

# *The informal food sector*

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## **Municipal support policies for operators**

A briefing guide for mayors,  
city executives and urban planners  
in developing countries and countries in transition

**“Food in Cities” Collection, No. 4**

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# Contents

To mayors, city executives and urban planners .....	v
1. What do we understand by informal food sector? .....	1
2. Roles of the informal sector in urban food security .....	3
3. Limitations of the informal food sector .....	4
4. Modalities of local authority intervention .....	5
5. Lines of intervention .....	6
6. What can you do tomorrow? .....	9
Annexes:	
1. The needs of informal food operators .....	12
2. Intervention examples .....	13
3. Intervention modalities .....	15
4. Selected initiatives in support of the informal food sector .....	19
5. Evolution in relations between street vendors and the authorities in Thailand (1970–2000) .....	21
6. Proportion of informal employment among total active population of selected cities (2000) .....	22
7. Importance of the informal sector in urban food supply and distribution in periods of crisis and periods of economic growth .....	23
Endnotes .....	24
Suggested Reading .....	25
Tables:	
1. Classification of street vendors in Bangkok (Thailand) .....	2
2. Gender-based specialization of informal food activities .....	2
3. Organization and functions of a working group on the “informal food sector” .....	8
4. Management of food market areas .....	17
5. Itinerant and semi-itinerant street food and food hygiene in Bangkok (Thailand) .....	21

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## ABBREVIATIONS

ESNS	Food Quality and Standards Service
FAO	Food and Agriculture Organization of the United Nations
FSDS	Food Supply and Distribution System
GDP	Gross Domestic Product
NGO	Non-governmental Organization

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The text of each of these publications can be freely downloaded from the Web site:

[HTTP://WWW.FAO.ORG/AG/SADA.HTM](http://www.fao.org/ag/sada.htm)

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## LIST OF PHOTOS

Front + back covers: Informal vendor with child, Kersi market, Arsi Region, Ethiopia (photo: O. Argenti).

- p. ii Informal vendor with child, Merkato, Addis Ababa, Ethiopia (photo: O. Argenti)
- p. iv Women farmers in the Humza Valley, North Pakistan (photo: O. Argenti)

- p. 1 Fruit and vegetables retail market, Lahore, Pakistan (photo: O. Argenti)
- p. 1 Informal market, Sikasso, Mali (photo: S. Farolfi)
- p. 3 Street market, Kinshasa, Democratic Republic of Congo (photo: O. Argenti)
- p. 3 Fruit market, Amman, Jordan (photo: O. Argenti)
- p. 4 Itinerant fruit vendor, Santo Domingo, Dominican Republic (photo: O. Argenti)
- p. 5 Fruit and vegetables market waste, Santo Domingo, Dominican Republic (photo: O. Argenti)
- p. 5 Fruit and vegetables retail market, Lahore, Pakistan (photo: O. Argenti)
- p. 5 Fruit and vegetables retail market, Antananarivo, Madagascar (photo: O. Argenti)
- p. 6 Producers' Training Session, Antananarivo, Madagascar (photo: O. Argenti)
- p. 6 Fruit and vegetables street market, Bangkok, Thailand (photo: O. Argenti)
- p. 7 Fruit and vegetables street market, Hanoi, Viet Nam (photo: O. Argenti)
- p. 7 Fruit and vegetables street market, Bangkok, Thailand (photo: O. Argenti)
- p. 8 Fruit and vegetable street market, Bangkok, Thailand (photo: O. Argenti)
- p. 9 Woman fruit vendor, Dar-es-Salaam, Tanzania (photo: C. Marocchino)
- p. 9 Public markets without sanitary services, Lahore, Pakistan (photo: O. Argenti)
- p. 9 Retail market "Sunday Market", Islamabad, Pakistan (photo: O. Argenti)
- p. 10 Tea vendor in fruit and vegetables market, Addis Ababa, Ethiopia (photo: O. Argenti)
- p. 12 Woman street vendor, Lahore, Pakistan (photo: O. Argenti)
- p. 13 Sale of eggs in the street, Hanoi, Viet Nam (photo: O. Argenti)
- p. 13 Sale of meat in the street, Hanoi, Viet Nam (photo: O. Argenti)
- p. 14 Informal street food vendors, Bangkok, Thailand (photo: O. Argenti)
- p. 15 Fruit shop, Dar-es-Salaam, Tanzania (photo: C. Marocchino)
- p. 16 Cereal market, Merkato, Addis Ababa, Ethiopia (photo: O. Argenti)
- p. 16 Women fruit vendors, Merkato, Addis Ababa, Ethiopia (photo: O. Argenti)
- p. 17 Informal fruit vendors in a rural market, North Pakistan (photo: O. Argenti)
- p. 18 Child onion vendors, Lahore, Pakistan (photo: O. Argenti)
- p. 18 Popular market organized by Lima Municipality, Peru (photo: O. Argenti)
- p. 18 Onion retailers, Lahore, Pakistan (photo: O. Argenti)



## To mayors, city executives and urban planners

This guide is meant for you. You are responsible for the management and planning of cities that sometimes total several million inhabitants, that are often faced with problems of access and availability with regard to food products and services. This document has been designed to help you improve and strengthen the food supply and distribution systems (FSDSs) of your cities. It seeks to highlight the important role that is played by the so-called informal sector for the food security of your cities.

