



Title: Addressing the Needs of Informal Workers in National Development Plan IV

Paper Presentation by Juakali Initiative to the National Planning Authority on Wednesday, 13 March, 2024 (2:00 p.m.) at National Planning Authority, Planning House, Clement Hill Road.

1.0 Introduction

Juakali Initiative, rooted in the Swahili term "Juakali" signifying informal work, emerged in 2019 through the collaborative efforts of unemployed young graduates and vendors. Initially aimed to offer legal aid to informal workers, with a particular focus on street vendors. Over time, we have evolved and officially registered as Juakali Initiative, committed to championing the rights and welfare of diverse informal workers. Our mission centers on fostering an inclusive and gender-sensitive economy for informal workers. Through a multifaceted approach encompassing organization, spatial planning, social justice, advocacy, research, and media engagement, we strive to advance the interests of this vital segment of the workforce.

As we express gratitude for the opportunity to contribute to the next national development plan and Lubyanza, a sustainable transport think tank for their invaluable contribution to this paper, we narrow our focus to four key categories of informal workers: street vendors, waste pickers, informal transport workers (including drivers, taxi touts, and boda-boda riders), and home-based workers. Our proposed contributions aim to improve the socio-economic conditions and recognition of these vital segments of the workforce.

2.0 Integration of informal workers in the National Development Plan IV.

Juakali Initiative advocates for the integration of informal workers into National Development Plan IV. Recognizing their significant contribution to the economy and society, we propose the following refined strategies for their integration.

- I. **Spatial inclusivity and tailored urban planning for informal workers.** Spatial inclusivity and urban planning are crucial in supporting the livelihoods of informal workers. Whereas efforts have been made to ensure that they can access public space – the solutions tailored do not meet their needs. Instead, a fit-all-size approach has been adopted. For-example, all street vendors are required to relocate to the market. Instead, if informal workers are consulted and involved in urban planning, then their livelihoods will improve. In turn street vendors can generate revenues and contribute to their growth in both social and economic aspects.
 - **Consult with informal workers and their organisations and umbrella organisations.** Often, city authorities have provided a fit-all-size approach – requiring informal workers, especially street vendors to relocate to markets, and yet street vendors are deeply knowledgeable to contribute to the laws and policies that will address their needs - they should be full partners in designing and implementing measures.¹
 - **Zoning to address their access to public space needs.** For instance, street vendors, sell low-price commodities in small quantities, and therefore and operating in traditional market stalls is not available. But with the input of street vendors planning authorities will map out spaces, streets, walkways, time zones, and days that meet their needs.
- II. **Water and sanitation.** Planning authorities should ensure that the urban designs for public structures are inclusive and support access to running water and toilets available to informal workers and consumers. This will help keep

¹ Carr. (2018, June 21). For Mayors: A Five-Step Guide to Including Street Vendors in Global Cities. <https://www.wiego.org/>. Retrieved April 30, 2023, from <https://www.wiego.org/blog/mayors-five-step-guide-including-street-vendors-global-cities>

street markets more hygienic. These should also meet the needs of persons with special disabilities.

- Food vendors should be equipped with the best hygiene practices for street vendors. With the assistance of the Uganda National Bureau of Standards (UNBS) and in consultation with food vendors and the wider public on best practices of food transportation, preparation, packaging, and delivery. Self-regulation and compliance should be encouraged within the vending community.
- Street and market vendor services. The service of cleaning the city should be given to street vendors and waste pickers. To justify their evictions from city street vendors, street vendors are blamed for congesting and dirtying the city but street vendor associations should be allowed to provide such informal worker-led initiatives had been successful elsewhere. In Cairo City, the waste pickers, the Zabbaleen people loosely translated, means garbage people who were contracted to collect garbage in the city- a job which they have done well.

III. Digitalisation and Inclusion of informal workers. There is no doubt that the digital revolution will contribute to the betterment of the livelihood of informal workers, however for informal workers to benefit from Vision 2040, it is incumbent on both the central government and local governments to design digital systems that are accessible and affordable to informal workers. The digital policies, programs, and plans should be tailored to support the sustenance of informal workers' right to livelihood, access to public space, social protection, skill building, and empowerment.

- **Utilizing digital tools in planning to understand street vending patterns and to address their needs.** Vending is a very complex and dynamic trade often informed by various factors like traffic, proximity to homes, gender, climate change, and annual events, among others. There is need to access public space can be enhanced by employing machine learning tools like Geographic Information Systems (GIS)² a tool for urban planners, providing support for database creation, spatial analysis and modeling, and visualization. With accurate data that impacts these factors and how they influence access to

² GIS allows the integration and collective analysis of geospatial data from multiple sources, including satellite imagery.

public spaces for informal workers, government authorities, and agencies to allocate economically viable public spaces to street vendors.

