

A Study on “Proposed layout for the Urban Roadside Hawkers to build sustainability in their business and revenue model for the Local Government in selected areas of Pune.”

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Abstract: In the modern economy when India aims to become the largest economy, it is evident that the country is in the process of initiating efforts to minimise the dependent population and create opportunities for them those would be sustainable in nature. This paper relates to Hawker Culture started in 1800 and connects with the concept where Singapore’s post-Independence efforts to license the hawkers and relocated them to more organized spaces. This paper intends to investigate the current situation in select areas in Pune and would examine and contribute whether roadside earmarking of the area and whether the same would be useful, the proposed plan intends to include incentives and online payment systems and would include suggestions and revenue model for the government.

This paper intends to investigate the current situation in selected areas in Pune and examine the potential benefits of roadside earmarking in these locations. The investigation will also explore the feasibility of implementing incentives and online payment systems as part of the proposed plan. Additionally, the study will provide recommendations and outline a revenue model for the government. Scope of the paper is to study the best practices of the countries which encourage standard models to handle hawking.

Introduction to the study

The lively streets of Pune, Maharashtra, showcase a busy city shaped by industries, education, and a rich history. Being the second-largest city in the state, Pune reflects the effects of fast urbanization, attracting people from various backgrounds and becoming a centre for industry and education. Yet, in the midst of this growth, we often overlook the important role played by street vendors in the city's economy and vibrant street culture.

Despite the city's progress, these informal entrepreneurs face many challenges that need urgent attention from city planners and decision-makers. Pune is trying to balance its historical heritage with the needs of a growing population as it transforms into a modern hub. Pune's rapid growth has brought about various issues, and addressing them requires a careful and thoughtful approach from urban planners to ensure sustainable development.

India, in its commitment to fostering inclusive urban development, implemented a National Policy on Urban Street Vendors in 2004. The policy seeks to create a supportive environment for street vendors, allowing them to earn livelihoods while concurrently addressing concerns such as congestion and sanitation in public spaces. This policy serves as a crucial backdrop for the proposed study, emphasizing

the need for a paradigm shift in the perception of street vendors. Rather than viewing them solely as informal entities, there is a growing recognition that urban roadside hawkers should be acknowledged as small time /Mini

entrepreneurs, contributing significantly to the local economy.

The crux of the matter lies in altering the perception of businesses and urban planners towards street vendors. Acknowledging that neither industry nor government can single-handedly provide jobs for all citizens, the study advocates for a change in the narrative around urban roadside vending. The proposed study seeks to explore this perceptual shift and its practical implications. Also, it focuses on proposing a layout for the urban roadside hawkers in selected areas of Pune, aiming to enhance the sustainability of their businesses and establish a viable revenue model for the local government.

Street vending policy of India

The Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act of 2014 provides a comprehensive framework to protect the rights and livelihoods of street vendors in India. The act mandates the formation of Town Vending Committees (TVCs) responsible for conducting surveys of existing street vendors every five years within their jurisdiction. A critical provision stipulates that 2.5% of the street vendor population in any area must be accommodated in designated vending zones, and no vendor can be relocated or evicted until the survey is complete.

To be recognized as a vendor, individuals above 14 years old must obtain a vending certificate from the TVC. However, if the number of vendors exceeds the capacity of a zone, the TVC conducts a lottery system to issue certificates. Vendors are required to give undertakings to the TVC and must comply with the terms and conditions outlined in the act; failure to do so may result in the suspension or cancellation of their certificates.

Financial obligations include paying vending fees, renewable upon payment, and the fees must align with specified schemes. In the unfortunate event of a vendor's death, the certificate can be transferred to their spouse or dependent child. Additionally, vendors are issued identity cards by the TVC for authentication purposes.

The act also emphasizes the rights of vendors, including the right to be heard by local authorities if aggrieved. Vendors are mandated to maintain cleanliness, hygiene, and civic amenities in their vending areas and nearby zones, with fees payable for these services. Any attempt to relocate or evict a vendor requires a 30-day notice, and seized goods must be returned promptly, with perishable items released on the same day.

A crucial aspect of the act is the establishment of a grievance redressal mechanism, with committees comprising a chairperson, preferably a retired civil judge or judicial magistrate, and two professionals. Notably, government employees or local authorities are excluded from committee membership. To promote the street vending profession, local authorities must formulate a plan every five years, covering aspects specified in the act's first schedule.

