

Policy Brief 24

Peddlers in Means of Public Transportation in Egypt: A Discussion of Policy Options

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Background

The Metro and railway stations play crucial roles in Greater Cairo. Most working-class residents use the Metro and trains as the main transport means to reach their workplace. The Metro carries around 4 million passengers daily, whereas the railways take around 1.4 million passengers per day (Saif Eldien, 2019).

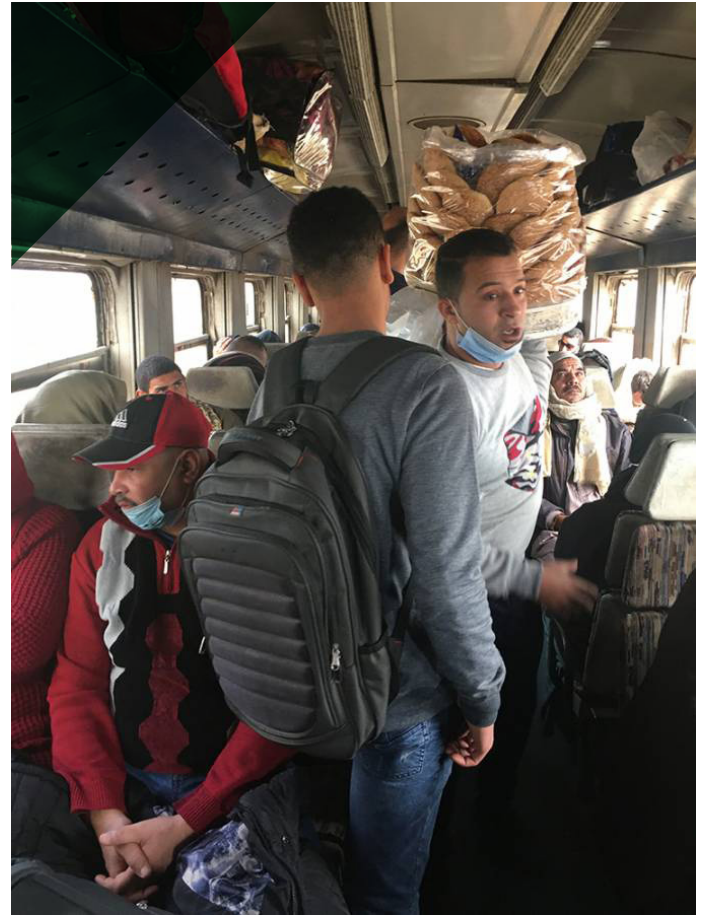
This policy paper is tackling the issue of the informal transportation peddlers namely in the Metro (subway) and railway stations. The authors dealt with this kind of informal peddlers as an occupational segment of the society that contributes to the national economy rather than groups of people who are distorting the civilized image of the means of transportation in Egypt.

The informal peddlers' problem is characterized by:

- Insignificant solutions to the problem: The current policy that includes moving the peddlers to other commercial markets has not always been met with the peddlers' acceptance.
- The informality of the peddlers caused mainly by the high rate of unemployment rates in Egypt. The latter is caused by the limited jobs offered by businesses and the complex process of starting a new business.
- The element of Insecurity, eviction, and relocation (El – Hamidi, 2020).

In this regard, the policy options mentioned in this policy brief are taking into consideration that any kind of enforcement in implementing the interventions will lead to the failure of the selected policy and therefore have a negative

impact on the economic growth and the employment rates. The interventions are recommended to be integrated into a flexible regulatory framework that preserves the citizens' right to space, economic right, and the peddlers' right to work. In addition, providing productive and decent jobs that are identified by the four pillars in the ILO guidelines which include employment, social security, fundamental rights, and social dialogue (ILO, 2002).



The Legal Framework of the Informal Peddlers in Egypt

The first governing law regarding the informal peddlers is Law no. 73 of 1943, followed with an amendment no. 19 of 1951. Recently, the governing law is no. 33 of 1957 was tracked with an amendment with law 105 of 2012. This shows that the law was not changed for more than sixty years which needs to be revised in the context of the new social and economic development in Egypt.

