



**College of Social Science, Art and Humanities
Center for Federalism Studies
Informal Trading, Municipal Governance and Local Economic Development;
A Case Study of Nifas Silk lafto Sub-City; Addis Ababa, Ethiopia.
By Getachew Regasa Debala
Submitted in fulfillment of the Requirement For the degree Master of
Federal and Governance**

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May,16, 2026

Addis Ababa, Ethiopia

Declaration

I, Getachew Regassa, hereby declare that this thesis titled —Informal Trading, Municipal Governance and Local **Economic Development in Addis Ababa: the Case of Nifas Silk Lafto Sub-City** II is my original work and was completed by me.

I also declare that all sources of information and references used in this study have been properly acknowledged. This work has not been submitted to any other institution for the award of a master's degree. I take full responsibility for any mistakes or omissions in this thesis.

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Acknowledgments

Firstly, I would like to thank my supervisor, Dr Sisay Kinfe, for guiding me through all stages of the research process, including developing research questions, collecting data, analysing results, and refining the draft. Her expert counsel was really beneficial.

I am greatly indebted to the officials from Nifas Silk Lafto sub-city and the Addis Ababa City Administration Trade Bureau for providing me with the necessary access to information to carry out this research.

I greatly appreciate all the respondents who participated in this research by completing questionnaires and being interviewed.

I would also like to thank my family members and close friends for their support and encouragement throughout my research journey.

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Abstract

The main objective of this study was to examine informal trading, municipal governance, and local economic development in Addis Ababa in the case of Nifas Silk Lafto Sub-City. A mixed-method approach was employed, combining survey, interview and field observation to obtain qualitative and quantifiable data. Finally, the study revealed that informal trade is a dominant phenomenon in Nifas Silk Lafto Sub-City, Addis Ababa, where most of it occurs in public spaces such as pavement, marketplaces, and bus terminals. It provided a livelihood source, as the majority of respondents (above 72 per cent) earned their full income from it, providing for a number of families. Informal trade is thus contributing to the alleviation of poverty. However, there are a number of problems faced by traders in the informal sector, such as legal exclusion, constraints of access to finance, lack of infrastructure and unpredictable and often antagonistic relations with governance. Their role in decision-making is also quite negligible. The study concludes that informal trade is an essential aspect of urban economic development and needs policy and governmental support through legalisation and licensing, infrastructure development, financial support, institutional collaboration, stakeholders' participation in policy-making, strengthening the capacity of municipal officials and continuous research.

Keywords: municipal governance, informal trade, urban local economic development, urban planning, public policy, and urban livelihoods

Abbreviations

FDRE=Federal Democratic Republic of Ethiopia

GDP= Gross Domestic Product

ILO= International Labor Organization

IMF = International Monetary Fund

OECD= Organization for Economic Co-operation and Development

SDGs= Sustainable Envelopment Goals

SWOT= Strengths, Weaknesses, Opportunities, and Threat

WIEGO=Women in Informal Employment: Globalizing and Organizing

UN = United Nations

Chapter One: Introduction

1.1. Backgrounds of the study

Over the years, urbanization has increased greatly in developing countries. This trend has brought both opportunities and challenges along the way. Among those challenges that accompanied the increase in urbanization is the lack of room for the emerging labour force in formal economies. Many argue that this has made it possible for the informal economy, especially informal trading, to explode (Verna, 2006),

The informal economy, including informal trading, is not a marginal and temporary phenomenon but a major economic survival strategy for millions of people who are excluded from the formal labour market. Informal trading has become a main means of earning income for many people, especially in cities in the Global South. In other words, informal trading becomes even more important in African countries due to the high pressures that rural-to-urban migrations exert on cities. While cities cannot provide proper public services and employment opportunities, the informal economy has been seen as a main survival strategy. As pointed out by UN-Habitat (2008) and Bizoza (2014), urbanisation trends in Africa happen at a much faster rate than economic growth, meaning that informal activities are inevitable in cities.

The process is particularly acute in African countries, as rural-to-urban migration and population growth are exerting greater pressures on city infrastructures and labour markets. Though cities cannot provide proper public services and formal employment, the informal economy is becoming a default survival mechanism for the poor and vulnerable. According to UN-Habitat (2008) and Bizoza (2014), the pace of urbanization in Africa outpacing that of economic growth, and thus informal economic activities like street vending and small-scale services are a survival necessity in urban settings.