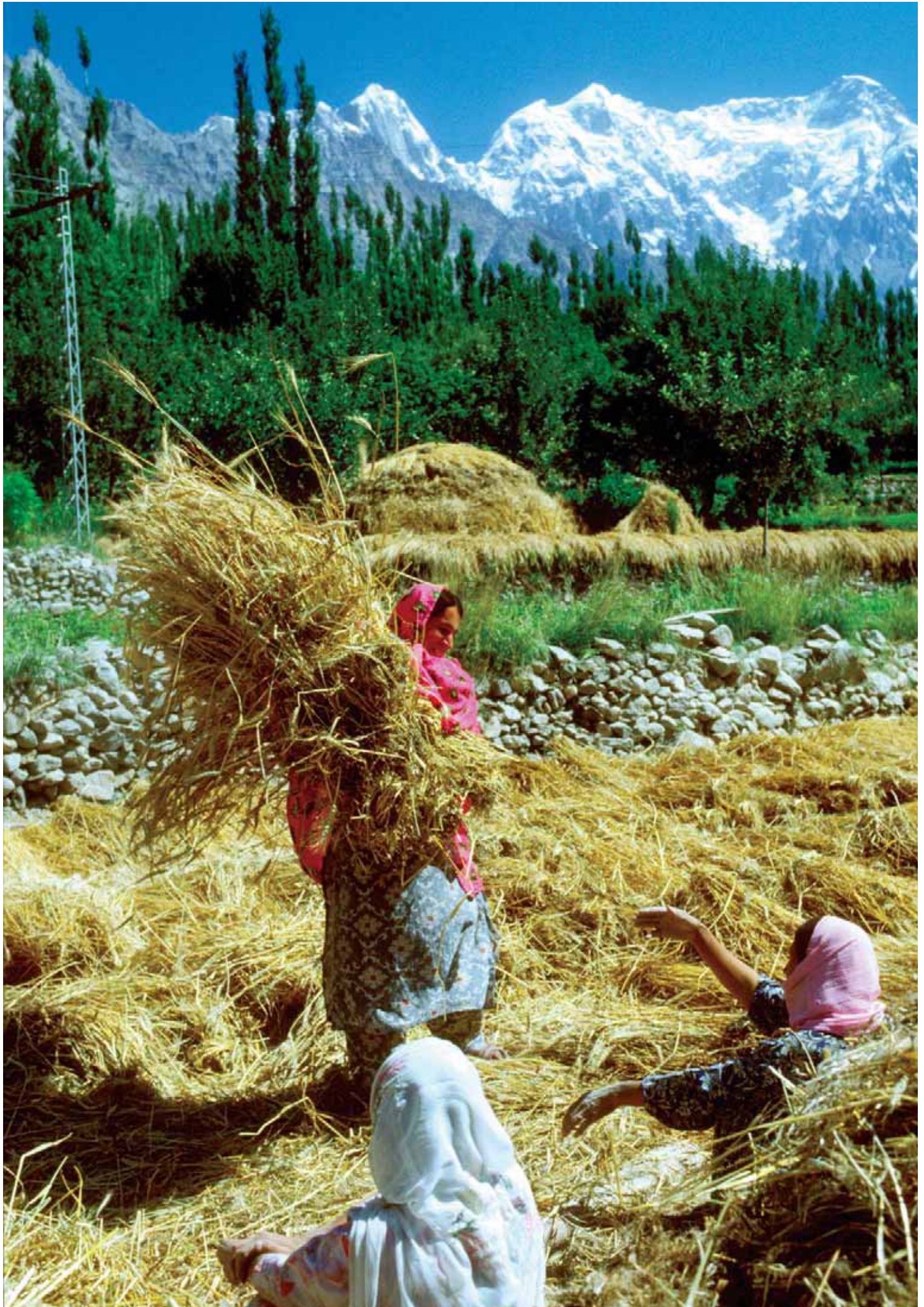
In view of accelerated urban expansion, population growth<sup>1</sup> and rising urban poverty, the food security of poor urban households needs to become one of your priorities.

It is for you to strengthen the vitality and effectiveness of food supply and distribution systems, so that these may provide healthy and reasonably priced food throughout your cities, throughout the year.

While modern food supply networks are developing in some urban areas, traditional and usually informal food supply and distribution activities continue to play an important role, as they are best able to satisfy the specific food needs of poor urban households. They also provide employment and income to low income households. It is therefore essential that these activities be duly recognized and supported by the local authorities

As the frontline administration, you, the local authorities, have a key role to play in urban food security<sup>2</sup> and are in the best position to identify, on the one hand, the problems that beset informal food operators and, on the other, the problems that they themselves present. This guide also puts forward a selection of intervention modalities, highlighting successful experiences in certain cities, in an effort to inspire local policies of support to the informal food sector.

The guide is arranged in the following manner: the first two parts identify the informal food sector and its role in the supply and distribution of food. The third part exposes the shortcomings of the informal food trade and the problems that it presents for urban management. A number of solutions to these problems are discussed in the fourth part which deals with intervention modalities. Selected examples of municipal support policies for the informal food trade are given in the annexes by way of orientation for effective strategies.



# 1 What do we understand by informal food sector?

The “informal sector” exists in many forms. It includes small manufacturing enterprises and small traders and service providers, legal and illegal activities and a wide array of artisans. The fields of activity also vary extensively, from construction, auto-repair and transport, through arts and crafts to food and agriculture.

Finding an unequivocal definition of the concept of “informal sector” is therefore difficult, given the variety of activities and trades that the term embraces. The same applies to the concept of “informal food”. This guide will therefore limit itself to a number of recurring elements and characteristics associated with this sector.

The most visible activities relating to the informal food sector are:

- food production (urban and periurban);
- catering and transport;
- the retail sale of fresh or prepared products (e.g. the stationary or itinerant sale of street food) (see table 1).

All these activities<sup>3</sup> exist in most cities, although their relative importance in the supply and distribution of food and in the local employment situation varies, even from one municipal district to another.

The informal food sector is characterized by (see table 2):

- the absence of specialization: informal trade develops more by diversifying products sold;
- very low capital investment;
- interlinkage between production and consumption: the informal food trade can be both producer and consumer of food products and services;
- the absence of accounts and the non-payment of all or some taxation;
- the possibility of dovetailing with the formal food sector to satisfy a differing demand and customer base. The informal sector overwhelmingly addresses households and micro-enterprises with varying and limited purchasing power;
- innovations that are more social than technical. Because of the relations it often maintains with the rural sector, the informal food trade can provide raw materials at lower cost. The social networks can also provide virtually free labour in the form of apprentice help or family members who are fed but receive no or little pay.