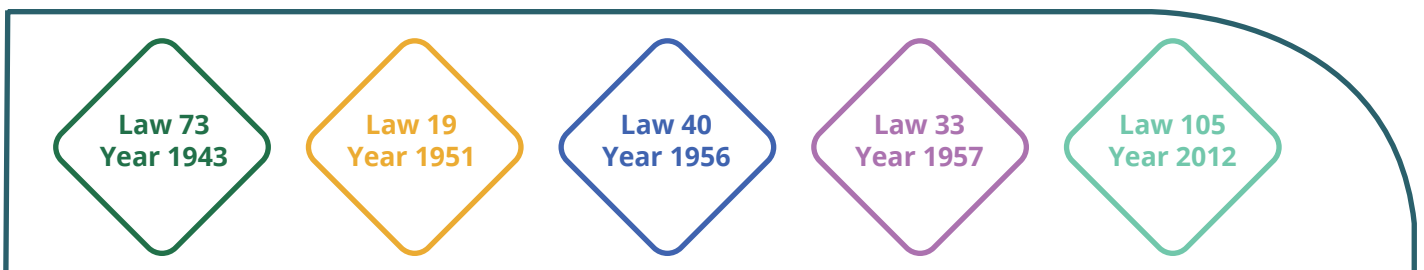


Figure (1) Historical Development for The Informal Peddlers' Legal Framework

Source: Informal Peddlers Different Laws

Law No. 73 of 1943:

Stated that it is not permissible for peddlers to practice a trade before obtaining a license

Law No. 19 of 1951:

Amended the provisions of law 73 that the street vendor should not suffer from infectious diseases

Law No. 140 of 1956:

Has divided the places based on their significance, requested for a license, determined certain places for selling by the authorities

Law No. 33 of 1957:

Criminalized the peddlers "peddlers who trade without a license and prohibited vendors from selling on public transport, standing next to shops selling similar goods or in places identified by the police as needed for traffic or public security or causing a disturbance.

Law No 105 of 2012:

Passed and augmented the existing punitive measure. It also imposes up to a 3-month imprisonment penalty and EGP fine 3000

Therefore, the authors defined the informal peddlers' problem in Egypt into three angles:

1. **Citizens, the right of space:** The peddlers' occupation of the public spaces, which affects the right of other citizens to the space.

2. **State, the economic right:** The economic implications of informal peddlers as being a significant part of the state’s informal economy.

3. **Informal peddlers, the right to work:** The right to work and the importance of having a legal legislation that protects their rights in a way that will not affect the rights of others.

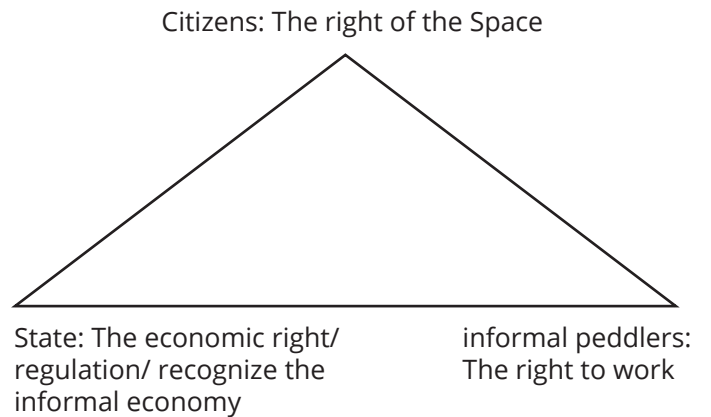


Figure (2) Rights' Angles for the Informal Peddlers

Policy Options/ Alternatives Analysis

Policy Option (1): Relocation with heavy consultations with the informal peddlers.

Policy option (2): Use the tools of Communication Technology (ICTs) in including the informal peddlers in the transportation system.

Policy option (3): Include the informal peddlers in the kiosks inside the Metro and railway stations.

The selected policy option is **policy option (2): Use the tools Communication Technology (ICTs) tools in arranging the informal peddlers in the transportation system, depending on the technology criteria.**

Implementation Plan

In response to the chosen policy option, an implementation plan is proposed with a suggested timeline to determine the steps that are recommended to be followed to guarantee the success of the policy implementation. Before presenting the main points of the plan, 3 core steps should be finalized to have an efficient implementation.