Informal trading is normally defined as a practice whereby individuals sell commodities or provide any other service in open spaces such as markets, streets, and sidewalks. There are several reasons for the high prevalence of this practice. First, this type of economic activity is easy to undertake because there are no barriers to entry and initial capital is small. Second, the occupation is highly variable. While the sector can create jobs and economic activities, informal trading activities are always confronted with problems related to being criminalised and

marginalised by urban policies. This creates a clash between the traders and municipal authorities, who see them as illegal or disorderly (Masonganye, 2010; Horn, 2015). To this end, the magnitude of the informal economy should not be overlooked. For example, according to the International Labour Organization (ILO, 2018), about 2 billion workers are engaged in the informal economy globally. Over 90% of people in African countries are working informally (Benjamin et al., 2014). Also, the informal sector generates about 50-80% of the total national GDP (ILO, 2018; IMF, 2021). This shows that the informal sector is not a temporary solution but a key part of national economies.

At a global concern, there is a realisation of the need to build an informal sector into urban development policies. For example, the World Bank (2013), OECD (2009), and UN-Habitat (2016) emphasise the importance of building an inclusive system that includes the informal sector. Several methods have been recommended for the development of this sector. These include urban agriculture, labour-based infrastructure, clustering of small enterprises, and business incubators (Herrera et al., 2012; Steiler, 2018). This implies a change in the perception of informal trading that sees it as a problem that should be eliminated rather than an opportunity for growth.

In many urban areas of developing countries, including Nifas Silk Lafto sub-city of Addis Ababa, limited formal employment opportunities push residents into informal economic activities (ILO, 2018). Yet informal traders are not officially recognised or provided with infrastructure and social protection. In practical terms, decentralised municipal governance may be present in theory but fails to ensure the necessary balance between support and enforcement. Consequently, an antagonistic relationship between municipal authorities and informal traders emerges and is exacerbated by occasional crackdowns and relocation. Informal traders are not engaged in planning activities.

The aim of this research is to gain more insights into informal trading as a sector of urban economies. It also attempts to analyse the strengths, weaknesses, opportunities, and threats of informal trading in the sub-city. The perceptions of different stakeholders, including municipal authorities, informal traders, formal businesspeople, and local residents, will be analysed.

This research takes the position that informal trading is both a challenge and an opportunity in the discourse of urban development. The focus is on the economic flexibility and sustainability

provided by the sector, particularly in times of crisis such as the global financial crises and after the COVID-19 pandemic period. A combination of qualitative and quantitative techniques will be used in order to generate an adequate, valid and credible picture of informal trading.

Recent empirical studies, such as Tegegne (2017) and Gebremariam and Worku (2020), have examined the contribution of the informal sector to employment and poverty reduction. However, such studies have not documented the daily experience of traders and the existing policy constraints in this area. Therefore, by adopting a mixed-method design, including qualitative interviews of traders and quantitative data on the location of informal trade, the researcher hopes to fill such a knowledge gap and provide more information about informal trading and more comprehensive policy suggestions to foster its development without ignoring the risks.

1.2. Problem Statement

It is evident that informal trading plays a pivotal role in jobs, poverty reduction, employment and economic development. Additionally, the industry provides food to cities. However, there is institutional and legal confusion surrounding this trade in Addis Ababa, particularly in Nifas Silk Lafto Sub-City. It is classified as an irregular business under regulations such as No. 184/2025. Instead of providing assistance, that strategy makes the behavior illegal. City officials consequently concentrate on enforcement. Without offering long-term alternatives, they execute evictions, confiscate merchandise, and uproot traders. However, the current setup highlights a major gap in governance. There are no frameworks that are inclusive or participatory and appropriate for the local environment. These frameworks should weave informal traders into city planning and economic structures. Research on how city institutions can mix regulation with aid for these traders is scarce. Policymakers lack clear steps to encourage formalisation while protecting incomes. That is why the researcher was motivated by the insight that it is fundamental to explore the link between governance and informality in Nifas Silk Lafto Sub-City. It will pinpoint institutional and policy barriers that block trader inclusion. The study also explores practical policy options that involve everyone. These options would blend the informal sector into the wider city economy. Tackling the problems raised matters for better urban governance. It supports Ethiopia's Ten-Year Development Plan from 2020 to 2030. The work aligns with SDG 11 on sustainable cities and communities.

A large amount of people are entering cities rapidly in most developing countries. Simultaneously, levels of unemployment rise substantially. Informally traded goods and services represent a key source of income for a large part of the city population. Yet, links between city governments and informal trade suffer from critical shortcomings. Uncertainty on legal standing persists, policies largely ignore the sector, and institutional functioning is often inadequate. These issues are particularly pronounced in dynamic cities such as the sub-city of Nifas Silk Lafto in Addis Ababa, Ethiopia.

