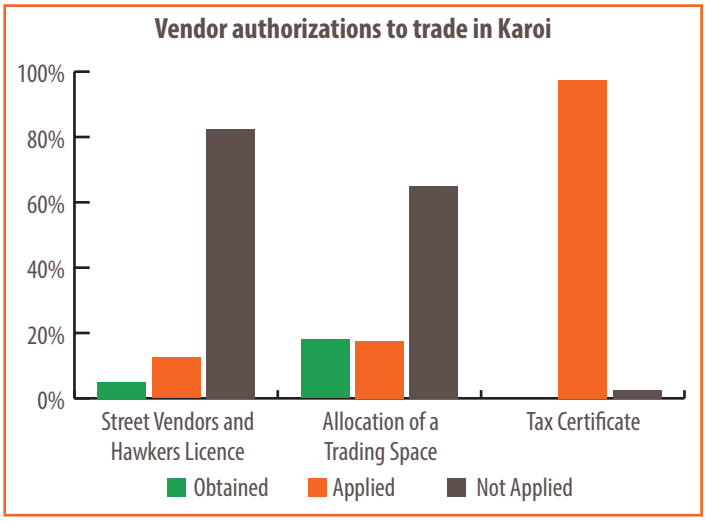


## Few vendors can get authorization to trade

As shown in the graph, only 5% of vendors (2) were trading with a licence. This is significantly lower than in Plumtree, where just under half of those surveyed had a licence. Only 20% (8) reported applying. Vendors shared their challenges with applying:

- Some do not see the benefit, since the locations allocated are poor and there is no water, toilet, etc.
- Many who apply do not get a response.
- There's an impression that officials only give spaces to their family members or connections.
- Paying fines is cheaper and easier than applying, so "*takarongana tega*" many traders self-allocate.
- Some vendors do not know how to apply.

It was difficult for the researchers to get information about the types of licences and application procedures. The current bylaws are not publicly available, and the draft bylaws have not been gazetted.



## Payments for trading are costly and unclear

Almost two-third of vendors who had applied for authorization to trade complained that licence fees (US $40 per year or US $10 per quarter) are expensive. The survey answers and focus groups revealed that people pay different amounts and are unsure about what the payments are for. For example:

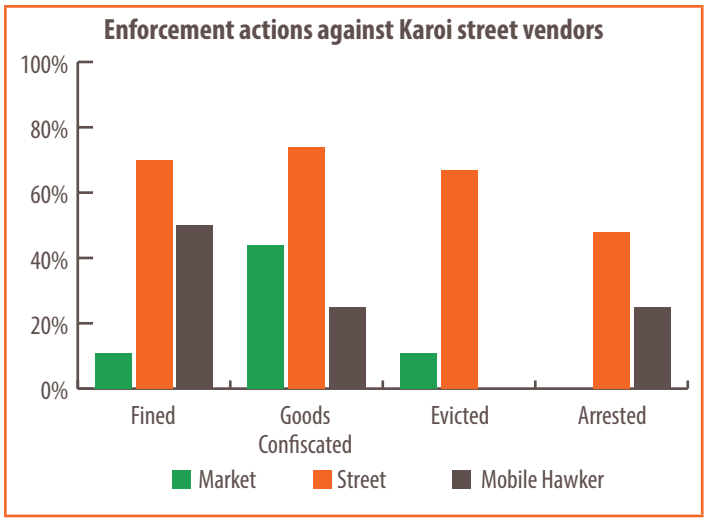
- Most vendors pay US $1 per day, whether or not they have a licence.
- Some reported paying US $10 or US $9 per month.
- Some people said payments are for rentals, some said licence fees, others fines.
- The Council does not share information about the fee structure or what the payments are for.
- The bylaws do not clearly say what the Council is allowed to charge for.

## Without authorization, vendors are vulnerable to harsh enforcement measures

When asked about the biggest challenge they face in the workplace, 20% of survey respondents (8) talked about interference by authorities.

Survey respondents in Karoi, particularly street vendors, reported much higher levels of fines, confiscations, evictions and arrests in the past 12 months than in Plumtree.

Interviews indicate this happens most frequently in the CBD, compared to residential and other areas. Complaints included: The police and the Council do not give prior warning, except to their relatives and friends; they confiscate in a harsh way "*vanoita zvehondo*", damage the goods and do not return them; and sometimes the police are not uniformed. A few vendors reported that council officials harass them and demand bribes. In the validation workshop, the participants discussed random evictions from trading places even where the Council had collected fees.




