Interventions for informal workers in public space: A collective solution to a forgotten problem.
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Interventions for informal workers in public space: A collective solution to a forgotten problem.

The COVID-19 pandemic has posed significant challenges for governments that must address a health crisis that has affected economic and social life. In most countries, mobility restrictions or quarantines were used as a primary measure to contain the virus at the beginning of the pandemic, which worsened existing structural problems. In Colombia, a high rate of informality, which, for the last quarter of 2019, encompassed 47.6% of all workers according to DANE, is a major problem. Informal workers are often characterized by low levels of savings, low financial inclusion, and high informal credit (by family or “Gota a gota”)\(^1\), and experience forms of vulnerability due to the lack of a stable economy that can guarantee their survival unless they are able to go out to work regularly. Additionally, some of the work carried out in this sector has little, if any, the chance of being carried out virtually.

For this reason, it is of the utmost importance for the government to take action to ensure that it can adequately resolve the crisis. Although the level of social aid has increased in Colombia, with, for example, the “Ingreso Solidario” program or the in-kind aid that municipal governments delivered while the strict quarantine was in place, these solutions fell short of the needs of informal workers.

Although certain needs arose that must be solved in the short term, informal vendors also face structural problems that the government has not addressed surrounding their working conditions, indebtedness, and quality of life. This Data in Brief aims to compile the proposals made by different leaders of informal vendors in the city within the research “Conexión Incluyente” framework carried out by POLIS. The objective is to make the views of vendors visible and serve as a bridge between the municipal administration and their needs. Additionally, an evaluation of the proposals made by vendors based on cost, equity and feasibility has been carried out, and a review of the literature was undertaken to evaluate the experiences of other cities or countries that have implemented similar programs or policies.

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\(^1\) Datos en Breve de POLIS – Economía informal – DB No. 13
Vendedores informales – DB No. 23
To develop a public policy, or any intervention that benefits informal workers, it is necessary to have up-to-date information on the number and socio-economic conditions of informal workers operating in public space. The census collection is expressed in Local Agreement 0424 of 2017 and the national law 1988 of 2019. The census is necessary to understand the current situation of informal vendors and to design plans, projects, and programs aimed at improving their quality of life and relationship with public space.

To implement a municipal census of street vendors, the costs of the capital, maintenance, operation, and additional costs (ECLAC, 2004), namely the acquisition and maintenance of equipment necessary for carrying out the census, the hiring and training of human resources, and goods and services not initially planned for, must be assumed. In addition, the growing demand for detailed, high-quality, and timely data generates a more significant challenge that entails higher costs (CEPAL, 2011). Another critical factor is that many street vendors do not have fixed premises. Therefore, it is necessary to implement customized strategies for the different types of vendors that will participate in the census and to take advantage of the various organizations that vendors belong to for advertising and logistical and operational assistance (Roever, 2011).

A census focused on informal vendors is fair as long as it does not discriminate against different types of vendors in the city. According to the ruling T-227 of 2003 of the Constitutional Court and agreement 0424 of 2017, informal vendors are classified as itinerant, stationary, semi-stationary, or vehicular. The census must collect representative information about each of these groups.

Cost

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Equity

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The Mayor’s Office of Cúcuta has recently implemented a census similar to the one proposed here. Since 2018, the Ministry of Government of Cúcuta has led a socio-economic census of mobile and stationary vendors in the center of the city. In addition, in 2020, it carried out another census of the city’s waste pickers. Although the target groups are smaller and focused on a single city area, this background provides information to develop a better approach for Cali.

Censuses for small areas focused on identifying informal economic activity using qualitative and quantitative tools have allowed significant advances in understanding the informal sector’s spatial dynamics (Charman et al., 2017). Additionally, this type of census identifies and studies the informal retail trade by providing information about its characteristics and scope (Petersen & Charman, 2018). Similarly, this type of information aids management in several ways; one of these surrounds contingency in the face of economic and health crises such as the COVID-19 pandemic, as it would help to design policies to address the crisis such as relocations with biosecurity protocols. These records can even be the beginning of a process of semi-formalization with social security (Velásquez, 2021).
Workers in the informal sector are vulnerable, particularly due to the fact that they are excluded from social security programs and formal financial markets, leading to low levels of economic stability. Therefore, creating alternative mechanisms to protect and provide security for informal workers through social security should be encouraged. These mechanisms must have broad support from the state, which should assume responsibility for their implementation, promotion, and organization. Among these, a partial social security subsidy for informal vendors stands out as a possible means of reducing the high cost they face to enter these programs.