Informal trade has a significant impact on the creation of jobs and the reduction of poverty, as well as on food security in the city. The trading takes place in a highly insecure environment, in Addis Ababa in general and Nifas Silk Lafto in particular. The business of informality is described as "irregular business" in Regulation No. 184/2025, which translates into city-level regulations, policies and interventions that are punitive, rather than inclusive. All city level interventions focus on repression, evictions and confiscation, while no support is provided to the traders and no long-term solutions found. Missing framework for integration of informal trading groups into the formal city system was reported as a cause for the continuing problem of informal trade in many studies by Skinner (2020) and ILO (2018). The approaches used by city administration and officials still heavily revolve around force, where eviction, confiscation and moving of informal traders dominate, often without providing adequate support or compensation. This was widely debated by Bromley and Mackie (2019). In the case of Addis Ababa this is still re-enacted in .Formal employment is insufficient; hence, many residents engage in informal activities in Nifas Silk Lafto sub-city of Addis Ababa. However, Addis Ababa City Administration Regulation No. 184/2025 characterizes such activities as unlawful, stating under Article [insert article number] that —informal trade shall be considered as irregular business, thereby labelling livelihood activities of the urban poor as illegal.

Neglecting to properly include informal trade within city planning and land use has many undesirable impacts. Planned urban development projects and infrastructure usually exclude traders or evict them altogether. This results in informal traders accumulating in crowded areas where public health and safety standards are compromised and clashes with law enforcement increase. This has been highlighted in studies such as by UN-Habitat (2020) and Tegegne and Meheret (2020), while in another recent study, Gebre (2021), .It was reported that over 60 percent of Addis Ababa's informal traders have been evicted at least once, according to the Addis

Ababa City Government. 84. 2025 municipals' regulatory and execution power: Regulation No. 184/2025: that is, regulation to direct and regulate the non-formal trade activity. Addis Negari Gazeta..

Informal trading and municipal governance are inextricably linked, as it is the responsibility of municipal governments to govern public spaces, manage urban markets, implement by-laws, and stimulate local economic development. In addition to their role as regulators, municipalities are also able to accommodate informal traders through provision of designated trading spaces and market infrastructure, licensing and business support systems, as well as access to basic municipal services. Municipalities under inclusive governance see informal traders not as mere subjects of enforcement but as active economic players and partners in development. A municipality with inclusive governance in participation of trader organisations to contribute to the development of policy, market plans and regulations will lead to better compliance, more conflict resolution, increased municipal revenue mobilisation and sustainable urban development.

According to the World Bank (2011), inclusive regulatory frameworks would further enable access to finance, training, and business development services for informal entrepreneurs, while the IMF (2011) agrees that the inclusion of informal economic activity in municipal governance frameworks provides municipal governments a broader tax base and improves their revenue stream. Hence, municipal governance cannot just be used as a tool for control, but it also provides municipal government with an instrument to accommodate informal traders.

Displacement does not only mean income loss but also risks. Traders are denied access to credit, legal support, training programs and secured market spaces and are thus excluded from economic growth opportunities as found in studies by World Bank (2021), also from benefiting from potential taxation revenues to improve city infrastructure and services as reported by IMF (2021).

A number of factors related to trader's unwillingness to formalize also contribute to the complexity of the problem of integrating informal trade in cities. Traders might worry about potential job losses, loss of autonomy, higher taxes and a multitude of bureaucratic procedures, as noted by ILO (2019) and Horn (2020). In Ethiopia the bureaucratic burden is compounded by deep distrust in government and institutions, and a lack of inclusive policy-making dialogue, which were studied by Mulugeta (2022). The problem is therefore circular, and local administrators are often inclined to opt for quick enforcement responses, rather than addressing the underlying reasons for informality.

In Nifas Silk Lafto Sub-City, the features of the informal trade plays an important economic role as a source of employment, providing livelihoods to people, and contributing to local economic activity, ensuring city food supply. Its shortcomings include risks to traders' livelihoods through frequent evictions and lack of integration into the planning process, as well as denial of access to resources that can empower low-income urban populations, and hinder equitable city development. The development follows the Ten Year Development Plan of Ethiopia (2020-2030), and UN's Sustainable Development Goal 11, concerning sustainable cities and communities.

The problem signifies a fundamental challenge of governance that, besides the absence of enabling instruments for inclusive and participative city planning frameworks and context-specific tools to mediate the potential conflict between market regulation and trader support, remains inadequately researched for cities. Very few studies report on city administrations that have succeeded in this challenge and very few realistic options for the safe advancement of formalization and trade.

