The Regulation of Street Trade in Plumtree:

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 Plumtree. They provide much-needed goods and services in convenient locations and at affordable prices. However, many work informally, which exposes them to a range of challenges that 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:

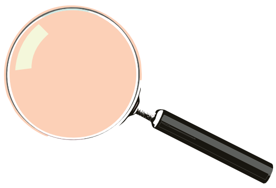
1. **Administrative justice:** A set of rules that require public officials, including local authorities, to follow proper procedures when taking action and making decisions.
2. **Recommendation No. 204:** Guidance from the International Labour Organization (ILO) on improving the conditions of informal workers and helping them transition to more formal work.

The first step of the project was to better understand why vendors in Plumtree work informally and the challenges they face as a result. This brief explains how the 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 Plumtree, the four steps of the research were:

Scoping Visit	Law on the Books	Urban Governance	Law on the Ground
			
Interviews with 8 vendor members of ZCIEA 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 4 Town Council officials and 6 ZCIEA leaders were conducted to understand the institutions that impact vendors' activities, how they operate and the power dynamics that influence them.	A survey with 38 respondents and two focus group discussions (both groups had 8 participants – one was a women-only group and the other included a person with a disability) 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 poorly located; they lack water, toilets and shade; and waste management is inadequate. This negatively affects their livelihoods.
- Payments 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 considered too expensive for most vendors.
- Fewer than half of the vendors have authorization to trade. Only 10% (4) have the required tax certificate. The main reason is cost; other reasons include complicated and lengthy procedures and distance (to obtain the tax certificate).
- Without authorization, vendors are vulnerable to harsh enforcement actions that interfere with their work. Evictions and 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 vendors' participation in decision-making, transparency and information-sharing, and devolution of power.

Poor working conditions affect vendors' livelihoods, especially for women

Participants in the validation workshop complained that the designated trading spaces were inadequate for the number of traders. Almost two-thirds (25) of the vendors surveyed said **infrastructure and service delivery** were their biggest needs. They described:

- No access to free functioning toilets or to running water.
- Stalls without access to cover.
- Structures unmaintained by the Council.
- Insufficient garbage collection.
- Lack of cleanliness in the town surroundings.

In the focus group discussions, women vendors said that gaining access to clean toilets and having improved infrastructure were especially important.

Roughly one in five vendors said **insults and harassment** by customers were a problem. Designated trading spaces were scarce and in **poor locations**, with little customer traffic. Vendors therefore choose places more likely to have customers, but these places are less secure.

Unfair competition is another concern. A few vendors complained that the Town Council allows unlicensed hawkers to trade without paying licence fees.

Payments for trading are costly and unclear

Almost two-thirds of vendors who reported applying for authorization to trade said that license fees (US $40 per year or US $10 per quarter) are expensive. However, in focus groups, participants noted that authorities usually accommodate vendors and let them pay the fees in installments.

In addition, vendors reported paying R10 (US $0.57) daily, whether or not they have a licence. Almost a quarter of survey respondents mentioned this fee as the biggest challenge they face in their work. The problem was discussed at length in the focus groups. Several participants said the amount was too much and the fee should be scrapped. Some proposed reducing it to R5. Participants in the validation workshop stressed the need for a percentage of income from vendors' fees to be designated for developing trading areas.

The survey answers and focus group discussions revealed that people pay different amounts and are unsure what the payments are for. For example:

- Responses to survey questions about payments (how much, how often, who collects them, etc.) varied substantially, showing confusion.
- The Council's finance department sets up an account for each vendor. Any arrears from that account is brought forward to the next financial year, and vendors cannot renew their licences if they are in arrears. Participants said this is one of many reasons why some traders do not have a licence. Those in the validation workshop underlined their concern that even when an individual is not at his or her workplace, the council police still charge the absent vendor and add that day's fee as arrears.
- Slightly over 10% (4) of respondents reported having to pay a bribe.

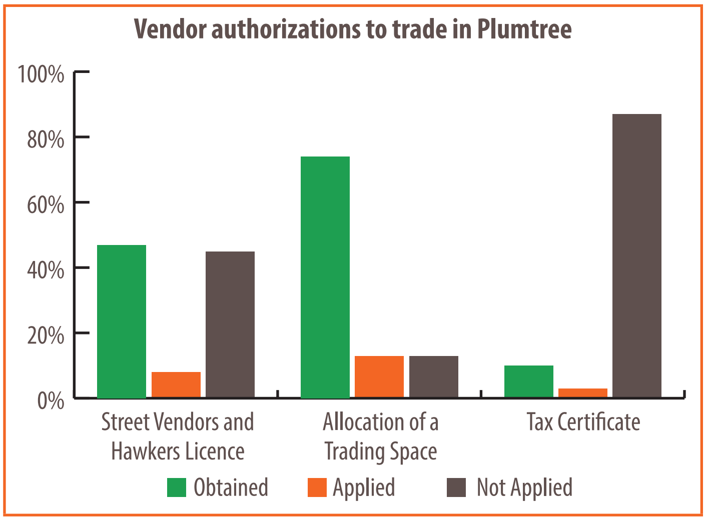
The bylaws do not clearly say what the Council can charge for. Vendors also said they lacked information about what the payments were being used for. One participant in the focus group made this point: *"You can see by the way they threaten and ill-treat us when we ask about the 10 rand and its purpose, it is a sign that they do not know any law that supports this."*