TVCs are integral to the act, with each zone or ward having at least one committee. The composition of the TVC emphasizes representation from NGOs, community-based organizations, and street vendors themselves, with a mandatory 40% representation from vendors, including 1/3rd women vendors. Committees are tasked with publishing street vendor charters and databases and conducting social audits.

The act also protects vendors from harassment by police and other authorities, with penalties imposed for violations. Importantly, the act clarifies that it does not confer ownership rights to vendors. Lastly, the government is mandated to organize research, training, and awareness programs for vendors and is required to formulate rules within a year of the act's commencement to ensure effective implementation.

Street vending policy of other nations

USA: - Street vending policies vary significantly across the United States, with most cities requiring vendors to obtain permits that prioritize health and safety over financial or educational qualifications. Vendors, especially food sellers, must adhere to local health codes, undergo regular inspections, and operate within designated zones. Permits are tailored to specific vending activities, often represented by color-coded cards. Some cities provide emergency helplines for vendors.

Germany's street vending policy emphasizes a balance between entrepreneurial freedom and public welfare. The country promotes economic inclusivity by allowing individuals from diverse backgrounds to engage in vending, regardless of their educational or financial status. However, strict background checks are conducted to ensure compliance with the law. Health and safety regulations are stringent, requiring vendors to maintain high hygiene standards, undergo inspections, and receive training. Location and time restrictions are enforced to manage overcrowding, pedestrian flow, and competition among vendors. Waste management is also addressed, promoting eco-friendly practices.

CHINA: - China's vending permit system is structured into distinct categories to regulate various vending activities. The Fixed Stall License is tailored for vendors with permanent setups like stalls, emphasizing adherence to local hygiene, safety, and location standards. Conversely, the Mobile Cart License is designed for those using movable carts or vehicles, with a focus on ensuring both safety and ease of movement. For short-lived events such as fairs, the Temporary Event License mandates vendor approval from event organizers and strict compliance with event-specific rules. The Night Market License targets evening vendors in night markets, imposing unique regulations on safety, hygiene, and operational hours. Seasonal License holders operate during specific festivals or periods, necessitating compliance with seasonal guidelines.

SINGAPORE: - Singapore has a rich history of street vending, a sector that plays a pivotal role in the city-state's culinary and cultural tapestry. Over the years, the government has implemented various strategies to enhance cleanliness, reduce unemployment, and ensure organized street vending. In 1968-69, Singapore saw a surge in the licensing of street vendors. Within just a quarter, an impressive 40,000 to 50,000 licenses were issued, reflecting the vibrancy and potential of this sector. However, with the rapid growth came challenges, especially concerning the management of illegal vendors. Recognizing the need for organized and sanitary vending spaces, the Urban Redevelopment Authority (URA) embarked on an ambitious initiative. They constructed dedicated markets and hawker centers across the city. Remarkably, the government bore the substantial cost of land for these establishments, underscoring their commitment to elevating the street vending experience. To ensure that these centers thrived and remained accessible, they were strategically located close to their original sites, ensuring that vendors could retain their customer base. Between 1974 and 1979, Singapore witnessed the establishment of 54 such centers, offering a controlled and regulated environment for vendors and customers alike. These centers not only ensured cleanliness through piped water and efficient garbage disposal systems but also provided vendors with a choice of location, promoting fairness and inclusivity. Another significant aspect of this initiative was the provision of low-rent spaces, making it financially viable for vendors to operate. Today, Singapore boasts a thriving street vending culture, with 113 centers housing more than 6,000 stalls. These centers have become iconic landmarks, celebrated for their diverse culinary offerings and vibrant atmosphere. The journey of Singapore's street vending sector, from its humble beginnings to its current stature, is a testament to the government's foresight, strategic planning, and commitment to fostering entrepreneurship while ensuring public welfare.