Although research on informal trade has proliferated, empirical studies have concentrated mostly on the socio economic significance of informal traders, on the problematic of informality, and on the effects of regulatory interventions. Few efforts have looked at how informal trade can be governed, accommodate and integrated into the city's development process by means of municipal governance frameworks, at sub-city level, particularly in Ethiopia.

In addition, empirical evidence does not exist in the case of the governance informality relation in Nifas Silk Lafto Sub-City, an area that is characterized by a massive prevalence of informal trade despite years of recurrent enforcement interventions and policies aimed at re-introducing it

under formal governance. The institutional, policy and governance constraints that limit the integration of informal traders, as well as site-specific ways of managing the trade and protecting livelihoods, have not been analysed. Therefore, this research aimed to explore governance-informality links in the sub-city of Nifas Silk Lafto and identify institutional and policy constraints hindering trader integration. It provides arguments for the implementation of inclusive and sustainable policy interventions that will facilitate integration of the informal economy into the wider city economy and promote just governance.

1.3. Objectives of the Study

1.3.1. General Objective

The main objective of this study was to examine informal trading, municipal governance, and local economic development in Addis Ababa in the case of Nifas Silk Lafto Sub-City.

1.3.2. Specific Objectives

- To evaluate the current regulatory frameworks and municipal policies governing informal trading in Nifas Silk Lafto Sub-City.
- To examine the contribution of informal trading to local, employment creation, and poverty alleviation in the sub-city.
- To explore the perceptions and experiences of informal traders regarding municipal interventions, support systems, and enforcement practices.
- To determine the primary obstacles that informal traders encounter when trying to obtain banking services, legal recognition, and infrastructure.
- To assess the municipal authorities' regulatory framework for incorporating informal commerce into urban planning and governance.

1.4. Research Inquiries

The following fundamental research questions were the focus of this study:

1. What laws and municipal regulations control Addis Ababa's informal trade?
2. To what extent does informal trade contribute to the creation of jobs in the Nifas Silk Laftosub-city?
3. How do informal traders feel about the local government getting involved in their business?
4. What obstacles must informal traders overcome in order to legalize their business practices?
5. How can the informal trade be codified and included into urban governance and planning?

1.4. Significance of the Study

The current research is of considerable academic value, especially in light of growing expansion in cities in Ethiopia where there has been increasing focus on legalizing economic activities. Theoretically, the research helps advance scholarly conversations about informality, municipal governance, and development within the Global South, by providing empirical insights into the topic. It is evident from current literature that there is little empirical data available on informality within Ethiopian cities like Addis Ababa, specifically concerning trading in particular. This study seeks to fill this void through analysis of Nifas Silk Lafto.

This study does not just look at how trading works. It really looks into the problems and conflicts that come up when people try to move into the sector.

You get to see what traders and city officials deal with every day. They face issues like rules and difficult management.

This study is really helpful, for anyone working on development.

Municipal planners and local officials can see where the current rules are not working. They can identify where management is weak. They can also see what traders really need.

With this information policymakers can create plans that fit the city. These plans can help people earn a living. They can increase income. They can also help use space efficiently.

Moreover, it allows for policies to be crafted in line with these realities by developing policies that will promote sustainable livelihoods and increase local revenue generation while optimizing the use of urban land. This process is not standalone; it dovetails into some of the international targets set forth by bodies such as the United Nations with respect to SDG 8 and SDG 11.

In conclusion, this research calls for an approach to urban administration that is more equitable and holistic. This is because it does not advocate for a suppression of informal trading activities but rather sees them as a valid part of the economy which, with proper support, can drive urban development and enhance urban resilience.

1.5. Limitations of Study

While this study focuses on how informal trading is regulated and what role it plays within Nifas

Silk Lafto Sub-City of Addis Ababa. It is only examining one sub-city out of 11 sub-cities in Addis Ababa, the results of this study may not apply to other sub-cities (or the rest of the country). The socioeconomic make-up of these other sub-cities and regions may vary from Nifas

Silk Lafto. Second, due to the transient nature of many informal traders and their reluctance to share information through surveys/interviews due to the informal nature of their businesses, gaining access to a representative sample of informal traders is challenging. Time and resource constraints limit the depth and breadth of the fieldwork, thereby limiting the total number of interviews, focus groups, and site visits that could be done for this study. Lastly, due to the informal nature of trading, there is little or no reliable, consistent secondary data available from government sources to assist in assessing the total economic impact of informal traders or the impact from regulations related to informal traders. However it can possibly address the relationship between municipal governance and informal trade and its role in economic growth Nifas Silk Lafto Sub-City of Addis Ababa intensively.