Many vendors have not been able to get authorization to trade

As shown in the graph below, 50% (19) of vendors surveyed were trading with a licence. Only 10% (4) of survey respondents had obtained a tax certificate; most sell without one. Some of the application challenges shared by vendors included:

- Cost: This was the main difficulty reported by 58% (22) of respondents who had applied for licences.
- Some said paying a US $10 quarterly penalty was preferable.
- Complicated and lengthy process.
- Distance: The tax office is about 70 km away.

It was difficult to get information about the types of licences and application procedures for the research. The current bylaws are not publicly available, and the draft bylaws have not been gazetted. According to the 1976 model bylaws, vendors need a street vendors' and hawkers' licence to work. Still, vendors reported that the current administration requires a shop licence, regulated by the Shop Licence Act.



Without authorization, vendors are vulnerable to fines, confiscations and sexual harassment

Few vendors surveyed reported having been evicted or arrested in the past 12 months. But fines are very common. The fine for those without a licence was generally reported to be US $10 quarterly. But vendors said penalty fees are arbitrary (for example, some were asked for US $20 and others US $30).

When confiscations and evictions do happen, vendors highlighted the following:

- **Confiscations** occur without warnings. Goods are not counted or recorded, are taken harshly, and sometimes people are injured; goods are damaged; authorities ask high fees to return goods, or goods are never returned.
- **Evictions** are often used as a threat, a request for bribes or for romantic relationships. Sometimes vendors are evicted even though they pay their vending fees. Participants in the validation workshop complained about the directives from the central government to have street vendors evicted.
- Interviewees in focus group discussions mentioned that there are cases of **sexual harassment**. Most women participants in the validation workshop said that sexual harassment by council police is rampant.

Urban governance challenges weaken relations between vendors and the Council

Only 5% (2) of those interviewed mentioned interference by authorities as among the biggest challenges they face in the workplace. Local authorities perceive their relationship with vendors as "cordial". A few vendors also said authorities have an Ubuntu approach. But almost half of the survey respondents (4 out of 6 men and 13 out of 32 women) said their relationship with authorities was bad or very bad.

- Only 9% (3 out of 32) of all women interviewed said their trust in authorities was high or very high.
- 29% (4 out of 14) of market vendors and 43% (10 out of 23 street vendors) reported that their relationships with the local authorities were bad or very bad. 43% (6 out of 14) of market vendors and 43% (10 out of 23) of street vendors reported having low trust in authorities.

<table>
<tr><th>How things should work on the books</th><th>What is happening on the ground</th></tr>
<tr><td></td><td></td></tr>
<tr><td colspan="2">Increasing vendors' participation in decision-making would improve decisions, build trust, ensure fair policies and help communities grow sustainably</td></tr>
<tr><td>Council meetings, council resolutions and bylaws

Urban Councils Act:

All council meetings are open to the public; all council resolutions must be public.

Resolutions adopting bylaws must be made public, and people have 30 days to object.

Regional, Town and Country Planning Act (regulates urban planning):

Councils can designate vending areas and must ensure that "in its opinion" there is "adequate" consultation.</td><td>There's a clear need for improved communication.