## ***Rural-urban migration***

*Most street hawkers in large urban areas are a product of rural migration. Thus any attempt to organize and integrate these informal activities needs to take the dynamics of rural migration into account, ideally adopting an approach that is more regional, or indeed national, than local.*

*Source: Rungroekrit, 2001, p. 57.*

Table 1  
**Classification of street vendors in Bangkok (Thailand)**

Characteristics	Group conducting subsistence activity	Group conducting activity with growth potential
Type of sale	itinerant or semi-itinerant vending	sale at fixed site
Status of activity	illegal	legal
Type of dwelling	rented housing in slum area	house in the city
Level of skill	no formal training, little or no informal training	multiple training (cooking, food safety)
Level of education	primary education	secondary education
Origin	very low (1 000 baht <sup>4</sup> , pole and baskets)	higher (vehicle, rented stall)
Start-up capital	recent rural migrant	born in the city or long-established rural migrant
Income	very low (between 300 and 400 baht/day)	higher (about 3 000 baht/day)

*Source: Rungroekrit, 2001, pp. 36-37.*

Table 2  
**Gender-based specialization of informal food activities**

As in other sectors, informal food sector activities are divided between men and women.

The women are overwhelmingly responsible for small catering operations and street food. They are traditionally skilled in these activities and already have the necessary cooking utensils at home, while the food they prepare also enables them to feed their families at lower cost.

Gender-based specialization at the retail level sometimes depends on:

- *the product sold*: in West Africa, grilled meat is sold by the men folk, while the women sell prepared food dishes. In Dar es Salaam<sup>5</sup>, the women working in the informal sector usually run small food outlets (Mamantilie), while the men sell basic everyday essentials as well as luxury products, such as mobile phones, cigarettes and watches;
- *the city*: in Calcutta, men run most of the 130 000 stalls selling food products and services, while in Bangkok two-thirds of food vendors are women.



## 2 Roles of the informal sector in urban food security

### *Street food*

1. The many points of sale near to schools and offices, bus stops and stations facilitate consumer access to food, saving time and transport costs;
2. street vendors sell small units affordable to the poor;
3. traders adopt customer-friendly practices to cultivate loyalty: extra portions at no charge or provision of credit.

### *Informal activities that adjust to socio-economic circumstances*

1. In periods of economic crisis, the decline in purchasing power and fall in employment opportunities in the formal sector often spur the development of the informal food sector as this provides employment and income to households in difficulty;
2. in situations of economic uncertainty, the ability of poorer households to produce their own food products and services can be crucial for their food security.

### *Informal activities that respond to urban development and the expansion of cities*

1. The informal food trade offers a large number of sales points in the urban districts furthest from the city centre and the organized secondary markets, thus bridging the inadequacies of the formal distribution structure. In most cases, the informal sector has forged a network of relations, practices and rules of operation that are more effective than those of the formal sector.

### *Informal activities that offer new services shaped by changing social patterns and dietary habits*

- Street food and the sale of fresh food has served to mitigate the increasing distance between work and home;
- some informal food traders have demonstrated a keen sense of creativity in the food products and services they offer.

### *The informal sector participates in urban food supply and distribution at three levels*

- Maintaining urban-rural links: exchanges of food items and services within or outside the family or through direct sale by producers;
- intermediation: supply and distribution of unprocessed products (transporters, retailers, including street vendors);
- processing and sale of ready-to-eat food: street food and small catering.



### 3 Limitations of the informal food sector

*Informal activities offering new services adapted to social and food style evolution*

- As informal traders get their supplies from local markets they are directly vulnerable to the uncertainties of nature that affect agriculture;
- the inadequacy of means of communication and transport infrastructure places a serious constraint on the informal food sector, which is above all competitive over short distances;
- their lack of funds and the absence of access to formal credit restricts the storage capacity of informal traders. Their stocks are insufficient in quantity, as managed on a tight flow basis with its inevitable interruptions, and in quality, with poorly ventilated and damp storage areas causing significant loss;
- the conditions of street sale, the health of vendors and the microbiological contamination of the water they use give rise to serious problems of food hygiene and safety;
- the nutritional quality of fresh and cooked street food is low;
- the unauthorized vending of food along already busy thoroughfares poses added problems of congestion, safety and environmental pollution.



#### ***Understanding the local situation***

*Authorities wishing to introduce programmes to support the informal food sector need to bear in mind that a given policy cannot be automatically transposed from one location to another; and that what functioned well in one case might not necessarily function in another.*

## 4 Modalities of local authority intervention

### *At the level of supply and distribution of goods and services*

- By fostering the urban and periurban production of food;
- by promoting the diversification of food supply and introducing products to supplement or replace normally consumed food items. This improves nutritional levels and mitigates interruptions in supply;
- by facilitating the availability of food by improving transportation and the distribution infrastructure;
- by providing appropriate areas and structures for the sale of food;
- by facilitating access to the services needed by the informal food sector;
- by improving the quality and safety of food products;
- by safeguarding the environment (air, water and soil) from contamination from informal food supply and distribution activities.

### *At the level of food access, placing the urban consumer at the heart of food security policy*

Urban household access to food products and services depends on:

- purchasing power, and here the authorities can facilitate the distribution of low-cost products;
- possibilities of non-commercial access to food products and services associated with household linkages to social networks and/or the practice of

urban food production (self-supply). Here, the land tenure and land-use management policies of the municipal authorities still play an instrumental role.

### *Difficulties of intervention*

The main problems facing local administrations as they seek to support the informal food sector come from difficulties in marshalling the producers and street vendors, because these two groups:

- belong to the least privileged sectors of the urban population and therefore act according to coping strategies;
- lack information and are therefore little inclined to follow health directives;
- are unlikely to be motivated by practices that are more environmentally friendly;
- are often repressed by the local authorities and are therefore mistrustful;
- are not organized into associations and, as they do not pay taxes, are unlikely to collaborate.



## 5 Lines of intervention<sup>6</sup>

### 1. Promote attitudes and policies that are favourable to informal food operators

- By better understanding the role of the informal operators, which can be done by:
  - identifying informal activities, operators and consumer practices in the purchase of food products;
  - training local government staff in these same matters;
- by encouraging the formation of groups and associations of informal operators and/or reinforcing those already existing;
- by sustaining meaningful dialogue with their representatives who must be invited to participate in the formulation of the programmes of action that affect them;
- by facilitating the reporting by private sector food supply and distribution operatives of illegal practices among police officers and market authorities (through, for example, a “complaints” window) and by ensuring that such violations are actively pursued.