- **Utilizing digital planning tools to understand market vendors and address their needs.** The government should facilitate the growth of digital markets. With digital market platforms, market vendors who are predominantly women can access both local and global markets for their goods and crafts. Relatedly, Geographic Information systems (GIS) can be used to map potential areas for establishing physical markets. To ensure that such initiatives are economically viable for both the government and informal workers, the government should adopt ICT policies, laws, and programs that enable the adoption of cheap, efficient, and user-friendly technologies.
- **Adoption of policies, practices, and laws that support accessibility and affordability of the Internet among informal workers.** In early 2023, there were 11.77 million internet users in Uganda at the start of 2023 and internet penetration stood at 24.6 percent.³

It will be next to impossible to include informal workers in the implementation of smart cities if policies and laws that influence access to the Internet are not revisited. For instance, as a country, we have one of the most expensive payment plans for the Internet. One gigabyte of mobile internet in Uganda cost, on average, 1.32 U.S. dollars in 2022. Out of 59 plans measured in Uganda, the lowest price observed was 0.49 U.S. dollars per 1GB for a 30 days plan. In the most expensive plan, 1GB costs 15.81 U.S. dollars.⁴ This is expensive for most of the informal workers who struggle to meet the basic needs of life. Affordable internet is key to the

Through laws and policies, the government should adopt policies, development plans, and laws like tax incentives on importers and manufacturers of smartphones and internet service providers to women informal workers.

³ Digital 2023: Uganda — DataReportal – Global Digital Insights. (2023, February 14). DataReportal – Global Digital Insights. <https://datareportal.com/reports/digital-2023-uganda>

⁴ Uganda: price for 1GB mobile data 2022 | Statista. (n.d.). Statista. <https://www.statista.com/statistics/1272796/price-for-mobile-data-in-uganda/>

IV. Health and Social Protection

Access to social protection schemes among informal workers is still a distant dream. They form the majority of the urban poor but cannot afford health insurance, child care services, and financial services, among others.

The government in partnership with the private sector should roll out affordable and accessible social protection schemes on health insurance, child care services, and free information on public health and food safety.⁵

- Support telecom companies in rolling out health insurance provided by telecom companies in partnership with insurance companies. Despite the existence of this insurance cover, few informal workers can access the same.⁶

V. Integration in agriculture

Informal workers play a key role in advancing commercial agriculture. They not only bring these goods closer to people but also help reduce waste. Today, for instance, an estimated 30%–50% of the annual grain and fresh fruit and vegetable harvest (in terms of weight) is lost (FAO, 2019).⁷ However, informal workers like street vendors, market vendors, food vendors, platform workers, and boda-boda riders have the capacity to not only process but also bring these closer to our markets, which are largely informed by impulsive buying. To tap into this impulsive market, there must be deliberate efforts to create digital markets that meet the needs of informal workers and put up worker-sensitive infrastructure to tap into this self-employed workforce to reduce food waste and increase consumption of agriculture products. For example, intuitive improvisation: based on the prevailing situations, urban planners should use innovative ideas and, from time to time, improvise and ensure access to public spaces for market vendors, street vendors and others. For- instance, vendors

⁶ Patrick Oyugi & David Mwesigwa, (2023) International Journal of Public Policy and Administration, The street vending agenda in Northern Uganda: Examining its management praxis in Lira city, Vol.5, Issue No.2, pp 69–89, 2023 <https://carijournals.org/journals/index.php/IJPPA/article/view/1442/1768>

⁷ <https://eprcug.org/press-releases/ugandas-food-loss-and-waste-dilemma-the-role-of-post-harvest-handling/>

tend to locate their enterprises on roads and paths with high human traffic that offer a market for their goods.⁸

VI. Informal worker led circular economy.

A circular economy is presented as “one of the current sustainable economic models, in which products and materials are designed in such a way that they can be reused, remanufactured, recycled or recovered.”⁹ There is need to tap into the global circular economy offers \$4.5 trillion (roughly Shs16.8 quadrillion) economic opportunity by reducing waste, fostering innovation, and creating jobs on a global scale. However, this potential can only be realized in case informal workers (Waste pickers, street vendors, homebased workers are at the forefront of circular economy. Currently, waste pickers play the biggest role in the circular economy.

