



### ABSTRACT

Urban Street Vendors – Implementation of the Tamil Nadu Policy for Urban Street Vendors – Guidelines – Issued.

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#### MUNICIPAL ADMINISTRATION AND WATER SUPPLY (MA-4 (2)) DEPARTMENT.

G.O.(Ms)No. 119

Dated 19.10.2006

Read:

1. From the Secretary, Government of India, Ministry of Urban Employment and Poverty Alleviation, New Delhi D.O.No.N-11028/2/2002-VPA-III (Vol.v) dated 12.8.04

#### ORDER:

The Government of India, Ministry of Urban Employment and Poverty Alleviation, have formulated a "National Policy for Urban Street Vendors". The overarching objective sought to be achieved through this policy is to "Provide and promote a supportive environment for earning livelihoods to the Street Vendors, as well as to ensure absence of congestion and maintenance of hygiene in public spaces and streets.

2. Based on the National Policy for Urban Street Vendors which has been formulated by Government of India, this Government after careful examination have decided to issue the policy guidelines on Urban Street Vendors for implementation in all urban areas of this State and to instruct all Corporation Commissioners / Municipal Commissioners to take action to place the policy guidelines on Urban Street Vendors before the Municipal Corporation / Municipal Councils for adoption.

3. Accordingly, the Government hereby issue the Policy guidelines mentioned in the Annexure to this G.O. to achieve the objective mentioned in para 1 above.

4. The Commissioner of Corporation, Chennai, Madurai, Tiruchi, Tirunelveli, Salem and Coimbatore and the Commissioner of Municipal

Administration may be requested to take action to implement the policy guidelines issued in para 3 above and to complete the Street Vendors survey as on 31.12.2006 and send periodical report on the action taken in the matter to the Government.

(BY ORDER OF THE GOVERNOR)

K.DEENABANDU,  
SECRETARY TO GOVERNMENT

To

The Secretary to Government of  
India, Min.of urban Employment & Poverty Alleviation,  
Nirman Bhavan, New Delhi-110 011.

✓ The Commissioner of Municipal Administration, Chennai-5.

The Commissioner, Corporation of Chennai, Salem,  
Madurai, Trichy, Trinelvelli & Combatore.

The Director of Town and Country Planning, Chennai-108.

Housing & Urban Development, Social Welfare & Noon Meal programe,  
Highways, Lahour & Employment, Home. Finance Departments., Chennai-9  
Private Secretary to Chief Secretary.

Sr.P.A. to M(Rural Development & Local Administration), M(Social Welfare)

M (Highways) M.(Labour & Employment) M.(Information and Publicity,

M(Revenue) M (Finance) Chennai-9

Chief Minister's Office, Chennai-9.

Copy to:

Municipal Administration-And Water Supply(OPII) Department  
Sf/Sc.

-/FORWARDED BY ORDER/-

*P. Jayaraman*  
SECTION OFFICER



# TAMIL NADU POLICY ON URBAN STREET VENDORS.

## 1. Introduction

Street Vending as a Profession has been in existence in India since time immemorial. The number of Street Vendors has increased manifold in the recent years. Women constitute a large number of street vendors in almost every city. Some studies estimate that the Street vendors constitute approximately 2% of the population of a metropolis. Urban vending is not only a source of employment but also provides 'affordable' services to the majority of urban population. The role played by the hawkers in the economy as also in the society needs to be given due credit. Street vendors provide valuable services to the urban population while trying to earn a livelihood and it is necessary to protect the right of this segment of population to earn their livelihood. This policy aims to ensure that this important section of the urban population finds recognition for its contribution to society, and is conceived as a major initiative for urban poverty alleviation.