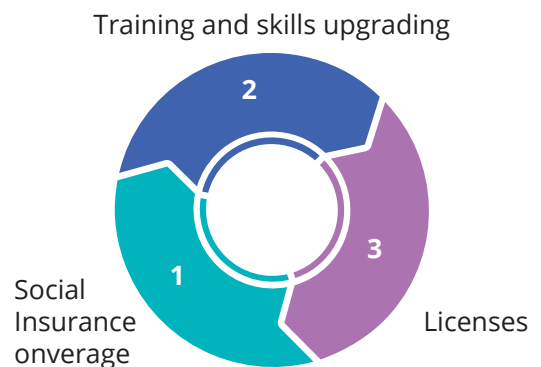
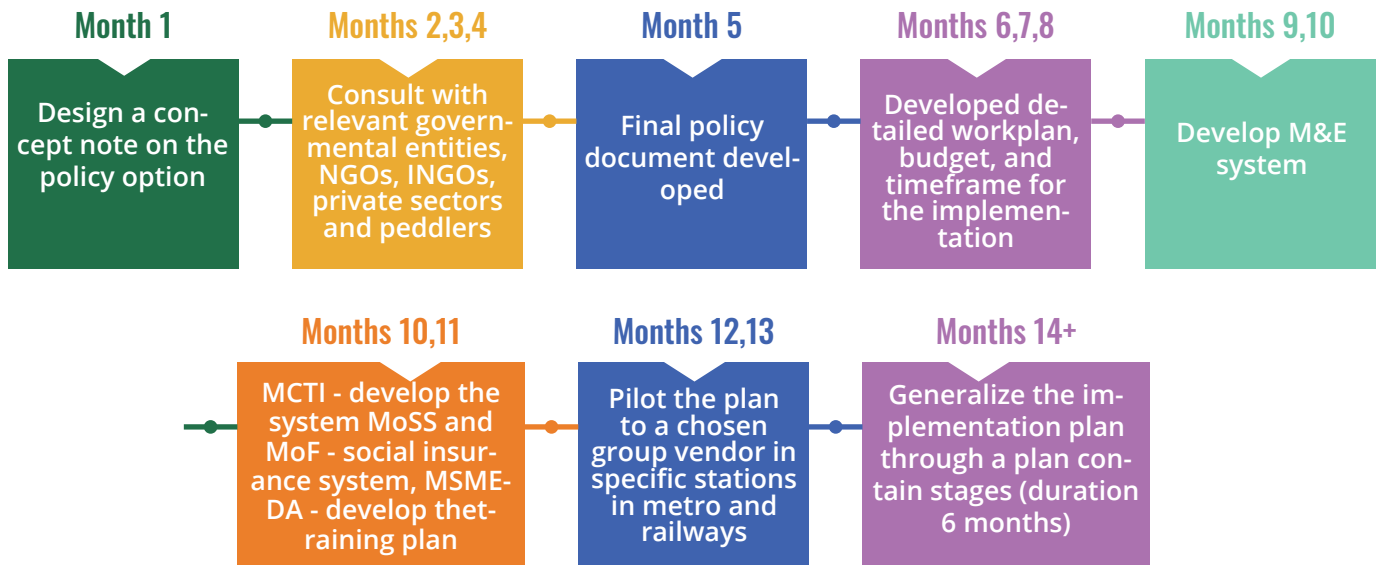