1.6. Limitation of the Study

The study took place in Nifas Silk Lafto Sub-City, Addis Ababa, Ethiopia between in 2025/26 accademic year). The Nifas Silk Lafto Sub-City comprises 15 Woredas; Woredas 9 and 13.

The main purpose of this research is to evaluate the problem, challenges and opportunities of street trade with reference to the impact of municipality implementation, the informal trade control mechanism to the informal economy in Nifas Silk Lafto sub city. From municipal level officials, the sampling method used was the purposive one. Ten officials from Addis Ababa City Administration Trade Bureau, Nifas Silk Lafto sub city Trade office, Woreda 9 Trade office, and Woreda 13 Trade office were interviewed based on their knowledge and function in relation to informal trade-related policy implementation.

Therefore the target groups to this research are street traders in Nifas Silk Lafto sub city and municipal officials working at city, sub-city and woreda level in relation to the control of informal trade. Addis Ababa is an important centre of informal trade within Ethiopia and is responsible for the development of regulations regarding street vending and other types of informal economic activities. The City has developed a variety of means to regulate informal trade and has greater enforcement regulations for informal trading activity in this aspect of the study. This study will focus on understanding the governance and regulatory approaches applied by regulatory bodies from local governments to deal with the challenges of informal trade in the two selected Woredas in Nifas Silk Lafto.

1.7 Scope of the Study

This study is going to take place from June 2022 to July 2024 in Nifas Silk Lafto Sub-City, Addis Ababa, Ethiopia. Nifas Silk Lafto Sub-City is made up of 15 Woredas. For this research we picked Woredas 9 and 13 by chance. We want to look at how people do trading in these areas.

The study will look at the problems that people who trade on the streets face in Nifas Silk Lafto Sub-City. We are especially interested in how the city government handles these issues and regulates trading.

Addis Ababa is a place for informal trade in Ethiopia. So it plays a role in controlling street vendors and other informal economic activities. The city government has set up rules and ways to enforce them to manage trading. They are really focusing on this in Nifas Silk Lafto Sub-City. This study will try to understand how the local government is handling the problems caused by trade in Woredas 9 and 13 of Nifas Silk Lafto Sub-City. We will look at the rules and regulations they use to deal with trade, in Nifas Silk Lafto Sub-City.

1.8 Organization of the study

The study is divided into five chapters. Each chapter deals with a part of the research on informal trading in Nifas Silk Lafto Sub-City, Addis Ababa.

* Chapter one is about introducing the study. It talks about the background the problem the study is trying to solve the goals and why the study's important. It also explains what the study will cover and what it will not cover.

Chapter two looks at what other researchers have found out about trading how cities are run and how cities grow economically. It finds out what is missing in the research and provides a plan, for the study.

Chapter three explains how the study was done. It talks about the research design, who was studied how the data was collected and how it was analyzed. This is to make sure the study is reliable and clear.

In Chapter four the study shares what it found out from the data. It talks about the problems and chances related to trading in Nifas Silk Lafto Sub-City. It also compares these findings with what other researchers have found.

Chapter five summarizes what the study found out. It gives advice to people who make policies and city authorities. It also suggests what other research should be done on trading.

Chapter Two: Literature Review, Conceptual and Theoretical Framework

2.1. Introduction

This chapter looks at what people have said about trading and how it fits into the bigger picture of cities and their economies. It talks about how trading works with the city government and how it affects the city as a whole. The chapter uses ideas from experts, examples from around the world and some local examples to understand informal trading and how it relates to cities growing and making sure everyone benefits from that growth. Informal trading is a part of this discussion, about cities and making sure everyone has opportunities to grow and succeed.

People are taking a look at how informal trading works in cities like Addis Ababa. This is happening in cities in the developing world. Informal trading is very important to the economy in these places. So we need to understand how it works.

In this chapter people are looking closely at the good things about informal trading in cities like Addis Ababa and the problems it faces. They want to know how informal trading helps people make a living. They also want to know how rules and regulations and the use of land affect trading in cities like Addis Ababa. Informal trading in cities, like Addis Ababa is very important.

The debate covers different policy interventions implemented by municipal governments to regulate and formalize informal trade. These may range from the use of regulatory policies to strategies of integration and the use of specific forms of governance to fit informal trading into formal city economies and finally the assessment of the positive as well as the negative impacts these may have on traders in terms of livelihoods, rights and inclusion.

