



## Challenges Faced by Street Vendors

**For Prelims:** [Street Vendors \(Protection of Livelihood and Regulation of Street Vending\) Act, 2014](#), [74th Constitutional Amendment](#), [Smart Cities Mission](#), [National Urban Livelihood Mission](#), [World Bank](#) and [UN-Habitat](#)

**For Mains:** [Urban Planning Issues](#), [Issue of Street Vendor](#), [Street Vendors \(Protection of Livelihood and Regulation of Street Vending\) Act](#)

**Source:** TH

### Why in News?

Recently, the [Street Vendors \(Protection of Livelihood and Regulation of Street Vending\) Act, 2014](#) celebrated its tenth anniversary, signifying a culmination of four decades of legal evolution and advocacy by street vendor movements in India.

### What is the Street Vendors Act and Associated Aspects?

- **Street Vendors Act:**
  - **Scope and Purpose:** The Act was designed to **protect and regulate street** vending across Indian cities, involving local authorities in establishing designated vending zones.
    - Vendors are crucial to urban life, contributing to food distribution and cultural identity, and the law aims to secure their livelihoods and integrate their activities into formal urban planning.
  - **Governance Structure:** The Act establishes **Town Vending Committees (TVCs)**, which include **street vendor representatives**, with **women vendors** constituting **33% of this group**.
    - These committees are responsible for the **inclusion of vendors** in designated zones and handling grievances through mechanisms like the Grievance Redressal Committee (chaired by a civil judge or judicial magistrate).
  - **Other Provisions:**
    - The Act clearly defines the roles and responsibilities of vendors and government at different levels.
    - The provision requires States/ULBs to conduct a **survey to identify SVs at least once every five years**.
- **Implementation Challenges**
  - **Administrative Challenges:**
    - Despite the protections outlined in the Act, street vendors frequently face **harassment and eviction**.
    - This is partly due to **persistent bureaucratic views** of vending as an illegal activity.
    - Additionally, TVCs often remain under the **control of city authorities** rather than representing the vendors themselves, with women's representation often being only tokenistic.

- **Governance Integration Issues:**
  - The Act struggles to integrate with broader urban governance frameworks, such as those established by the [74th Constitutional Amendment](#).
  - **Urban Local Bodies (ULBs)** often lack the power and resources to effectively implement the Act, especially in the context of overarching policies like the [Smart Cities Mission](#), which tend to prioritise infrastructure over inclusive urban planning.
- **Societal Perception Problems:**
  - The prevailing vision of a **'world-class city'** frequently excludes street vendors, who are seen as nuisances rather than as contributors to the urban economy.
  - This societal stigma affects urban planning and policy, leading to designs and regulations that marginalise vendors.
- **Ways to strengthen the Law:**
  - **Need for Supportive Implementation:**
    - While the **Act is progressive**, effective implementation is crucial and may require **initial top-down guidance** from higher government levels, such as the [Ministry of Housing and Urban Affairs](#).
    - Over time, a shift towards more decentralised governance is essential to tailor strategies to the diverse local contexts of vendors across the nation.
  - **Integration with Urban Schemes:**
    - Policies and urban planning **guidelines** must be revised to better incorporate street vending.
    - This involves enhancing the capacities of ULBs to include vendors in city planning and moving from bureaucratic control to more inclusive, deliberative processes at the TVC level.
  - **Addressing New Challenges:**
    - Emerging issues such as [climate change](#) impacts, increased competition from [e-commerce](#), and the proliferation of vendors call for creative use of the Act's provisions.
    - This includes leveraging components of national missions like the [National Urban Livelihood Mission](#) to innovate and adapt to these changing realities.

## Evolution of Street Vendor Policy in India

- In 1995, India signed the **Bellagio International Declaration of Street Vendors**
- In 2001, GOI announced declaration Of drafting **National Street Vending Policy**
- In 2009, the policy was revised and accompanied by a model law which could be adopted by State Government.
- In 2012, the Union Government approved the [Street Vendors \(Protection of Livelihood and Regulation of Street Vending\) Bill](#)
- In 2014, parliament passed [Street Vendors Act](#)

## What are the Challenges Faced by Street Vendors in India?

- **Legal Limbo and Harassment:**
  - **Uncertain Legal Status:** Despite the Street Vendors Act, enforcement remains uneven. Many vendors operate without licences, making them vulnerable to eviction and harassment by **authorities and local intermediaries**.
  - **Bribes and Extortion:** Reports by [UN-Habitat](#) highlight the issue of vendors being **forced to pay bribes** to police and local authorities, impacting their already meagre earnings.
- **Precarious Livelihood and Infrastructure Woes:**
  - **Competition and Fluctuating Income:** Saturation in certain areas and competition from established businesses lead to **unpredictable income** and economic insecurity.
  - **Unrealistic License Caps:** License caps is unrealistic in most cities like in Mumbai which has a ceiling of around 15,000 licences as against an estimated 2.5 lakh vendors.