### 2. Integrate the needs and constraints of informal operators at the level of:

#### a) Planning

- Better understand informal activities and operators so as to better identify their problems and needs;
- integrate into land occupancy planning:
  - the demand for land for urban and periurban food production;
  - the existence of informal markets, including in outlying urban areas.

#### b) Information and training

- Inform operators of their rights and obligations, and brief them on existing programmes of action;
- provide information and training on food hygiene, safety and nutritional quality;
- provide information and training on marketing and sales techniques;
- provide training on practices that add value to production (processing, marketing techniques);
- act through informal vendors’ associations when delivering information and/or training in order to bolster membership.



### **Harassment**

*Informal operators are regularly subjected to physical and verbal abuse in the course of their activity.*

*Tan, an itinerant vendor in Bangkok, was the victim of police threats and no longer dares to sell her products in public areas close to commercial establishments.*

*It is not unusual to see street vendors being harassed by regular shop owners and having to pay large sums of money to be allowed to exercise their trade.*

*Source: Rungroekrit, 2001, pp. 35-36*

*c) Supply and management of infrastructure, equipment and services*

- Ensure or improve the supply of clean water;
- improve the personal hygiene of food vendors and the hygiene of sales equipment and sites by providing water points and toilets;
- improve the removal of refuse from markets and points of sale;
- improve communication routes between points of urban and periurban food production and markets; between markets and outlying districts (places of consumption and of residence).

*d) Regulations on land occupancy and use, food quality standards, rules of hygiene, circulation of traffic and pollution*

- Critically review existing rules and regulations, with a special focus on their relevance, complexity, intelligibility, enforcement and monitoring;
- make informal operators more aware of existing regulations through institutional channels and information campaigns;
- take the needs, constraints and views of operators and their ability to comply into account, when establishing regulations.

**3. Promoting private investment**

Promoting productive investment by informal food operators to improve production, transport and storage conditions and capacity, to raise sales and to enhance the value and safety of products sold. This means:

- improving access to credit from formal and/or informal institutions;
- consolidating the economic environment of operators, with easier access to land, stronger security of land tenure, better access to inputs and the development of infrastructure for informal activities (markets, street vending stalls, water points, toilets, public transport).



***Project of itinerant vendor cooperatives in Cebu City (Philippines)***

*The local authorities of Cebu City have tried to revamp the dilapidated public market in the city centre. They have encouraged the vendors to organize themselves into cooperatives and where, not long ago, there were frequent disputes between unlicensed itinerant vendors, there are now allotted spaces reducing problems of access to sales areas.*

*It is now the vendors who run the market, while the local authorities provide the services of municipal staff and are actively engaged in encouraging the public to return to this point of sale.*

*Source: Yasmineen, 2000, p. 24.*

*4. Coordinating public interventions and private initiatives*

- Maintain genuine and effective dialogue with the representatives of different groups and associations;
- handle conflicts of interest opposing different actors or groups of actors of the food sector (land disputes linked to the expansion of urban and periurban production);
- monitor programmes of support to informal food activities.

*5. Playing an intermediary role between the central government and the private food sector*

- Relay the needs and demands of the informal food operators to the regional and national authorities;
- inform the informal food operators of national and regional programmes for food supply and distribution activities and of relevant regulatory changes.

All these interventions will be all the more successful if led and coordinated by a working group, which should ideally be set up within the municipal unit responsible for urban food supply and distribution policy (see Argenti, 2000, p. 20 and table 3).



Table 3

**Organization and functions of a working group on the “informal food sector”**

The group could comprise:

- local authority officials who liaise with other municipal services and the central administration;
- local authority officials who are in contact with the public and with community representatives;
- representatives of municipal districts, trade associations (traders, stall holders, itinerant vendors) and producer and consumer associations.

The group could be charged with:

- improving understanding of the informal food sector;
- monitoring and coordinating all support operations for informal food operators;
- ensuring that informal food activities are taken into account in other local policies (land occupancy planning, organization of urban traffic);
- briefing local authority officials and staff on informal food activities;
- disseminating all relevant information to informal operators;
- training or encouraging the training of informal operators;
- proposing support strategies and programmes tailored to inform food activities;
- monitoring the implementation of support programmes for informal food activities.

## 6 What can you do tomorrow?

If your policies are to make a genuine impact on the informal food sector, they must consider the needs of the different players or groups of players involved. You will have to pay particular attention to:

### *Identifying informal food sector activities and understanding the problems operators face*

To do this, you will have to:

- draw up a list of functions and duties of your institution that have a direct or indirect impact on informal food activities;
- create a working group on the informal food sector;
- identify the informal operators and determine their needs and difficulties;
- improve the expertise of your staff;
- undertake and regularly update studies and surveys of the informal food sector;
- establish and regularly update a database of operators and their activities;
- take into account the programmes of support to the informal sector implemented by other government authorities, NGOs and international organizations.

### *Developing a participatory approach*

To do this, you will have to:

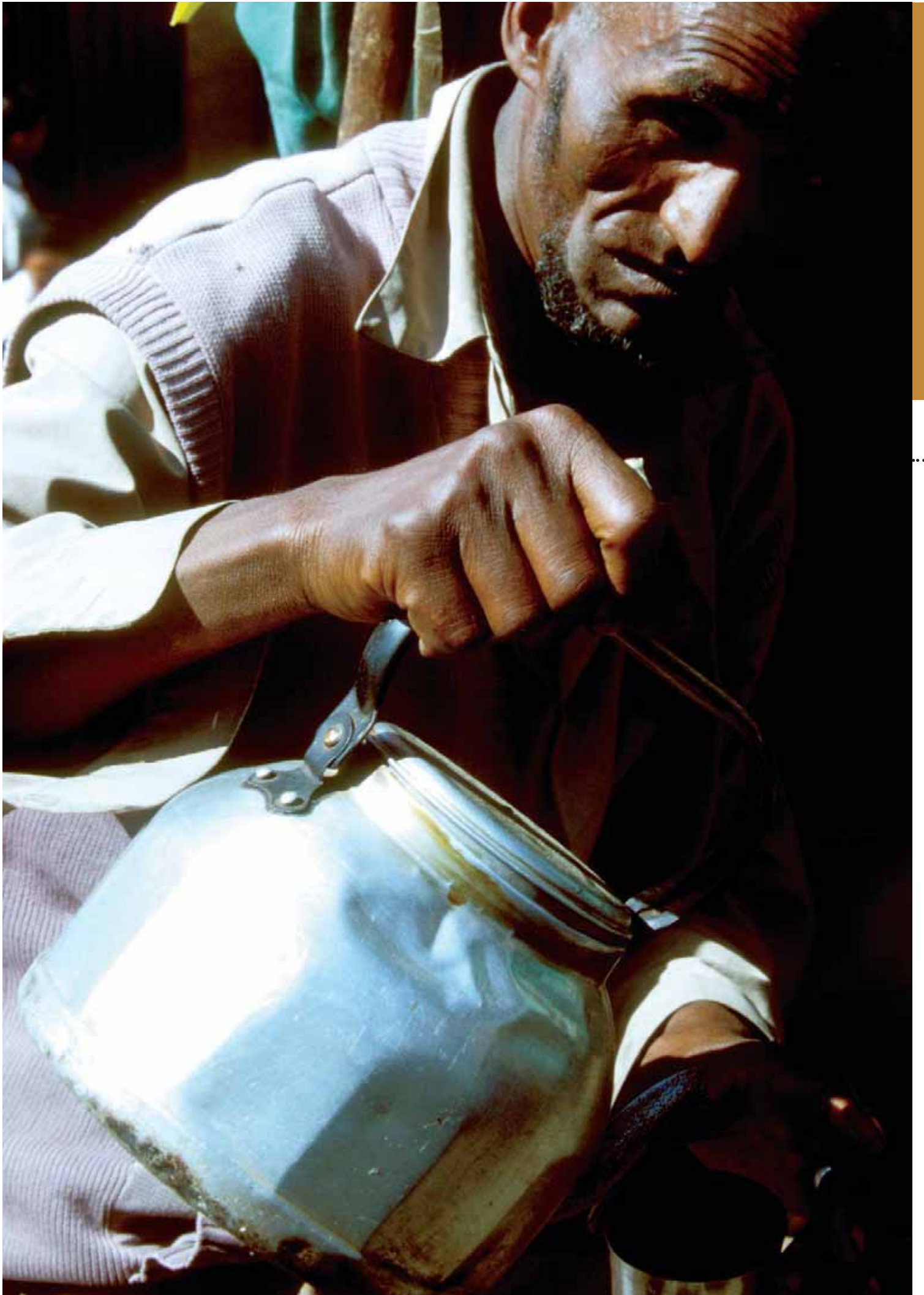
- sensitize individual operators to the benefits of forming organizations to relay their demands;
- make sure that the local associations are genuinely representative;
- see that these associations are treated on an equal footing;
- regularly invite the different players to round tables where they can voice their difficulties and expectations;
- ensure the free expression of opinion of all;
- establish regulations that take the recommendations and objections of the different players into account;
- enable the representatives of the different groups to play an active role in programme formulation, implementation and monitoring;
- create the enabling conditions for informal operators to resolve their problems themselves;
- make sure that operators contribute financially and with labour, according to individual means.



### *South-South Cooperation*

*The difficulties encountered in the municipalities of the South are often recurring, which is why it is important for these municipalities to cooperate with each other and share their knowledge, experience and respective solutions. This type of cooperation among municipalities of the South is in fact very promising, for similar socio-economic situations reinforce the possibility of transposing and adapting ideas and know-how.*

*Source: Tjandradewi, Dato Singh Chadl, CityNet, 2000, pp. 4-5.*





# Annexes

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- Annex 1:* Intervention examples
- Annex 2:* Exemples d'interventions
- Annex 3:* Intervention modalités
- Annex 4:* Selected initiatives in support of the informal food sector
- Annex 5:* Evolution in relations between street vendors and the authorities in Thailand (1970-2000)
- Annex 6:* Proportion of informal employment among total active population of selected cities (2000)<sup>7</sup>
- Annex 7:* Importance of the informal sector in urban food supply and distribution in periods of crisis and periods of economic growth

## Annex 1: The needs of informal food operators

### Producers

- Security of land tenure.
- Advice on the best use of seeds and chemical products.
- Clean water for irrigation.
- Facilities to destroy dangerous agricultural waste.
- Information on the proper use of urban waste as fertilizer.
- Professional know-how on packaging, handling, transporting and managing.
- Credit for investment.
- Assembly markets.
- Direct access to consumers.
- Road infrastructure.
- Improved state of roads to minimize vehicle repair.
- Appropriate parking areas reserved for the handling of goods.
- Simplified administrative procedures.
- Reduction in taxes levied on the road network.
- Adequate lighting at market sites.
- No bother by police or other security agents resulting in costly delays and the payment of bribes at official or unofficial roadblocks.
- Clean toilets and safe water points.
- Responsible and effective management of markets.
- Appropriate regulation of markets.
- Availability of refuse bins.
- Security for vehicles and goods.
- First-aid, post office, telephones, fax and loud speakers.

### Traders and itinerant vendors

- Financial resources to expand the scale of their operations and thus reduce operating costs.
- Adequate parking space inside and outside markets to load and unload goods.
- Clean and dry market vicinity.
- Waste disposal facilities.
- Clean toilets.
- Adequate water points.
- Storage areas (with cold stores for butchers and fishmongers) and sorting facilities.
- Access to banks to deposit takings.
- Information on markets.
- Professional know-how on packaging, handling, transporting and managing.
- Responsible and effective management of markets.
- Appropriate regulations and simplified administrative procedures.
- Protection against adverse weather conditions.
- Protection and safety of persons and goods.
- Childcare facilities.
- First-aid, post office, telephones, fax and loud speakers.
- No bother by police or other security agents.

### Street food vendors and small restaurants

- Financial resources to enlarge the scale of operations.
- Clean and dry immediate vicinity.
- Waste disposal facilities.
- Clean toilets.
- Adequate water points.
- Access to banks to deposit takings.
- Professional know-how on handling, transporting and managing.
- Adequate regulation and simplified administrative procedures.
- Protection and safety of persons and goods.
- No bother by police or other security agents.