The Indian Scenario

PM SWANidhi in India

Street vendors, integral to the economy of nation, supply a diverse range of goods and services, from fresh produce and street food to artisan products and various services like laundry and barber shops. The COVID-19 pandemic severely impacted these vendors, many of whom exhausted their savings during the lockdown. Recognizing their essential role, the Ministry of Housing and Urban Affairs has initiated a Central Sector Scheme aimed at providing them with much-needed credit for working capital. Under this scheme, vendors can access loans up to ₹10,000, fostering their financial resilience. Emphasizing digitalization, the scheme promotes digital transactions by offering cashback incentives. Eligibility criteria encompass vendors with proper certification from Urban Local Bodies, those identified in surveys awaiting certification, and vendors with recommendations from Town Vending Committees. Moreover, vendors who relocated to their native places due to the pandemic, upon returning, remain eligible for these loans. The scheme further eases the financial burden by offering interest subsidies, encouraging timely repayments. With this initiative, the government endeavours to strengthen the livelihoods of street vendors and integrate them more robustly into the urban economic fabric.

The Way Ahead

India has a long way to go to build the advantage from the Street Vending business. The Country is on its way to become the world's 3rd largest Consumer Market providing scope for multiple organizations for exceling in business. The scope and volume of business in India is huge. This is true in case of Metro cities and Tier 2 and 3 cities. These cities are densely populated allowing multiple businesses to thrive and the potential for every business to sustain. Small time retailers to Organized stores are having the scope to do well in business and multiply the same. In this case, the street vendors have their own role to play. These Street vendors are the first preferred option for seasonal items including Agarbatti, Rangoli, Diyas, Flowers, toys and utility based items. Also, in case of Vegetables, Fruits and clothing are also not ignored.

Following strategies can help:

1. Dedicated markets and market spaces for the Street Vendors with nominal rent – The country has densely populated zones which are Urban markets as of now. Also, the country has scattered villages where income is dependent on the agricultural produce. To build the initiative and steps towards a developed nation, the country has to identify the products from every zone (namely East, West, North and South) and identify corporate houses and their CSR activities and link the same with the exports. In this transition, engagement from every entity is ensured. The structure to accommodate street vendors can be planned meticulously.
2. Financial Assistance and repayment for the businesses. Licensing and Quality standards. Indian organizations or local produce can be sold and promoted to the street vendors with the margins that are dictated by the government.
3. Only 2.5% of the space to be utilised in a city and small identified spaces can be allotted to the street vendors – The town planning and local municipal corporations need evaluation of the space requirements and number of applications from every zone.
4. Registration mandatory and guidelines compulsory to be adhered: - This will ensure that the customers develop trust and sustainability of these businesses is taken care of.

5. Large organizations more than 1000 crores of turnover can be engaged for CSR initiatives for the upliftment and livelihood improvement of the street vendors – Amongst the beneficiaries including street vendors, educated unemployed youth from the underprivileged groups can be offered the benefits / licences on priority.
6. Day shift and Night shift street vendors can be issued licences to utilise the space and increase in providing livelihood for the street vendors – A pilot can be run in test cities to understand the operational hours 24/7 and its feasibility. The model of operating 24/7 will help the government to accommodate more number of street vendors.
7. Policies for the Hard Core poor and Below poverty line need to be framed so that these socio economic groups benefit from these initiatives – Based on the data, the underprivileged groups can be identified and attended on priority. This will help to reduce the government's burden to fund Education, Sanitation and Food subsidies as the income of this Socio-economic group will improve.
8. Qualified, Experienced street vendors can be engaged in the Cluster based-SME approach and trained for employment. Also, trainees and smaller businesses can be bought under the tax bracket radar by encouraging massive adaptation of digital payments.

Limitations of the study:

This study is limited to Pune Region, though three different countries and their street vendor management apart from India have been studied.

The economies and their strategies and policies studied are limited in number. This study has researcher's observation for 8- 10 months in the streets of Pune and Secondary data. The observation may have biasness in the approach adopted by the researcher.

Government challenges in improving livelihood for the underprivileged and hard-core poor could be unending in numbers. Only few challenges have been studied and included in this paper.

Revenue model for the government is doable/feasible if all the street vendors feel engaged and work tirelessly in their effort. Also, possible if a Systems approach along with quantification and measurable efforts is adopted.

Conclusion:

Street Vending can be more organized and systematic. In the next few years, India as a country with a huge population has an immediate need to build sustainable income and business for its citizens. In comparison to the Developed and Developing countries the organized methods have been taken depending on the need of that economy. India has the scope to further accommodate its street vendors in a proper manner, in organized spaces, full time professionals in the Mid-Size Industries and Cluster based (already in place) approach by upskilling them. The another initiative would be to engage and create scope for unemployed educated youth and build them in business rather than hunt for employment.

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