2.2. Informal Trading: Concepts and Definition

Informal trading refers to the exchange of goods and services in public spaces without goods registration, licensing, or any compliance with the law. Harris (2005) defines informal trade as a strategy for survival among the poor in cities, especially in developing countries, where it plays a central role in creating employment and income for the poor. Chen (2012) and WIEGO (2013) argue that informal trade arises due to a lack of formal employment, especially in rapidly developing cities.

The dual sectors theory (Lewis, 1954) is a theoretical account for the continuity of informal trade. The theory distinguishes the economy into two sectors: a modern sector, which is composed of formal, capitalistic firms, and a traditional sector, which is labour-intensive and

informal in form. Informal trade arises as a spontaneous response to the exclusionary nature of the modern, formal economy, particularly in low-income, rapidly expanding cities.

Relationship between Informal Vending and Municipal Governance in Addis Ababa

1. Regulation and licensing:

Municipal authorities are generally responsible for issuing trading licenses, allotting trading sites and enforcing municipal by-laws. The ease of access and costs associated with these procedures may serve as deterrent or incentives to encourage traders to move to the formal sector.

2. Infrastructure and service delivery:

Municipalities provide market, stalls, public toilets, waste management systems, water and electricity and security to traders. Provision of good services helps to increase the productivity of traders and creates an incentive for them to formalize.

3. Enforcement and compliance:

Municipal authorities ensure compliance with the regulations governing vending activities. Overzealous enforcement can make the traders keep themselves in the informal sector while supportive enforcement measures can gradually integrate traders into the formal sector.

4. Economic development and support for livelihood creation:

Municipalities provide various support schemes like training, access to finance, market development and business development services to boost income of traders and help them transition to the formal sector.

5. Participation and representation:

The process of municipal governance can lead to forums for discussion between traders and local authorities. With the adequate representation of traders in policy-making, the local authorities are likely to put in place mechanisms that support the needs of the traders thereby ensuring their cooperation.

6. Municipal revenues:

Fees, licenses and taxes collected by municipalities will increase when traders get into formalization while the traders can enjoy rights and better protection.

2.3. Informal Trading in Urban Contexts

Incorporation of informal trade is strongly related to heightened urbanisation and rural-urban migration, which often exceeds expansion in formal employment opportunities. Satterthwaite (2013) finds that urban migration, combined with inadequate creation of formal jobs, pushes many into informal trade as a means of survival. The trend is particularly prevalent in urban areas like Addis Ababa, where unemployment levels are high and poverty levels are low, increasing the demand for informal employment (ILO, 2018).

Theoretically, theories of urban informality (Roy, 2005; Chandavarkar, 2007) explain informal business as one form of expression of the urban informality phenomenon in general. Informal economic enterprise such as street vending occurs according to these scholars because formal systems cannot accommodate the needs of growing urban populations. In cities like Addis Ababa, informal commerce provides the necessary vehicle for accessing goods and services and livelihoods for individuals who cannot participate in the formal economy due to barriers like the absence of education, financial resources, or state approval.

In the African context, informal trade is a significant proportion of employment as well as GDP. International Labour Organization (ILO, 2018) reports show that over 90% of African non-agricultural employment is informal. Muiruri (2010) also suggests that informal trade is at the centre of the Ethiopian urban economy, poverty reduction, and self-employment. This shows that informality does not negatively affect the formal business sector, but rather helps as a backbone of economic development for a particular country.

2.4. Regulatory Challenges and Municipal Governance

Among the central problems for informal traders is a shortage of formal authorisation or regulation of their operations, generating disputes between informal traders and municipal administrations and governments. Informal trading occurs outside the sphere of municipal government and city planning policies in most cities, as with Addis Ababa (UN-Habitat, 2008). Theory of governance (Ostrom, 1990) underscores the role of local governments in the regulation of resources and meeting the needs of their urban citizens. Municipal governance in this context involves ensuring that informal economic activities are incorporated into urban planning protocols in order to facilitate inclusion, sustainability, and equitable economic growth.

Addis Ababa, face challenges regarding the ability of their informal traders to access urban

frameworks, are to receive municipal recognition, to be afforded social security, and other services offered by the municipality through the commercial licensing requirements mandated by Addis Ababa City Regulation No. 184/2025. Regulation No. 184/2025 defines informal trade as trading activities that operate outside legally recognized regulatory frameworks, including licensing, registration, and other government requirements (Addis Ababa City Government, 2025, Article 2).