Local authorities interviewed said there is consultation. Comments included:
• Processes for vendors' participation in council meetings are in place and followed, but few vendors attend.
• The town planner consults stakeholders; vendors can identify places for trading; suggestions are considered, but must be in line with the town planning.
• The current administration is willing to listen to vendors' needs and demands – including where they prefer structures – to avoid the stalls becoming a "ghost market".</td></tr>
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Budget: Bylaws require public participation in council budget meetings. Proposed fees are tabled for the public to debate and reach a consensus. The budget is then sent to the Ministry of Local Government for approval and to be gazetted.	**Vendors feel consultations aren't worthwhile.** Comments included: • Vendors are aware of platforms of engagement, but the majority feel it is futile to attend; consultations are "mere formalities", not held in good faith, and vendors' demands are shunned. • They do participate in budget meetings but cannot engage due to a lack of knowledge.
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 adopt legislation giving local authorities the power to raise revenue. Most of their fiscal powers come from the Urban Councils Act, for example, through fees for services (s219), income-generating projects (s221) and property tax (s269). The Act does not provide for inter-governmental transfers. Disbursements from the Treasury are discretionary, but the Devolution and Decentralization Policy sets an 'ideal' target of distributing 5% of fiscal revenues to subnational tiers of government to local authorities' budgets.	**Resources are scarce.** Comments included: • It's a "hand to mouth" economy, where the Council "eats what it kills". • Without resources to build infrastructure, the Council relies on partnerships with individuals, NGOs or businesses. • The finance department is short-staffed (needs assistance from the municipal police). **Markets may not be a reliable revenue generator for councils:** Some vendors cannot afford licences, and penalties are even more difficult for them to pay. Secondary research suggests only roughly 3% of funding comes from fees for council amenities, including flea markets. However, the perception among vendors was that the Council is using their fees to cross-subsidize other things, instead of benefitting traders.
Officials need knowledge and skills to advance a vision for urban development, including knowledge of the legal frameworks that regulate their actions	
Under 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	The authorities interviewed seem to know the laws regulating street vending (particularly the finance department), but one said "council official", not R204. An official shared that the Council might not know enough about the law.
Greater transparency would make information more accessible and improve accountability	
Section 62 of the Constitution gives people the right to access certain government information, and the Freedom of Information Act mandates officials to keep information; have an information disclosure policy; and respond to requests for information. The Urban Councils Act sets out a range of information that councils should make open to inspection (subject to a reasonable fee). It also provides for dismissing councillors and officials for corruption or misconduct.	**Corruption:** Vendors report that when goods are confiscated, police request a bribe to return them. Focus discussion group participants mentioned requests for bribes and "love relationships". Participants also noted that "you can see by the way [authorities] threaten and ill-treat us when we ask about the 10 rand and its purpose; it is a sign that they do not know any law that supports this." **Access to information:** Authorities report that it takes time and a lot of bureaucracy before vendors can access budget and other official information. Although the Access to Information Act provides a procedure for accessing such information, the process is technical, long and virtually impossible for vendors.

Clearer devolution of power in government (national, regional, local) would improve urban governance

Section 276 of the Constitution gives local authorities the right to govern the affairs of the people in their area, and the necessary powers to do so.

Through the **Urban Councils Act**, local authorities have powers on regulating trade, sanitation, water, transportation, etc.

Devolution is a policy priority for Zimbabwe. However, the central government retains extensive powers over local governance and may intervene in public space management. For example, under the Act, the Minister of Local Government must approve councils' bylaws (s229), can direct councils on policy matters (s313), and may reverse council decisions or resolutions (s314). The Minister must also approve local master plans.

Central government interference in local affairs: The Council says its "hands are tied".

Powers of the Ministry of Local Government: The Minister of Local Government must approve any change in licence fees.

Central government is a beneficiary: Vendors raised the issue of councils making payments to the central government.

The final decision on budgets and fee setting is with the Ministry of Local Government: The Finance Department has an open-door policy. One vendor commented: "If vendors presented a unified position and set of demands to contribute to the Ministry, we could advocate for change."

Government responsibilities overlap: For example, the Council is responsible for providing public toilets and waste collection in markets, but the Zimbabwe National Water Authority is responsible for water provision, which is paid separately from licence fees (according to a Community Service Department official). The central government is also involved in the building of markets (role not better specified; urban governance study interviews with authorities). Better coordination between authorities is needed.

Structural administrative challenges: The National Development Strategy notes that the roles of central government and local authorities lack "correct delineation", leading to "ineffective mandate delivery" by local authorities.

What comes next?

The priorities that vendors identified through the research include:

1. Improving infrastructure – access to running water, free access to working toilets, market shades, street lights and garbage collection.

2. Reducing or eliminating daily rental/vending fees and ensuring that a portion of the fees is used to develop trading areas.

3. Reducing penalties.

4. Enabling access to financing.

5. Dedicated space for those selling with a cart, to avoid unfair competition.

6. Maintaining a clean and organized town.

7. Respecting workers' rights, including protection against sexual harassment.

8. Enabling access to lawyers.

Improving dialogue between vendors and the Town Council is a critical starting point for 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 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 many 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 negotiations with the ZCIEA on issues of mutual interest.

Cover photo (L–R): Lydia Maphosa, ZCIEA Plumtree Territory Lead; Charles Hodzi (Hawker); Senzile Ndhlovu (Street Vendor); and Michael Ncube, ZCIEA Plumtree Vice President, during a scoping visit by WIEGO Law Programme Officer for Southern Africa, Tapiwa Gorejena. **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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