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<td>High costs make fully funding a social security program for informal vendors covering the areas of health, pensions, occupational hazards, and other complementary services. As an alternative, a partial subsidy will alleviate the financing of these services, making social security more accessible to informal vendors. However, the length of time each vendor will be able to access subsidies means that including too many vendors in the program would be unsustainable.</td>
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<td>Subsidies for social security affiliation offer the possibility of reducing inequality for the poor and vulnerable population, achieving better economic stability. In addition, for the subsidy given by the government to be even more equitable, it should be progressive in that it subsidizes a higher amount to those in worse conditions.</td>
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The implementation of a program that partially subsidizes social security would be relatively simple. However, identifying the beneficiaries of this subsidy is one of the primary challenges that must be overcome. Currently, no census registers all informal vendors and identifies who would be the direct beneficiaries. Without this information, it is challenging to implement a focused program.

In Colombia, as in other Latin American countries, public policies seek to protect workers by enrolling them in social security programs. However, the number of beneficiaries of these programs is low (Vásquez-Trespalacios & Martínez-Herrera, 2013). In the period from December to February 2020, before the pandemic, 50.4% of the working population in Colombia contributed to pension schemes and, although 91.3% were affiliated with a health scheme, only 57.3% contributed to a contributory regime (DANE, 2020). This might be due to a number of factors, including the high cost of joining these programs, which, given informal vendors’ income, are not accessible; even the subsidiary regimes offered by the government only cover health, as in the case of SISBEN, leaving aside other equally essential and high-cost services (Araque, Ávila & Parra, 2018). On the other hand, the pandemic has led to different government actions to protect the vulnerable population, showing that non-contributory social protection has helped to reduce the fall in income in this sector, so it is evident that these actions are effective in the short term and can contribute to more significant inclusion in the formal sector in the medium term (Velásquez, 2021).
It is important for technical assistance to be available to improve the productivity of its economic activities and profits in the informal sector. The creation of thematic training programs can mitigate risks, improve working conditions, and increase transition to the formal economic sector. It is even hoped that informal vendors will improve both the quality of their products and the human capital of their enterprises.

The cost of type of program is relatively low. However, carrying out programs for specific economic activities would significantly increase intervention costs given the vast diversity of economic activities found in the informal sector. Therefore, general programs must be implemented that include all economic activities carried out by informal workers.

The availability, enrollment limits, themes, and scheduling of training programs means that many vendors are unable to take them despite being interested in doing so. To guarantee greater equity, costs must be met to increase access to programs through flexible schedules and providing locations that are accessible. Virtual and distance education offers an opportunity to reduce access barriers and increase equity of access to training programs.
Establishing an agreement with educational institutions helps the implementation of this type of intervention. SENA has supported creating and implementing this type of program for the informal sector in other cities in Colombia, such as Bogotá. Taking advantage of this experience, these programs can be implemented in a viable way.

Evidence

Business training programs, composed mainly of training in sales and marketing, aimed at the informal sector improve economic development (Loor et al., 2019). Additionally, these programs train vendors in health and risk prevention issues, which is particularly important given the conditions of vulnerability to which they are exposed in their economic activities (Niño et al., 2020). Vendors’ must also be trained in the financial management of their ventures (Báez & Hurtado, 2015). Therefore, the benefits of these programs encourage better economic performance by providing vendors with more skills to ensure that they can organize and face any circumstances they might confront.
Relocation of vendors in public space
(Kiosks, adaptations of public space, and similar actions)

Description

The relocation of street vendors using public space has been proposed as a solution to organize informal workers while giving order to public space. This refers to the re-accommodation of vendors in public space through local adaptations and the construction of kiosks or similar infrastructure so that they can develop their economic activities. Thus the city takes informal vendors into account in its urban, economic, and social development. Such an intervention also seeks to improve the working conditions of informal vendors.

Equity

The number of street vendors in public space exceeds available land, with economic dynamics adjusting according to demand. The construction of booths and kiosks also brings restrictions on land use and planning policies. Consequently, it would not be possible to relocate all informal workers in such an initiative. Since the number of informal vendors is much higher than the number of booths or kiosks that might eventually be available, there may be an equity problem in their allocation. In this case, it is necessary to establish allocation criteria agreed with street vendors to avoid favoritism or biased allocation practices.