- **Lack of Basic Amenities:** Limited access to clean water, **sanitation facilities**, and waste disposal creates health hazards for vendors and customers alike.
- **Vulnerability to Eviction:** Urban development projects and road widening initiatives often **displace vendors**, causing livelihood disruption.
- **Occupational Hazards:** Street vendors work in environments that are often hazardous to their health.
- **Navigating the Formal System:**
  - **Difficult Licensing Process:** The licensing process under the Street Vendors Act can be complex and bureaucratic, discouraging vendors from formalisation.
  - **Limited Access to Credit:** Informal income makes it difficult for vendors to secure loans for upgrades or business expansion.
    - The **PM SVANidhi Scheme**, while well-intentioned, has not reached a significant portion of its target demographic.
    - Issues such as **lack of awareness**, cumbersome documentation, and bureaucratic hurdles prevent many vendors from availing the benefits of the scheme.
- **Gender-Based Discrimination:** Women vendors often face **gender-based discrimination**, which affects their business opportunities and earnings.
  - They are also **more susceptible** to harassment and violence, which can deter them from continuing their trade.
- **Impact of Covid-19:** The pandemic led to **severe economic hardship** for street vendors.
  - With lockdowns and social distancing norms in place, many lost their sole source of income and were pushed further into poverty.

## What are the Steps Needed to Deal With the Problem of Street Vendors?

- The **World Bank** and **UN-Habitat** recommend a shift from viewing street vendors as a problem to recognising them as a vital part of the urban economy.
  - **Formalization and Regulation:** The Street Vendors Act is a positive step towards formalisation. Cities like Hanoi (Vietnam) and Ahmedabad (India) have established **vendor registration systems**, providing identity cards and training on hygiene and safety.
  - **Designated Zones:** Cities like Rio de Janeiro (Brazil) and Kigali (Rwanda) have created designated vending zones, ensuring order and improved pedestrian flow.
    - This can be implemented in India by identifying suitable areas in consultation with vendors and resident associations.
  - **Infrastructure and Support:** Providing **access to clean water, sanitation** facilities, and waste disposal is crucial. Cities like **Lima (Peru)** offer **training on waste management and micro-loans for equipment upgrades**.
    - Indian cities can replicate these models by collaborating with NGOs and self-help groups.
  - **Vendor Associations:** Empowering vendors through associations like those in **Kumasi (Ghana)** facilitates **dialogue with authorities** and fosters collective bargaining.
    - India can **encourage vendor associations** and integrate them into policy discussions.
  - **Fostering a Collaborative Approach:** Effective street vendor management requires a multi-stakeholder approach:
    - **Local Authorities:** Cities must play a leading role in creating a conducive environment. This includes issuing vending permits, establishing designated zones, and providing infrastructure support.
    - **Street Vendors:** Vendors must comply with regulations, **maintain hygiene standards**, and pay designated fees. They should actively participate in vendor associations and engage in constructive dialogue with authorities.
    - **Resident Associations:** Residents' concerns about **congestion and waste management** need to be addressed. Open communication and co-creation of solutions with vendor associations can bridge this gap.

## International Efforts and Indian Initiatives for Street Vendors

Category	Details
Global Initiatives	ILO Recommendation 204 (Economic Inclusion of workers), UN SDGs 8

	(decent work for all) Street Vendors Initiative for Global Advocacy (SVIGA) Women in Informal Employment: Globalizing and Organizing (WIEGO)
<b>Indian Schemes</b>	<b>PM SVANidhi</b> , Street Vendors Act 2014, State-specific schemes

## Conclusion

- India's path forward lies in **tailoring policies to the unique characteristics of each city**, taking into account aspects such as population density and the diversity of merchandise. Ensuring the economic stability of vendors through **skill development and microfinance** programs is crucial.

### **Drishti Mains Question:**

Q. Discuss the challenges faced by street vendors in India post the implementation of the Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act, 2014. Critically analyse the effectiveness of the Act in addressing these challenges and suggest measures for improving the situation of street vendors in urban areas.

## UPSC Civil Services Examination, Previous Year Questions (PYQs)

### **Mains:**

Q. How has globalisation led to the reduction of employment in the formal sector of the Indian economy? Is increased informalization detrimental to the development of the country? **(2016)**

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