Women's experiences were different from men's: The Council and police either leave them alone or demand sexual favours in exchange for advantages or protection. In the validation workshop, the participants highlighted that sexual harassment against women traders is a serious issue.

## Urban governance challenges weaken relations between vendors and the Council

Among vendors working on the streets, only 52% (14 out of 27) said their relationship with the Council was good or neutral, compared to 89% (9 out of 10) of vendors in markets, and 48% (13 out of 27) said their level of trust in the Council was low or very low, compared to 22% (2 out of 10) of market vendors. The interviews with council officials, ZCIEA leaders and vendors help explain why. Many pointed to issues with how Karoi is planned, built and run. The table below outlines ways to strengthen urban governance principles in Karoi. It shows how these principles are reflected in relevant laws and compares them to the issues raised by interviewees.

| How things should work on the books | What is happening on the ground |
|---|---|
| | |
| *Greater transparency would make information more accessible and improve accountability* | |
| **Section 62 of the Constitution** protects the right to access certain government information.<br><br>The **Freedom of Information Act** mandates officials to: keep information; have an information disclosure policy; respond to information requests.<br><br>**The Urban Councils Act** requires councils to make certain information open to inspection for a reasonable fee. Councillors and officials can be dismissed for corruption or misconduct. | **Vendors say it's "impossible" to obtain bylaws.** This is a reason many vendors (roughly three-quarters of those surveyed) lack knowledge of the laws regulating their work. One-third had obtained information about the law and only one vendor had received training. Vendors also want to understand why it is taking so long for the Council to pass bylaws. They also worry about politicized decision-making. |

| | |
|---|---|
| | **Officials say they communicate relevant information.** Vending fees are advertised before being sent to the Ministry of Local Government for approval. Trading spaces vacancy is advertised through public notice boards, the council website and Facebook. But this does not appear to be reaching vendors. One even reported that officials refused to provide the fee structure when asked.<br><br>**Secrecy fuels corruption** – vendors raised concerns about politicized decision-making, including:<br>• Officials and police allowing migrant vendors to vend outside the allocated time slots.<br>• Police asking for bribes to avoid confiscation or to return confiscated goods.<br>• Officials give space to their families, friends or supporters. |
| ***Allowing vendors to take part in decision-making would improve decisions, build trust, ensure fair policies, and help communities grow sustainably*** | |
| According to the **Urban Councils Act**, the council can make bylaws to designate vending areas. They must publicize and give the public time to object. They may pass a resolution to set vending fees in a council meeting, which must be open to the public.<br><br>With the **Regional, Town and Country Planning Act**, the council can adopt a master plan that designates vending areas. It must consult with stakeholders. | **There's a clear need for improved communication.**<br><br>**The Council says it invites the community to meetings** through notice board posts, letters and WhatsApp messages, but vendors' organizations do not respond.<br><br>**Vendors say consultation is not meaningful**. Some say they are not invited to meetings or consulted about market sites and fee increases; some say the Council invites them but does not listen to their demands; others say the Council used to invite them but not anymore.<br><br>**Vendor leaders say cooperation is limited**. Different officials and departments have different attitudes. It is common to engage with the Council through informal channels, for example, political affiliation, friends or relatives with influence. Authorities have not yet signed an MoU with ZCIEA. It is also difficult to approach any of the national offices dealing with street vendors. |
| ***There is room for the Council to strengthen how it manages its resources and performs its functions*** | |
| **Section 276(2)(b) of the Constitution** states that Parliament may pass laws that allow councils to raise revenue.<br><br>The Urban Councils Act, for example, allows councils to raise revenue through fees for services (s219), income-generating projects (s221) and property tax (s269).<br><br>The Act does not provide for inter-governmental transfers. The Ministry of Finance can decide how much to transfer, but the Devolution and Decentralization Policy sets an 'ideal' target of distributing 5% of fiscal revenues to local authorities' budgets. | One official said the Council and community are not aware of the benefits of dialogue and the political climate is a challenge.<br><br>**Scarce resources are a challenge.** This prevents the Council from providing power and waste-removal services; from having adequate enforcement staff; and from providing officials with uniforms. **But poor communication also leads to poor resourcing decisions.** Vendors stressed the need for information about the functions of council departments and reporting mechanisms for their performance.<br><br>Officials complained about ill-designed markets, which were set up in the colonial period, and an outdated act regulating planning for vending spaces that leads to 'ghost markets'.<br><br>They also pointed to the politicized allocation of space, with politicians undermining the effective allocation of vending space. Partnering with the private sector could be beneficial, but would require an MoU approved by the Minister for Local Government. |

*Strengthening knowledge and skills, including knowing what legal frameworks regulate their actions, helps officials advance a vision for urban development*

According to the **Administrative Justice Act**, officials must act in a way that is:

- Lawful: allowed by law
- Reasonable: is for a legitimate purpose
- Procedurally fair: e.g. with adequate notice and the right to be heard

Vendors complained about lack of notice about evictions and confiscations.