## 2. Definition

A street vendor is defined as a person who offers goods or services for sale to the public without having a permanent / built up structure but with a temporary static structure or mobile stall (or headload). Street vendors may be stationary (by occupying space on the pavements or other public/private areas), or may be mobile in the sense that they move from place to place carrying their wares on push carts or in cycles or baskets on their heads, or may sell their wares in moving bus etc., In this policy, the term urban vendor is inclusive of both traders and service providers, stationary as well as mobile vendors and incorporates all other local/region specific terms used to describe them, such as, hawker, pheriwalla, rehri-patri walla, footpath dukandars, sidewalk traders etc.,

### 3. Overarching Objective.

The overarching objective to be achieved through this policy is to:

Provide and promote a supportive environment for earning livelihoods to the Street vendors, as well as to ensure absence of congestion and maintenance of hygiene in public spaces and streets without hindrance to traffic.

### 4. Specific Objectives.

The basic objectives of the policy are:

- **Legal:** To give vendors legal status by amending, enacting, repealing and implementing appropriate laws and providing legitimate hawking Zones in urban development/ zoning plans.
- **Facilities:** To provide facilities for appropriate use of identified space including the creation of hawking Zones in the urban development / Zones plans.
- **Regulation:** To eschew imposing numerical limits on access to public spaces by discretionary licenses and instead moving to nominal fee-based regulation of access, where market forces like price, quality and demand will determine the number of vendors that can be sustained. Such a demand cannot be unlimited.
- **Role in distribution:** To make Street vendors a special component of the urban development / zoning plans by treating them as an integral and legitimate part of the urban distribution system.
- **Self Compliance:** To promote self-compliance amongst Street vendors.
- **Organisation:** To promote, if necessary, organizations of Street vendors e.f.Unions / Co-operatives/ Associations and other forms of organisatin to facilitate their empowerment.
- **Participation:** To set up participatory mechanisms with representation by urban Vendors organizations, (Unions/Co-operatives/Associations) Voluntary organizations, local authorities, the police, Residents Welfare



Association (RWAs) and others for orderly conduct of urban vending activities.

- **Rehabilitation of Child vendors:** To take measures for promoting a better future for child vendors by making appropriate interventions for their rehabilitation and schooling.
- **Social Security & Financial Services:** To facilitate / promote social security (pension, insurance etc..) and access to credit for Street Vendors through promotion of SHGs/Co-operatives/Federations/Micro Finance Institutions (MFIs) etc.,

### **5. Survey**

All Urban Local Bodies should conduct a comprehensive survey, in Collaboration with the Social Welfare Department and "Mahalir Thittam" to identify street vendors within their area and the natural markets developed over the years through street vendors. The Survey should be completed by 31.12.2006.

### **6. Spatial Planning norms-demarcation of vending Zones.**

The demarcation of hawking zones should be city/town specific. To make the plans conducive and adequate for the hawkers of the respective city/town, the following should be adhered to:

- It should take into account the natural propensity of the Street vendors to locate in certain places at certain times in response to patterns of demand for their goods/services.
- City authorities should provide sufficient spaces, designated as 'vendors markets' in layout plans at locations of such natural markets, for the number of vendors (Static and mobile) which can cater to demand for their wares / services. If aspirants to such location exceed the number of spaces available, excess may be regulated by fees or lottery and not discretionary licenses. In any case market forces relating to price, quality

and demand will automatically curtail the number of vendors to sustainable levels.

- Mobile urban vending can be permitted in areas even outside the designated vendors' markets' unless designated as 'no-vending zone' through a participatory process. The 'no-vending zones' may be notified both in terms of location and time.
- With the growth of city/town every new area should have adequate provisions for Street vendors.

The Zone vending committee for Corporations, Town vending Committee for Municipalities, and Town Panchayats shall be constituted as under:-

Sl.NO.		Corporation	Municipality/T.P.
1	Chairman	Zonal Chairman	Municipal Chairman
2	Member-Secretary	Asst.Commissioner of the Zone	Commissioner/ E.O.
3	Revenue Department Representative	D.R.O.	R.D.O/ Tahsildar
4	Highways Representative	D.E.	A.E.E/ J.E
5	Police	Deputy Commissioner	D.S.P/ Inspector
6	Representation of Street Vendors	Association of the Street Vendors	Association of the Street Vendors.
7	Representative from Lead Nationalized Bank / Commercial Bank	Lead District Manager	Lead District Manager.