## Annex 2: Intervention examples

### *Strategy for reorganization of the street food sector in Dakar (Senegal)*

(Municipality of Dakar, FAO, Ministries, trade associations)

Since November 1998, the city of Dakar (1.5 million inhabitants) and FAO have been jointly involved in the “Strategy for the Reorganization of the Street Food Sector in Dakar” programme, whose principal objective is to guarantee the safety of street food and to protect the urban environment at the points of sale.

The programme focuses on street vendors and small restaurants. It involves the administrations concerned, the food operators and consumer representatives. The programme is supported by a number of formal institutions (Ministries of Health, Agriculture, Housing and Town Planning, universities and veterinary school) and informal bodies (associations of small restaurant owners).



The programme includes a critical assessment of the street food situation, followed by actions to promote awareness and application of hygienic practices among informal operators.

### *Savings and credit cooperative in support of retail market sales in Loja (Ecuador)*

(Municipality of Loja, traditional informal institutions)

The retail markets of Loja (180 000 inhabitants) provide work for 2 500 persons, mostly women. The municipality has supported the retail trade by helping to create a savings and credit cooperative. This programme, which began in 1998, aims to eliminate usury and thus help improve traders' living conditions. Evaluation meetings are organized with the municipality and vendors. The city provides the infrastructure and personnel needed for the market places and the savings and credit cooperative to function properly, but the financial input comes solely from the traders. It was difficult to convince some of the traders to join the cooperative as they were not aware of the potential advantages of membership. The programme has, nevertheless, partially achieved its objectives by providing credit to a number of traders.



### *Makati Vendors Programme of the City (Philippines)*

(Municipality of Makati)

Although Makati (500 000 inhabitants) is the economic centre of the country, it has a very high level of unemployment. The “Makati Vendors Programme of the City”, which was started in 1992, involves 760 street vendors, mostly women and 60 percent between the ages of 30 and 45.

They hawk their cooked food, which is based on local products (rice and vegetables), in the vicinity of schools, bus stops and stations. The main problems concern the safety and nutritional quality of their products.

The principal objectives of the programme are:

- to provide the urban poor of Makati with an alternative source of income. The programme therefore supports the creation and management of micro-enterprises;
- to organize and develop community associations to facilitate the active participation of members in projects and activities;
- to encourage cleanliness and hygiene at point of sale (pavement, street);
- to strengthen links with other players of the local economy.

The programme participants are tolerated even when these do not pay any land occupancy tax. The vendors are made aware of sanitary regulations and are penalized for failing to comply (e.g. when not wearing the proper clothing). The traders didn't use to be organized and their activities congested the streets. The programme has provided its participants with uniform market stalls and allotted them a vending space. It relies on the support of 23 local associations, which

permits the broadest possible participation in decision making. The vendors have been able to improve their standard of living thanks to the programme and no longer fear being detained, because they are now recognized by the local authorities.

Le programme a fourni des étals standards aux adhérents et leur a attribué une zone de vente. Il se base sur 23 associations locales, permettant la participation du plus grand nombre à la définition des actions. Les vendeurs ont pu améliorer leur niveau de vie grâce au programme et ne craignent plus d'être appréhendés, puisqu'ils sont maintenant reconnus par les autorités locales.



### *Sustainable Dar es Salaam Programme (Tanzania)*

(Municipality of Dar es Salaam)

In Dar es Salaam (3.5 million inhabitants), the informal sector accounts for as much as 30 percent of the city's GDP. It also provides low-income population groups with a variety of goods and services.

In 1993, the “Sustainable Dar es Salaam Programme” established a working group on the small trading sector so that this could be integrated into the economy of the city.

A guide was prepared in 1995 to facilitate the integration of small traders. This document paved the way for micro-interventions in the city centre, an area traditionally invaded by street vendors.

The programme also set up a small fruit and vegetable market for traders blocking the busiest street in the city centre, Zanaki Street.

This programme, implemented jointly by the municipality and the vendors, resulted in:

- the regularization of informal activities on this street;
- a more rational use of available space;
- the management and regular removal of refuse.

These measures were implemented in keeping with the economic possibilities of the vendors who were assured of their right to use the public space. The vendors have formed an association which now enjoys the use of a trading area in exchange for the payment of an annual municipal tax.

## Annex 3: Intervention modalities

### Activity: Urban food production

#### Objectives

##### *General objectives*

- Reinforced security of land tenure;
- higher investment by urban food producers;
- health safety of products.

##### *Specific objectives*

- Higher yields;
- greater access to credit and inputs;
- satisfactory state of access roads to markets;
- better understanding by food producers of agricultural practices and health standards;
- elimination of sources of food contamination.



#### Implementation stages

- Identify and recognize the constraints and role of urban food production in food security;
- identify urban households already engaged in food production, their production sites and their land, infrastructure, equipment and service requirements;
- integrate urban markets into land occupancy planning;
- identify causes of food contamination;
- facilitate access of food producers to uncontaminated water for irrigation;
- explain the specific objectives of the envisaged programme and take into consideration local reactions conveyed by informal institutions;
- reinforce security of land tenure through clarification of land rights and settlement of disputes;
- train producers in agricultural practices and in technical and health standards.

#### Performance indicators

- Volume of urban food production;
- sales of urban food production;
- income from urban food production.

##### *Intra-urban agriculture*

*In Santiago de Los Caballeros (Dominican Republic) urban agriculture occupies 16 percent of the city's surface area and provides the poorest families with an important daily food supplement. Any surplus production is used as an additional source of income through informal street vending, but by using chemical products and waste water, urban agriculture can cause problems of food contamination, unless appropriate sanitary measures are taken.*

*Source: Del Rosario, 2000, pp. 5-7.*

## Activity: Transport of food products

### Objectives

#### *General objectives*

- Regular supply;
- lowest possible unit transport costs.

#### *Specific objectives*

- Greater access to credit for food transport;
- diversification of sources of supply;
- satisfactory state of infrastructure linking rural areas and periurban production zones with wholesale and retail markets;
- simplification of food transport regulations;
- better understanding of food hygiene, safety, processing, packaging and transport standards;
- reduction in road blocks/check points and elimination of illegal charges.