The informal trading sector is important to the economic development of the city of Addis Ababa, as well as to the informal economy (North, 1990). However, due to the lack of adequate institutional frameworks and the poor enforcement of these frameworks, informal traders will find it challenging to operate in the formal economy (Masonganye, 2010).

According to the Urban Governance and the Role of Informal Trade in Urban Economic Development Study, the lack of access to legal formalization of the informal sector and the lack of social security for the informal sector in Ethiopia are attributed to Ethiopia's federal system of government. The Federal Democratic Republic of Ethiopia (FDRE) Constitution (1995) enables the federal government to share power with regional and local governments (Government of Ethiopia, 1995). In the case of Addis Ababa, the city has a number of urban municipalities that do not have an active legislative body or do not have a governing body that is responsive to the needs of their residents.

Under the Ethiopian Constitution, Addis Ababa is a "chartered city" that serves as the capital of the federal government, but it is not a member-state within the federation. The city administration is directly accountable to the federal government, establishing a relationship defined by direct oversight, shared authority, and unique administrative provisions

Direct Accountability: According to Article 49 of the FDRE Constitution, Addis Ababa is governed by its own elected city council and mayor, but this self-governing administration is directly accountable to the federal government, not to any regional state.

Therefore Direct Accountability The lack of access to urban infrastructure and other forms of support for informal traders in Ethiopia can similarly be attributed to the fact that there is limited representation for the informal traders in the governance systems of the country. Additionally, as per the Urban Governance and the Role of Informal Trade in Urban Economic Development Study, informal traders are a community of individuals that have a different view of the resources and services that are provided to them by their local governments than they do, and so the gap in communications exists between the informal trader and their local government.

2.5. The Role of Informal Trading in Economic Development

Informal trade remains a critical engine of economic development in developing countries. Informal trade is significant in boosting local economies via expanded access to services and products,

employment opportunities, and entrepreneurship (Moser, 2017). Social capital theory (Putnam, 2000) also outlines how informal trade helps boost community solidarity.

of informal traders are involved in networks and associations, which help create avenues for the exchange of resources as well as cooperation and hence reinforce economic resilience.

Characteristics: To qualify as "e-informal,"

a trader's capital must be below \(\text{ETB } 200,000\)) (having recently been raised from \(\text{ETB } 10,000\)) to include more micro-businesses).

Regulatory Stance:

These Informal traders are provided with annually renewable licenses or granted stalls in designated marketplaces and Sunday markets, although they do not pay standard corporate taxes.

Transition Limit:

Under city directives, traders have a two-year operational limit in this category. Once their capital exceeds \(\text{ETB } 200,000\)), they are mandated to transition to the permanent formal system.

The integration of informal trade into urban planning can bring positive outcomes, such as improved infrastructure, investment, and legal protection for traders. Theory on inclusive growth shows that formal economic systems with informal activities can provide more sustainable and inclusive economic growth. As follows the World Bank (2013) and UN-Habitat (2016), the recognition of the informal sector as a central element of urbanization leads to better policy-making and planning that can help both the informal traders and the broader urban community. On the other hand, informal trade in Ethiopia's federal structure positively contributes to economic development aimed at decentralized and balanced regional development. Ethiopia's federal set up is intended to share political power and economic benefits among many regions and localities. Informal trade increases the federal principle of self-administration and local economy building (FDRE Constitution, Art. 52). Hence developing informal trade is consistent with the national policy of facilitating balanced development between and among regions and cities. Furthermore, incorporating informal trade into city and regional development policies enables a federal vision of bottom-up economic engagement and equitable growth at the sub national level (Fenta, 2017).

2.6. Best Practices

Global institutions such as the World Bank (2013) have established standards aimed at integrating informal trading into broader urban development strategies.

Steiler from the year 2018 says that cities need to be more open and helpful to people who are running businesses on their own. This means cities should give people the chance to learn things and get help when they need it so these small businesses can become a real part of the city.

The Advocacy Coalition Framework, which was talked about by Sabatier in 1988 says that it is very important for the people who are running these businesses the local government and other people who are involved, to work together. This will help make the rules and laws of the city more fair and make sure everyone has a say, in what happens.

Lessons from Nairobi and Lagos case studies could be drawn regarding Addis Ababa. Both cases demonstrate that in urban policies, there is an equilibrium created between informal traders' needs and urban development aims.