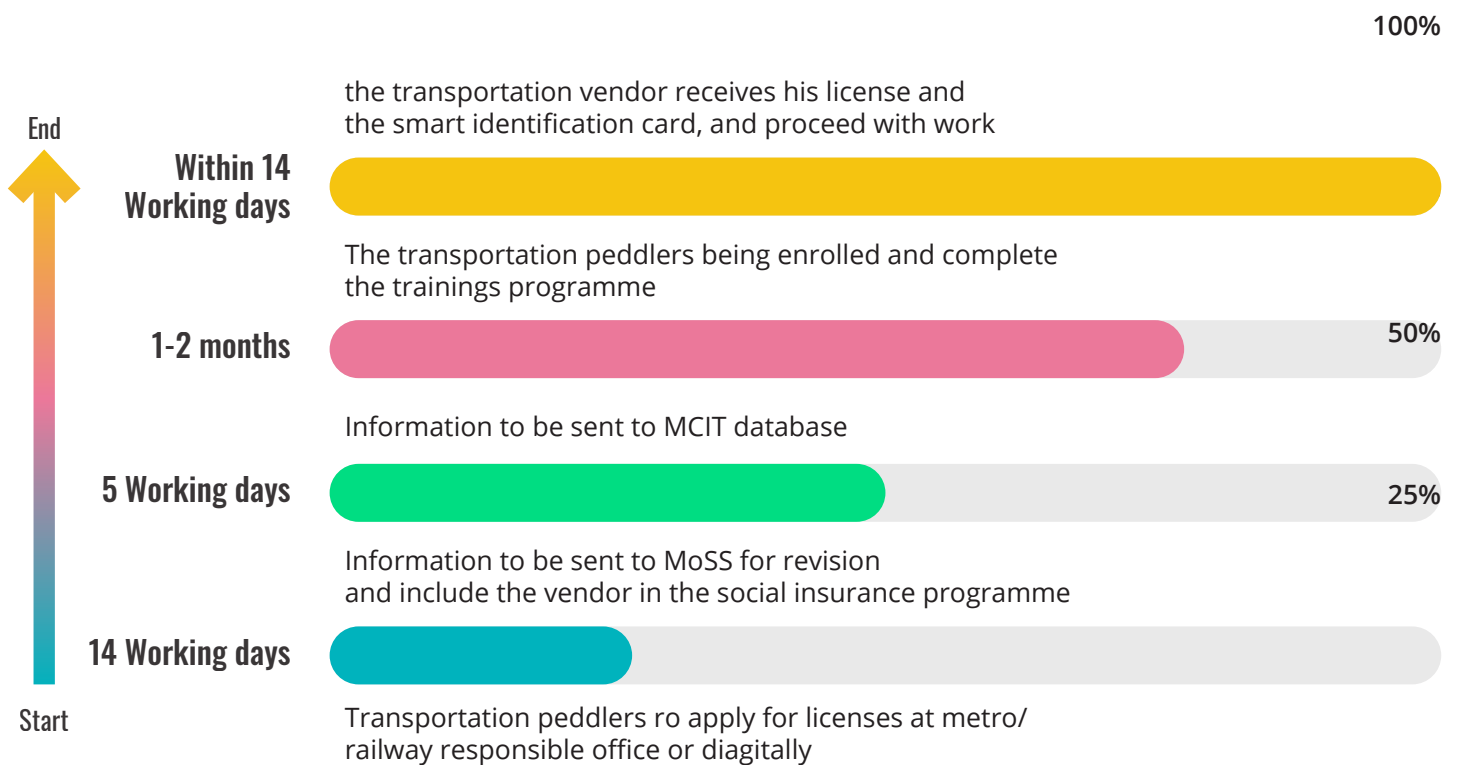
Figure (3) Essential Components to have an Efficient Implementation of the Selected Policy

Workplan for the Selected Policy



Implementation Flow

It is recommended to have a simple and clear workflow depending on the policy of one-stop shops to encourage the transportation peddlers to register.