Designation of vendors markets/no-vending zones must be accomplished by a participatory process by the Town Vending Committee(which of large towns/ cities may be constituted on the basis of wards)

The Committee shall ensure that provisions for space for vendors' markets are pragmatic, consistent with formation of natural markets, sufficient for existing demand for vendor's goods and services, as well as likely increase in line with anticipated population growth. Provisions of space may include temporary



designation as vendors' markets (e.g. as weekly markets) whose use at other times may be different (e.g. Open Space, parking lot). Timing restriction on urban vending should correspond to the needs of ensuring non-congestion of public spaces/public hygiene free flow of traffic.

### 7. Registration System

- The Power to register would be vested with Town vending committee in Municipalities & Town Panchayats and the Zone vending Committee in Corporation areas/
- All vendors in each city should be registered at a nominal fee to be decided by the Urban Local Bodies based on any reliable means of identification. There should preferably be no numerical restriction or quotas, or prior residential status requirements of any kind.
- Registration should be renewed after every three years.
- The registration process must be simple.
- The vendors will be issued Identify Cards which would contain:

- ❖ Photographs of the husband and wife.
- ❖ Name of any one nominee from the family
- ❖ Names of other members in the family (may be used for health or other social security programme)
- ❖ Nature of business
- ❖ Children below 14 years would not be allowed in the card for conduct of business.

### 8. Timing

The timing restrictions on vending activities shall be decided by the Municipal /Corporation councils and from time to time but in any case not more than 2 years at a time.

## 9. Facilities:

In large vending areas, urban local bodies should invariably provide facilities for solid waste management and pay toilets. In addition, provision of electricity and drinking water supply can be considered wherever necessary and feasible. The Municipal / Corporation councils may fix appropriate fees for such services and collect from the Association of vendors, area wise.

10. Collection of Revenue- the vendors would be charged a monthly fee for access to various services, There should be direct linkage between the urban local bodies (ULBs) and hawkers for collection of

- Registration fee
- Monthly maintenance charges / differentiated according to location/type of business
- Fines, if any, etc.

The town Vending Committee / Zone Vending Committee should be made available a proportion of revenue generated from registration fees and monthly fees from their ward to run their operations subject to a minimum grant from the local authority.

## 11. Monitoring Mechanism

The Town vending Committee / Zone Committee would be entrusted with adequate powers and resources to:

- Monitor the hawking activity of a particular ward and the quality of the services provided
- Take corrective action, if required
- Report to City level Committee, if required
- Recommend revaluation / changes in specified norms for hawking
- State level nodal officer to monitor and report to the Central Ministry on the functioning of the Street vendors of the State.



## 12. Relocation / Rehabilitation:

If relocation/rehabilitation of registered vendors is found necessary, the local body may consider providing alternative space on priority basis; if such space is available.

## 13. OTHERS

### Access to Credit.

Street Vendors being a part of the unorganized sector have little or no access to credit from the formal sector financial institutions particularly for their economic activities without which they will have to depend on private money lenders borrowing at higher interest rates. NABARD has already started refinancing banks in rural areas for on-lending to Self-Help Groups (SHGs) for income generation activities. Likewise, banks should be encouraged to extend credit to SHGs of vendors.

The vendors' Associations can be assisted by NGOs and under SJSRY Scheme for organizing SHGs, networking and federating the SHG to create a financial interface between the vendors and formal sector financial institutions to gain access to larger credit not only for income generation but also for housing whenever the need arises.

## 14. Training and Skill Upgradation

Street Vendors being micro enterprises should be provided with training to upgrade their technical and business skills so as to increase their income as well as to look for alternatives.

### 15. organizing the Street Vendors.

The street vendors are part of the unorganized sector. The main objective to get the street vendors to get organized is for providing the following services:

- Access to group insurance for a variety of insurance products
- Access to financial services
- Development of small and medium enterprise
- Housing
- Vocational Training and Capacity Building for awareness as well as skill upgradation.

K.DEENABANDU,  
SECRETARY TO GOVERNMENT.