Vendors said council officials don't know the law and should be trained about their responsibilities. Some said this should be a priority for the project.

The Council said police lack legal training, but are open to partnering on this.

*Efforts to advance the devolution of power in government (national, regional, local) would improve urban governance*

**Section 276 of the Constitution** gives local authorities the right and powers to govern the affairs of the people in their area.

In terms of the **Urban Councils Act**, the Minister must approve councils' bylaws (s229), can give councils directions on policy matters (s313) and may reverse decisions or resolutions of councils (s314). The Minister must approve local master plans.

**National action is key to making local improvements.**

Vendors said the central government interferes with local affairs and does not want to hand things over to the council.

Sometimes, there are central government directives (for example, to remove vendors during a cholera outbreak in 2024). A vendor said these directives can't be challenged locally.

The Ministry of Local Government retains many powers, for example, the Minister must approve changes in vending fees.

Officials saw a need for better coordination when government responsibilities overlap. For example, the council must provide safe markets, but the Zimbabwe National Water Authority is responsible for water provision.

## What comes next?

The priorities that vendors identified through the research include:

1. Council-designated trading space in places that are close to customers: "*tinoda kupihwa pakanaka pekutengesera panofamba vanhu kwete pasingafambe vanhu*"

2. Freely accessible running water and functioning toilets.

3. Shades to shield vendors and their goods from rain and sun: "*tikawana... pane building yakanaka zvinotikoshera zvekuti kana mvura yakauya hatinaiwe*"

4. Affordable licences and fees: "*kudzikiswa kwemari dzatinobvisa pazuva rega rega*"

5. Due process (including warnings and notice) before enforcement actions, such as confiscations and evictions, are taken.

Improving dialogue between vendors and the Town Council is a critical starting point for making these improvements. Two legal tools support this.

The **Administrative Justice Act** promotes good governance by requiring public officials to:

- Act lawfully: not go beyond the powers given to them in law.
- Act reasonably: have a rational aim that they pursue in proportionally.
- Follow fair procedures: give notice and make sure people have a chance to have their say.

Workers can use these principles in their dealings with officials or through relevant administrative or judicial review processes.

**ILO Recommendation No. 204 concerning the Transition from the Informal to the Formal Economy (R204)** guides ILO member states on how to promote sustainable businesses and decent jobs in the informal economy. It recognizes that informality is complex, so it covers a lot of policy areas and different levels of government. For vendors, R204 is particularly important because it recognizes public space as a workplace and calls for their rights to freedom of association and collective bargaining to be guaranteed.

The Government of Zimbabwe has committed to implementing R204 through various policies and programmes. Since 2019, over 20 councils across the country (including in Beitbridge, Chikomba, Chitungwiza, Gwanda and Plumtree) have negotiated and signed MOUs to facilitate regular negotiation with the ZCIEA on issues of mutual interest.

**Cover photo:** Ranganayi Tabayenda, a street vendor at her market stall in Chiedza, Karoi, Zimbabwe, during the Law on the Ground research, July 2024. **Photo credit:** Fungai Munetsi, ZCIEA Information Officer.

## About the Project Partners

**ZCIEA** is a national membership-driven organization representing Informal Traders Associations of Zimbabwe. It is made up of the self-employed and informal employees engaged in small unregistered or un-incorporated enterprises and undeclared workers. Visit zciea.org.zw

**WIEGO** is a global network that supports the movement of workers in informal employment, especially women and those living in poverty. WIEGO believes all workers should have equal economic opportunities, rights and protections. Visit www.wiego.org

**StreetNet International (SNI)** is a global organization of committed informal traders, with the goal to promote and leverage an autonomous and democratic alliance of street vendors, market vendors, hawkers and cross-border traders. SNI is present in more than 50 countries and has over 700,000 members worldwide. Visit streetnet.org.za

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