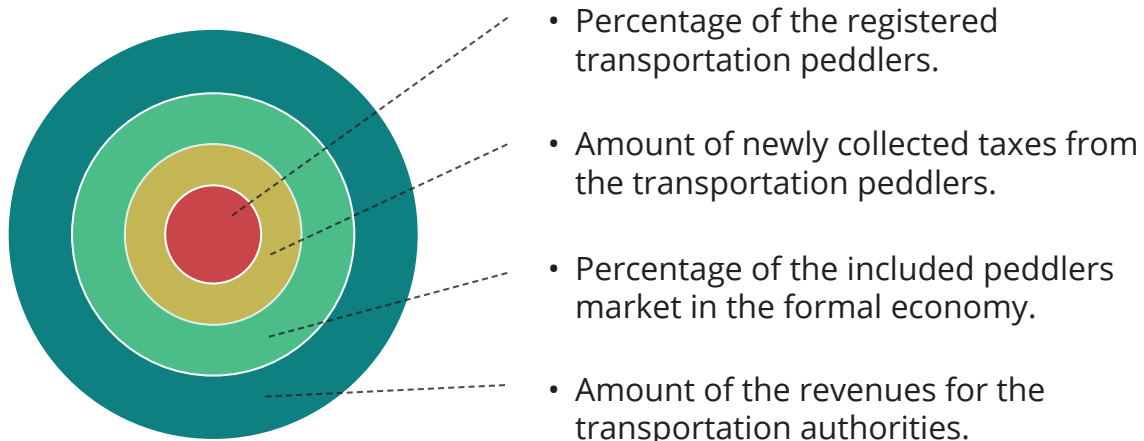


Monitoring and Evaluation Structure

The policy option recommends having a simple monitoring structure:

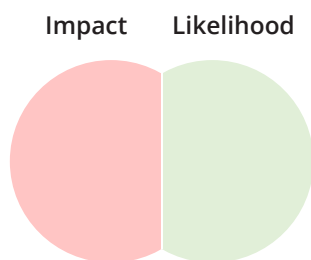
- A participatory monitoring and evaluation system is recommended to be developed.
- A monitoring flow for implementing the policy is recommended through an independent authority.
- The monitoring reports to be sent to the relevant transportation authorities, then a discussion to be held to reduce the gaps, maximize the opportunities, and adopt any needed corrective plans/ procedures.
- The main mandates of this independent authority are:
 - ◊ Conduct a baseline study on the transportation peddlers.
 - ◊ Revise the progress reports received from the relevant governmental authorities that are part of the implementation process.
 - ◊ Review the KPIs progress and oversee the trainings outcomes.
 - ◊ Monitor closely the integrated database and the electronic system.
 - ◊ Evaluate the outcomes of the policy and further the impact.

The main KPIs to be monitored (after conducting the baseline study)

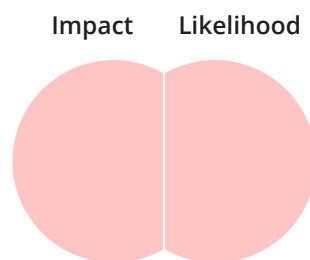


Risks and Risk Mitigation/ Limitations and Unanticipated Consequences

The proposed policy involves several risks that may affect the successful implementation, and which need to be considered in the early stages of the implementation. Hereunder are some of the expected risks:



- A. Secure wireless network underground.
- B. Resistance of the transportation peddlers.
- C. Needed budget/ cost.



- A. Coordination with different stakeholders.

Conclusion

This policy brief provides an innovative policy that supports the three mentioned rights including (the right of space, the economic right, the right to work). Also, it provides a compromising solution to both parties, as the informal peddlers will not leave their positions in the transportations means and will not continue the “hide and seek” approach with the police officers.

In addition, this policy brief provides a more

stable and secured situation for the informal peddlers including having social insurance and the potential to expand their businesses. Besides, the transportation entities (both Metro and railways) will preserve their right in collecting the service charge, increase their revenues, determine the size of this vending, and keep the civilized image of the transportation means.

Recommendations

At the end of this policy brief, the authors are recommending the following for a better implementation of the proposed policy:

- The government is recommended to conduct a needs assessment study/ situation analysis for the informal peddlers and attract donors to fund the study to determine the size of this market, and the number of the informal peddlers who are participating in each market and the level of income through their businesses.
- Each Metro and railway station is recommended to provide the capability of the establishment of commissions, local bodies and labor unions that are presenting the needs, suggestions, and requirements to each group of peddlers and facilitate the mediation and conflicts between the peddlers and the key stakeholders. Also, the stations may provide suggestions to the peddlers on the activities and areas of collaboration that they can perform and serve the customers’ needs.
- The government is recommended to deal with the informal peddlers as potential entrepreneurs not as a private sector.
- The Metro and railways officials are recommended to conduct customers’ surveys during the trips to receive the customer’s opinions for the gaps, needs and innovative suggestions.

«All the academic references used in this brief are mentioned in the policy paper.»

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