### Implementation phases

- Identify and recognize the constraints and role of informal intra-urban and urban-rural transport in urban food security;
- identify the main supply routes, those to be developed, and infrastructural and equipment inadequacies;
- explain the specific objectives of planned interventions and take into account the views of the target populations as conveyed by informal institutions;
- identify necessary interventions and responsibilities for their implementation.

### Performance indicators

- Regularity of supply to consumer areas throughout the year and from one year to another (in volume per month and per commodity), in relation to volumes available in production areas;
- number of supply routes;
- cost of freightage;
- transport time by type of vehicle;
- volume of food lost during transport.



## Activity: Retail sale of fresh produce

### Objectives

#### General objectives

- Better access of consumers to fresh and healthy products;
- good sanitary conditions at mobile and fixed points of sale (markets, kiosks, etc.);
- availability of wide range of fresh and healthy products.

#### Specific objectives

- Promote the production of new fresh products and new varieties;
- better access to credit, water and inputs;
- satisfactory market areas, infrastructure, equipment and services;
- reduction/elimination of causes of contamination of fresh produce throughout the food chain.

### Implementation phases

- Identify and recognize the constraints and role of informal vendors of fresh produce;
- identify spontaneous markets and infrastructure, equipment and service needs (clean water, toilets, storage areas, access roads);
- identify the causes of contamination of fresh produce throughout the food chain;
- integrate retail areas and infrastructure into land occupancy planning;
- explain the specific objectives of the planned interventions and take into account the views of the target populations as relayed by informal institutions;
- draw up a maintenance plan for communication routes linking production areas with urban and periurban areas;
- improve sanitary conditions at retail sales points (clean water, toilets).

### Performance indicators

- Income of itinerant vendors and informal small traders;
- variety (number) of fresh products on sale;
- number of consumers;
- incidence of food-borne disease;
- number of groups and associations.



Table 4

#### Management of food market areas

In Thailand, a number of unused periurban areas have been converted into market areas equipped with sanitary infrastructure and electricity.

In Hanoi, a number of streets are used as night markets, with the municipality cleaning the streets at dawn to avoid traffic problems.

In Malaysia, parking areas have been converted into night markets for itinerant vendors between 18:00 hours and midnight. Similarly, informal activities have been relocated to specific public spaces (railway station, river banks).

Source: Rungroekrit, 2001, pp. 47-48.

## Activity: Sale of prepared food in the street and small restaurants

### Objectives

#### *General objectives*

- Better nutritional quality of food sold;
- reduction of food-borne disease.

#### *Specific objectives*

- Access to credit and inputs;
- better understanding by informal food operators of the causes of food contamination;
- availability of infrastructure and equipment for better food hygiene;
- compliance with rules of hygiene.

### Implementation stages

- Identify itinerant food vendors and small restaurant operators and their activities;
- identify and recognize their role;
- identify points of sale, needs for infrastructure, equipment, information and training and consumer profile and numbers;
- explain the specific objectives of the planned interventions and take into account the views of the target population as relayed by informal institutions;
- promote groups and associations.

### Performance indicators

- Better conditions of hygiene at and near points of sale and for equipment and utensils;
- personal hygiene of street food vendors and small restaurant staff;
- variety (number) of food dishes available;
- number of consumers;
- incidence of food-borne disease;
- number of groups and associations.





## Annex 4: Selected initiatives in support of the informal food sector

City/Country	Activity	Initiative	Starting date	Description of programme
<b>Quito centre</b> Ecuador (177 000 inhabitants)	Street food (prepared dishes)	Municipality	1999	Improve food quality, provide necessary infrastructure to safeguard consumer health
<b>Guayaquil</b> Ecuador (2.4 million inhabitants)	Urban and periurban production	Trade associations	Pre-project	Improve diet of the urban poor and provide income to the unemployed; use un- or under-occupied urban space
<b>Barberena</b> Guatemala (43 000 inhabitants)	Street food (prepared dishes)	Municipality and other local entities	Not available (10 months)	Improve safety of street food
<b>Teculutanza-capá</b> Guatemala (11 000 inhabitants)	Street food	Municipality	Not available (6 months)	Develop and guide the sector to improve health and safeguard hygiene at points of sale
<b>Chinautla</b> Guatemala (150 000 inhabitants)	Market retailers	Municipality	2000	Reorganize street vending
<b>Loja</b> Ecuador (180 000 inhabitants)	Street food	Municipality	1998	Reduce usury and improve living conditions (see annex 2)
<b>Dar es Salaam</b> Tanzania (3.5 million inhabitants)	Street food	Municipality	1995	Integrate the informal sector into the urban infrastructure (appropriate locations for small operators) (see annex 2)

## Annex 4 (cont.)

City/Country	Activity	Initiative	Starting date	Description of programme
<b>Cuenca</b> Ecuador (420 000 inhabitants)	Urban and periurban food production	Municipality	1998	Develop urban and periurban food production with the direct involvement of the community
<b>Dakar</b> Senegal (1.5 million inhabitants)	Street food (prepared dishes)	Municipality and FAO		Sanitize food supply in Dakar, safeguard the urban environment and consumer health. Improve the hygiene of food prepared and sold in the street (see annex 2)
<b>Freetown</b> Sierra Leone (760 000 inhabitants)	Urban food production	Local informal institutions	January 2000	Develop urban food production for the poorer strata of the population, providing material assistance (land, tools...), training and awareness-raising
<b>Mandaluyong</b> Philippines (334 000 inhabitants)	Employment and living conditions	Municipality	2000	Improve living conditions of families living below the poverty threshold. Provide employment to families without adequate income
<b>Masay</b> Philippines	Street food (prepared dishes)	Municipality	In the pipeline	Identify practitioners, products and practices. Promote and educate as to public health and environmental impact
<b>Barisal</b> Bangladesh	Survey	Municipality	2000	Survey on the informal food sector
<b>Gazipur</b> Bangladesh (200 000 inhabitants)	Street food (fresh produce)	Municipality and NGO	2000	Offer fresh quality produce and guarantee conditions of hygiene
<b>Hanoi</b> Viet Nam (2.5 million inhabitants)	Food hygiene	Municipality	1999	Produce safe food products and maintain hygiene through to the consumer
<b>Muntinlupa</b> Philippines	Urban food production	Municipality and central government	Not available	Urban food production needs to satisfy a proportion of daily food requirements in poorer urban areas and provide form of income for many people without work
<b>Makati</b> Philippines (500 000 inhabitants)	Street food (prepared dishes)	Municipality		Raise level of income of poorer members of the population by promoting quality street food (see annex 2).