- There is need to quantify the potential of this economy in the Ugandan context and identifying the number of informal workers involved.
- Support informal workers in the circular economy through their umbrella organizations to run waste management companies. The bench mark from the *Zabbaleen* (waste pickers) of Egypt who have been empowered by their government to run one of the most efficient waste management system and circular economy for centuries. The government in Egypt had outsourced multinationals to run its waste management but they had to revert to the *Zabbaleen* (waste pickers) after they had failed.¹⁰
- Legislative reforms and legislation that encourage worker led Extended Producer Responsibility. Putting informal worker at the heart of Extended

⁸ Andrew Gilbert Were, Stephen Mukiibi, Barnabas Nawangwe, Paul Isolo Mukwaya, 5 Bridget Nakangu, Juliana Nambatya, Daniel Kisitu ***A Spontaneous Location Theory and How Street Vendors Acquire Spaces (Case Study: Kampala City – Uganda)*** Accessed from <https://sid.ir/en/journal/sp.aspx?writer=1073632> on 12 February, 2024.

⁹United Nations. (2022). Circular Economy: Transforming Production and Consumption. Retrieved from https://www.un.org/sites/un2.un.org/files/circular_economy_14_march.pdf

¹⁰ Sophia Nabbosa, Involve casual workers in waste management Involve casual workers in waste management Accessed from <https://www.monitor.co.ug/uganda/oped/commentary/involve-casual-workers-in-waste-management--4267002> on 12 February, 2024.

Producer Responsibility. Extended producer responsibility (EPR) aims to ensure that product manufacturers are made financially responsible for various parts of the life cycle of their products, including take-back, recycling and final disposal at the end of their useful life.¹¹ However, product manufacturers can only pull this off with the assistance of informal workers especially waste pickers at forefront.

- Conduct census of informal workers in the circular economy. Informal workers directly contribute to the circular economy—through the resale of consumer goods, waste management and repair, for example—without it being picked up in formal database.¹² Therefore it is important to emphasize in the next national development that Uganda Bureau of Statistics (UBOS) districts, ministries and other data collecting agencies to conduct the census and ensure that there are right statistics to inform the planning and incorporation of informal workers through better planning.

VII. Informal transport economy, e-mobility and sustainability. As we transition towards sustainable transport and e-mobility, it's crucial to include informal transport workers such as taxi drivers, touts, boda-boda cyclists, and tri-cyclists. This integration can be facilitated by:

- Facilitating Access to E-Mobility Vehicles. Providing affordable loans to enable informal workers to acquire e-mobility vehicles and motorcycles, supporting mass production initiatives like those undertaken by Kiira Motors and offering tax holidays and import exemptions to incentivize the adoption of e-vehicles.
- Promoting Private-Public Partnerships. Establishing partnerships between private enterprises and public institutions to engage informal transport associations in the provision of public transport services, contracting informal worker associations, such as boda-boda riders' groups, to operate public

¹¹ World Wide Fund for Nature (WWF) International. (n.d.). How to Implement Extended Producer Responsibility (EPR): Briefing for Government and Business. Retrieved from https://wwfint.awsassets.panda.org/downloads/how_to_implement_epr_briefing_for_government_and_business.pdf

¹² Circle Economy. (n.d.). Informal work may be a cornerstone of the circular economy, but in Latin America and the Caribbean, its contribution is hidden. Circle Economy. Retrieved from <https://www.circle-economy.com/blog/informal-work-may-be-a-cornerstone-of-the-circular-economy-but-in-latin-america-and-the-caribbean-its-contribution-is-hidden>

transportation routes, rather than displacing them or replacing them outright with large companies.

- **Gazetting and Zoning of Transport Stages.** Collaborating with workers in the informal transport sector to designate and zone boda-boda and taxi stages, ensuring that these gazetted areas are strategically located and agreed upon by all stakeholders to optimize accessibility and efficiency.

Therefore, taking this direction will foster the inclusion of informal transport workers in the transition towards sustainable mobility, ensuring that their livelihoods are protected while advancing towards environmentally friendly transportation solutions.

VIII. Integrating Home based workers.

Historically, home-based work involved labor-intensive activities in garments, textiles and footwear manufacturing, as well as skilled artisan and craft production. Baking, the cooking of ready food, and brewing, as well mechanical and other repair activities have also historically been common home-based worker activities. Many home-based producers double up as street or market vendors to sell what they produce. Over 14% of the world's home-based workers are in sub-Saharan Africa: a total of 38.3 million home-based workers.¹³ In Uganda the home-based workers form part of the informal workers' work force and need to be integrating in the following ways. Integrating home-based workers into the informal workforce in Uganda is crucial for promoting their rights, enhancing their economic opportunities, and fostering inclusive growth. Here are several ways in which this integration can be achieved:

- **Recognition and Formalization.** Home-based workers should be officially recognized as part of the informal workforce by government authorities. This recognition can lead to the formalization of their activities, ensuring they receive legal protection and access to social security benefits.