Determinants

Cost

While some programs to relocate informal workers are the costliest type of policy intervention, relocation in public space using infrastructure such as kiosks or booths is a lower cost initiative compared to relocations on private lots or land.
Implementing a relocation program in public space through the use of kiosks is complex due to issues surrounding establishing criteria for prioritization, entry, permanence, and exit from the program. It is also necessary to harmonize urban planning policies with available resources to implement the strategy. The feasibility of such interventions depends mainly on the resources available and on a window of opportunity in urban planning policies that allows for the location of fixed structures in public space.

The installation of kiosks to relocate informal vendors has been frequently used in Latin American countries. Experiences in cities such as Bogotá and Mexico City provide evidence to be taken into account so that this program generates successful results. As a starting point, it is necessary to undertake a census of vendors to establish suitable prioritization criteria and to define the program’s target group in an equitable way. Likewise, the criteria for entry, permanence, and exit from the program must be consistent and in line with the focus of the target population (Avimael et al., 2003; Vega, 2016).

It is also essential to establish clear indicators that allow for the implementation of a monitoring and evaluation system for the program so that implementation problems can be addressed on time, such as the abandonment of training programs, savings, or the presence of free riders. Thirdly, due to experiences where relocation generates a decrease in vendors’ sales and income, a market analysis of the products there is demand for, the times people congregate, and the real availability of clients where the relocation will be carried out is necessary, as this helps guide informal vendors to an economic activity with a greater chance of success, as well as to create a logistics, supplier, and distribution network that ensures the availability of products necessary for sale. Finally, the importance of integrated assistance policies that contain training programs and access to credit and involving the private sector to generate fixed sources of income for vendors should also be mentioned. An example of this is the installation of advertising in kiosks (Casabuenas, 2013).
The relocation of street vendors through the purchase of real estate or lots and the construction of commercial spaces is another possible alternative to address problems surrounding the use of public space and working conditions.

**Description**

The relocation of street vendors through the purchase of real estate or lots and the construction of commercial spaces is another possible alternative to address problems surrounding the use of public space and working conditions.

**Determinants**

The purchase of land by the public administration to relocate the vendors who develop their activities in public space is a high-cost program not only for the acquisition of the necessary land but also for the construction of the necessary infrastructure.

**Equity**

The equity of this program depends on the criteria of entry, permanence, and exit. In addition, due to the need to pay fees for the premises (either for leasing or the acquisition), this program is aimed at vendors with a level of income that allows them to pay these. Thus, the most vulnerable and lowest-income vendors are excluded from this program.
This is a challenging program to implement due to the costs involved and the necessary infrastructure development, which would lead it to be seen as an alternative in the medium or long term.

Evidence

Although this type of program is not as common as relocation tokiosks or the adaptation of public space, the existing evidence indicates the need to grant ownership of the premises from the beginning of the program to generate a sense of belonging among the sellers and that they maintain in good condition the commercial environment (Pinto, 2010). On the other hand, the need for accompaniment in specific topics such as marketing, training, and advertising, among others, is mentioned and requires an entity responsible for this accompaniment. Likewise, the lack of resources for economic leverage is highlighted as a possible problem, making it impossible to improve working conditions and quality of life. Finally, it should be mentioned that it is essential, as in any relocation program, to carry out land use and market studies that guarantee that in their new locations, the sellers will sustain or improve their level of sales and income and to carry out a rigorous follow-up that contains indicators to monitor and monitor the effects of the program (Correa, 2014).
Microcredit programs for informal workers

**Description**

Informal workers and, in particular, street vendors face multiple barriers to accessing the formal financial system. At the same time, their need for liquidity has coincided with the deepening of the “Gota a Gota,” whose interest rates have led them to experience new levels of poverty due to the impossibility of capitalizing their income in savings or durable goods. Thus, a program organized and promoted by the city’s public administration where a budget is allocated to grant credits to this population is crucial even more given the effect of the pandemic on the sellers’ income.

**Equity**

Microcredit programs are equitable in that they allow people with barriers to accessing the formal financial system to obtain credit or access other benefits such as savings.

**Viability**

Microcredit programs have been implemented in different parts of the world. While the cooperation of several actors, accurate information about the program’s target population, and the resources for its implementation are required, financial access programs are widely used in the repertoire of social programs, even in countries and cities with less level of development than the local context.