## Annex 5: Evolution in relations between street vendors and the authorities in Thailand (1970-2000)

The attitude of Thailand's authorities to the informal street food sector has changed dramatically in the last 30 years.

In the 1970s, while aware of the important role played by itinerant vendors, the Government was also faced with an alarming increase in numbers, which led it to introduce regulations to control street vendors and vending stalls.

In the early 1980s, the Ministry of the Interior and the municipal authorities of Bangkok initiated a campaign against street trading. The authorities adopted radical measures to remove itinerant vendors from public places, measures that included threats and the confiscation of merchandise.

In the 1990s, however, the Bangkok authorities adopted a softer approach predicated on discussion and cooperation.

A new "Improving Street Food Sanitation Project" was launched to improve the conditions in which street trading took place. Vendors would now be identified and registered and would be provided with a sales location and sanitary training, and would receive certificates and labels when meeting quality standards.

*Source: Rungroekrit, 2001, pp. 42-44.*

Table 5  
**Itinerant/semi-itinerant street food and food hygiene in Bangkok (Thailand)**

Equipment and other features	Itinerant/semi-itinerant street food
Food stalls	87% do not meet required standards
Refuse bins	75% do not meet required standards
Coolboxes	69% are dirty (mixture of ice and food waste)
Clean water	50% of the water is unsafe (use of inappropriate receptacles)
Refrigerators	99% of food is contaminated (high bacterial count)
Cleanliness of vendor's hands	96% of hands are very dirty
Vendors' practices	Most do not meet required standards

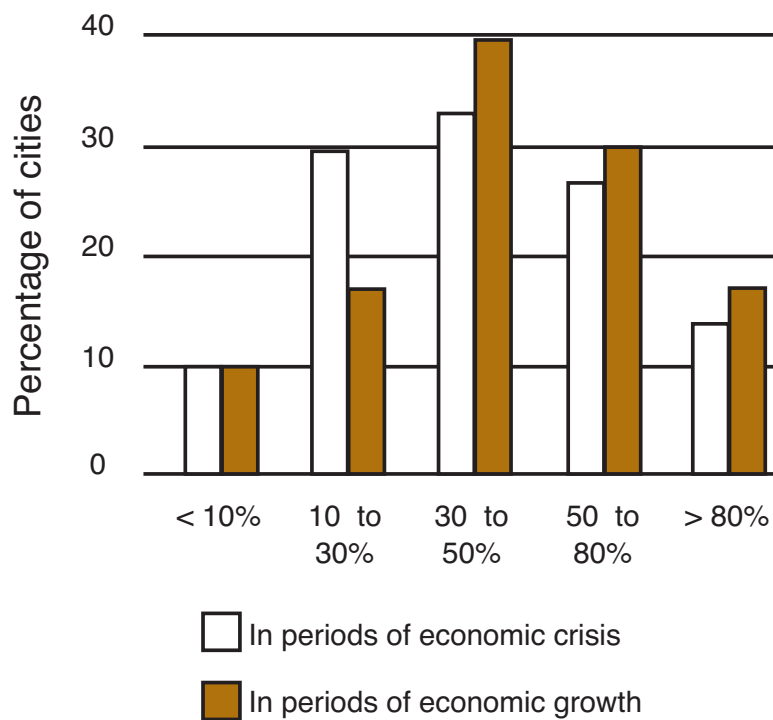
*Source: Rungroekrit, 2001, p. 41.*

## Annex 6: Proportion of informal employment among total active population of selected cities (2000)<sup>7</sup>

<b>Municipality</b>	<b>Population</b>	<b>Informal activity among active population (%)</b>	<b>Informal food activity among active population (%)</b>
<b>DKI Jakarta</b> (Indonesia)	10 million	31	Non disponible
<b>Rangamati</b> (Bangladesh)	66 211	79	18
<b>Suva</b> (Fiji)	90 000	8	5
<b>Guayaquil</b> (Ecuador)	2,4 million	53	32
<b>Freetown</b> (Sierra Leone)	755 589	70	28
<b>Port of Spain</b> (Trinidad and Tobago)	1,3 million	10	8
<b>Lagos</b> (Nigeria)	7,4 million	80	48
<b>Blantyre</b> (Malawi)	519 033	50	20
<b>Managua</b> (Nicaragua)	1,5 million	52	14
<b>Penaloleon</b> (Chile)	218 000	13	9

Source: *FAO Survey, May 2000. Summary of non-reliable collected data, this table gives the gross amounts among most reliable data.*

## Annex 7: Importance of the informal sector in urban food supply and distribution in periods of crisis and periods of economic growth



Source: *Survey on municipal support policies for the informal food trade (FAO, 2000). Available estimates for 34 cities.*

Source: *Hugon, P. and Kervarec, F. 2001.*

## Endnotes

- <sup>1</sup> The population of the world's urban areas is projected to double between 1990 and 2010.
- <sup>2</sup> For more comprehensive information on urban food supply and distribution policy, see Argenti 2000.
- <sup>3</sup> Except for urban and periurban agriculture which requires land availability that is lacking in certain cities.
- <sup>4</sup> The baht is the national currency of Thailand (US\$1 = 43.79 baht in March 2002).
- <sup>5</sup> All references in the text to Dar es Salaam are taken from Marocchino, 2002.
- <sup>6</sup> This paragraph takes up the detailed lines of action given in Argenti, 2000, highlighting and adapting elements of particular relevance to informal FSDS operators.
- <sup>7</sup> Estimates taken from the FAO survey, May 2000. As some gathered data lack reliability, this document presents the raw figures among the most reliable data, according to sources cited or possible cross-checking. This avoids the statistical processing being too unrepresentative to have any significance.

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All the documents under the electronic “Food into Cites” Collection can be freely downloaded from the Web site:

<http://www.fao.org/ag/sada.htm>