¹³ WIEGO. (n.d.). Home-based workers. Women in Informal Employment: Globalizing and Organizing (WIEGO). Retrieved from <https://www.wiego.org/home-based-workers-1>

- **Policy Support:** Government policies should be developed or amended to specifically address the needs and challenges faced by home-based workers. This may include provisions for access to affordable raw materials, financial services, training programs, and market linkages.
- **Skill Enhancement Programs.** Training and skill enhancement programs tailored to the needs of home-based workers can improve their productivity and competitiveness. These programs can cover areas such as product quality improvement, marketing strategies, financial management, and technology adoption.
- **Access to Markets:** Facilitating access to markets is essential for home-based workers to sell their products and generate income. This can be achieved through initiatives such as market fairs, trade exhibitions, online platforms, and linkages with formal retailers.
- **Collective Bargaining and Advocacy.** Encouraging the formation of associations or cooperatives among home-based workers enables them to collectively negotiate better terms and conditions, advocate for their rights, and access support services more effectively.
- **Gender Mainstreaming.** Given that a significant proportion of home-based workers are women, gender-responsive approaches should be integrated into all interventions. This includes addressing gender-based discrimination, promoting women's leadership roles, and ensuring equal access to resources and opportunities.
- **Infrastructure Development.** Improving infrastructure, such as transportation networks and access to utilities like electricity and water, can enhance the productivity and working conditions of home-based workers.

Uganda can effectively integrate home-based workers into the informal workforce, contributing to poverty reduction, economic growth, and social development.

IX. Integration of the platform economy

Digital labour platforms are at the centre of the debate about the future of work, owing to their role in advancing the use of digital technologies in mediating and organizing work. Automation of organizational functions and online labour intermediation have expanded the pool of available workers beyond geographical or organizational boundaries and have radically transformed existing business models, jobs and the way work are organized, challenging the relevance of existing ways of ensuring good working conditions and income.¹⁴

Workers are often independent contractors rather than employees in this emerging form of work. Across the globe including Uganda, platforms have become an integral part of the broader economic system. There is need to acknowledge the contribution of this economy that is predominantly informal. With technological advancement and the desire to have better working terms we project that more Ugandans are likely to join the digital economy. However, In the digital gig economy, workers generally have limited power and are disadvantaged compared to platform operators, who are usually large technology firms. We recommend the following:

- Recognizing the vital role played by platform workers, collaboration with different government agencies and ministries is crucial for collecting and integrating data on platform workers for better planning and integration into the economy.
- Policymakers ought to prioritize market development and maximize the advantages for the broader society. Instead of simply assimilating platform businesses into current regulations, the government should craft dedicated regulatory frameworks tailored to the unique dynamics of the platform economy. A robust policy initiative is essential to foster the growth of indigenous platforms, thereby stimulating the domestic economy and creating employment prospects for citizens.
- Leveraging technologies to formalize. Digital labour platforms' transactions are traceable. This traceability offers a real opportunity to support the

¹⁴ Agnieszka Piasna & Wouter Zwysen (2002), *New wine in old bottles: organizing and collective bargaining in the platform economy*, International Labour Organization.

https://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---actrav/documents/publication/wcms_875933.pdf

formalisation of digital labour platform workers and to bring them into tax and social security systems. Digital accounts that track workers' output for clients and their earnings through dedicated platforms can be used for the inclusion of own-account workers in the platform economy not only in the tax system in order to formalise them, but also in social security schemes to ensure access to social protections.

X. Monetization and Revenue Collection from the Informal Economy

Contrary to common belief, informal workers demonstrate a willingness to contribute financially, as evidenced by daily payments made to law enforcement authorities. In Kampala alone, an estimated 20,000 to 100,000 street vendors generate substantial revenue, with payments ranging from 500 to 20,000 UGX per day. This translates to approximately Ugx 18,250,000,000 billion annually, with the potential to increase significantly with the inclusion of informal workers from other cities and towns. To optimize revenue collection:

- **Formalization and Organization:** Implement strategies to organize informal workers into recognized associations or cooperatives, facilitating their transition to formal business entities and simplifying tax collection processes.
- **Transparent Taxation Systems:** Establish clear tax collection systems, leveraging technology for efficiency and reducing opportunities for corruption or evasion.
- **Collaboration and Coordination:** Foster collaboration between government agencies, law enforcement bodies, and informal worker representatives to ensure fair and efficient tax collection practices.
- **Regular assessment and adjustment of tax rates based on economic circumstances and needs can further enhance revenue collection and foster a sense of inclusion for informal workers in the formal economy.**

Conclusion

In conclusion, integrating informal workers into national development plans is essential for fostering inclusive economic growth. Through tailored strategies encompassing spatial planning, social protection, digitalization, and recognition of their contributions, we can build resilient and sustainable a hybrid economy that

benefit all stakeholders. Collaboration between government, civil society, and informal worker representatives, and is key to achieving this vision.