**Determinants**

The implementation of a microcredit program for the city’s informal workers requires a significant budgetary allocation. However, the direct benefits of banking informal workers and possibly decreasing the penetration of “Gota a Gota” outweigh the high costs of this intervention.
Microcredit programs have been used in different parts of the world for the past fifty years as a tool to combat poverty and improve living and consumption conditions (Banerjee et al.). These experiences offer some critical lessons. First, they highlight the need to create financial education programs because “having a limited financial education – knowledge or understanding of financial products and services – is a major barrier to the demand for financial services” (Cole & Zia). On the other hand, it is essential that the credits can be used freely by the beneficiaries and that the granting of the loan is not conditioned on investment in the business because studies carried out show the use of microcredits as a way to pay other debts, invest in household goods, and alleviate household consumption (Polis, 2020), which is a necessity in the context of the current economic crisis. Finally, although in 2019 the creation of the “Bank of Opportunities” was established through the public policy of economic development in the city, it is crucial to launch and strengthen the program, in addition, taking into account the new needs and crises of informal vendors.
One of the limitations of labor participation, particularly among women, is the need to find alternatives for the care of their children. For vulnerable groups, such as street vendors, it is necessary to provide safe spaces and for their children while they are at work. Although this type of program already exists, such as the ICBF community homes, what is proposed is the adaptation of this program to the working conditions of informal workers in terms of proximity to their place of work and flexible hours.

This intervention, rather than helping informal vendors, focuses on children. In this way, the fulfillment of their rights is guaranteed in an optimal environment for their development, guaranteeing, in terms of equity, the enjoyment of the same opportunities and conditions regardless of their parent's employment status.

Additionally, in terms of competition, informal vendors who benefit from these programs benefit from the same conditions and job opportunities that informal vendors who do not have children enjoy. This program allows for job equity, particularly among women.

The costs are similar to programs previously established by the ICBF. Linking the ICBF’s community home programs and a local government-promoted intervention to benefit information workers is feasible. Resources can come from territorial entities and other public and private entities. Non-recurring resources granted by the national government can also be used; and, with the agreement between the parties, co-financing resources from the family compensation funds.
Following the Technical Administrative and Operational Guidelines Community Homes in all its forms (FAMI, Family, Group, Multiple, Multiple Business, and Social Gardens) for the care of children up to five years old defined by the ICBF, this intervention is considered viable for informal vendors if it adopts the same characteristics and standards already postulated by the ICBF.


In other countries there are examples of the importance of these programs and the need to include them in a broader public agenda. These programs can increase labor productivity and allow for necessary space to promote human capital accumulation, such as freeing up time for informal workers to participate in training programs.

The quality of childcare and generating a healthy environment for the growth and development of children allows for the creation of enabling conditions for children to achieve better nutrition, health, and education indicators. Additionally, it is found that, while spending to obtain childcare services is relatively high, this intervention stimulates employment generation, gender equality, poverty alleviation, and child development (Ilkkaracan & Kaya, 2015). It also allows older siblings to attend school by not taking on caring responsibilities with their younger siblings (Moussie, 2017).

**Description**

The informal working population has been prioritized as vulnerable because the precarity of their working conditions imposes occupational health risks. This added to the effect that the pandemic has had on the health of street vendors and a changing their habits, which makes it necessary to think about strategies to improve their health conditions. Because Colombian law guarantees health coverage to the population, the measures to be carried out are focused on improving the sanitary working conditions and the working environment of vendors. In this way, the installation of public toilets is an urgent need of the city’s street vendors.

**Determinants**

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<td>The installation of public toilets is a equitable measure in that it promotes universal access to sanitary infrastructure.</td>
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**Equity**

The costs of public toilets are composed of the initial cost of acquisition, installation, and the operating costs derived from the cleaning or the fixtures of the bathroom. Thus, public toilets are an intervention with costs that vary depending on the type of bathroom and the possibility of adopting strategies to finance operating costs. In addition, there is the possibility of looking for alternatives to provide the service, such as the government paying private establishments to provide public bathrooms, taking care of their maintenance and care (Mayor of Bogotá, 2018).
Viability

The installation of public toilets in the city is a viable measure because, although this program must be implemented in accordance with the occupation of public space and land use, the logistical operation is relatively simple.

Evidence

Article 365 of the Political Constitution of Colombia makes explicit the responsibility of the State to guarantee the efficient provision of public services to all inhabitants of the national territory. Similarly, in judgment C-062 of 2021 of the Constitutional Court, “the territorial authorities are urged to adopt actions and policies that guarantee universal access to health infrastructure.”

On the other hand, the installation of public toilets in Bogotá and the follow-up to this program (Díaz & Rojas, 2016) show the need for the use of bathrooms to be accessible at least for the population of informal vendors, as well as it is necessary to find ways to provide a service with high levels of hygiene and safety, which are indicated as frequent problems in the provision of the service. Finally, it is essential to point out the potential of this program as a method of generating employment through the administration and maintenance of bathrooms.

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