This includes measures such as zoning controls, the allocation of designated market spaces, and

improved access to public services (Bizoza, 2014). These examples illustrate a shift towards policy integration theory, which advocates for the

incorporation of informal sectors into formal urban planning to promote balanced and sustainable development. In terms of federal controlling mechanisms, these best practices indicate the necessity of integration among various levels of government. Ethiopian federal structure necessitates vertical cooperation among federal, regional and city administrations to develop urban policies that are inclusive. Addis Ababa City Administration, even though it has direct accountability to the federal government, still requires intergovernmental collaboration for resources and policy coherence. Thus, using policy integration and advocacy coalition frameworks in the Ethiopian federal system can facilitate meaningful discussions between informal traders, local governments and higher levels of government, including greater policy alignment and joint monitoring (Assefa, 2012; Fenta, 2017).

2.7. Conceptual and Theoretical Framework

This study's conceptual model is specific to discussing the dynamics between informal trade, urban administration, and urban economic development, with a focus on Nifas Silk Lafto Sub-City in Addis Ababa. The conceptual model brings together theoretical concepts and empirical data to analyse how informal trade is operating within the broader context of urban governance and economic development. The following conceptual model illustrates the key variables and how they affect each other:

2.7.1. Informal Trading as a Livelihood Strategy

Informal trading serves as a vital livelihood strategy for poor urban residents, particularly in rapidly growing cities characterised by high unemployment and limited access to formal employment.). The sector allows individuals to earn a living by selling goods and services in public spaces, often without formal registration, business licenses, or compliance with official regulations (Chen, 2012; ILO, 2018; Roever& Skinner, 2016). In many developing cities, informal trade fills critical economic and service gaps left by the formal sector and provides a safety net for marginalised populations (Skinner, 2008; Tegegne&Meheret, 2011

2.7.2. Key Factors Driving Informal Trading:

Informal trading is largely driven by a combination of socio-economic factors in urban settings. One of the most significant is unemployment and poverty, as many individuals turn to informal business activities in response to the scarcity of formal job opportunities in cities (Satterthwaite,

2013). Another critical factor is limited access to capital and credit; without financial support or the ability to secure loans, many potential entrepreneurs are unable to meet the entry requirements of the formal sector and are thus pushed into informal trading (Chen, 2012). Additionally, self-employment through informal trade provides individuals with a sense of autonomy over their labour, contributing to both economic independence and personal empowerment, especially among marginalised groups (ILO, 2018).

2.7.3. Municipal Governance and Regulation

Municipal governance refers to the ways in which local governments govern, regulate, and deliver services to urban residents, including those involved in informal trading. In rapidly urbanising cities, effective municipal governance is crucial for integrating informal economic activities into formal urban systems. This integration not only promotes sustainable economic development but also helps address the socio-economic and spatial challenges associated with urbanisation.

Importantly, municipal governance must be understood within the broader framework of decentralisation and federalism. In countries with federal systems, such as Ethiopia, decentralisation gives sub-national governments—including municipalities—greater authority to design and implement policies tailored to local contexts. This decentralised regulatory governance structure enables city administrations like that of Addis Ababa to respond more effectively to the needs of informal traders by developing localised regulations, allocating urban spaces, and providing essential services. However, the success of such efforts depends on the degree of autonomy, capacity, and resources devolved to municipal governments under the federal structure.

Thus, strengthening municipal governance through meaningful decentralisation can enhance the inclusion of informal traders in urban economic planning, helping to create more equitable and responsive city economies

• Principle Factors:

Regulatory frameworks influence the functioning of informal trade, with clearly defined and coherent regulations often determining the extent to which the sector operates fairly and systematically as ambiguous or weakly defined regulations cause legal uncertainties and

inequitable practices (Addis Ababa City Administration, 2025) the extent to which informal trade is integrated into city planning decisions shapes whether a city is coordinated in its development or competitive over scarce public space (UN-Habitat, 2008) as the challenges in attempting to formalize informal businesses include cost, bureaucracy, and traders' concern over loss of independence (Masonganye, 2010) informal trade has significant economic functions in urban development by creating jobs, offering goods and services at low cost to the poor and facilitating small entrepreneurships and effective integration into formal systems would reinforce these functions, improve living standards in cities and at the same time this is often a source of employment to many, especially when employment in formal sector is low (ILO, 2018) and also increases economic robustness through alternative livelihoods, during economic recession or stability (Moser, 2017)

2. 7.4. Challenges and Opportunities in Informal Trade

While informal trade offers significant economic benefits—particularly in terms of employment generation and poverty alleviation—it also faces numerous challenges that hinder its full potential. Key among these are regulatory challenges, including the lack of clear or consistent policies governing informal trade, which often leads to conflict and tension between municipal authorities and traders (Horn, 2015). Additionally, infrastructural and service gaps significantly affect the productivity and sustainability of informal businesses. Many traders operate without access to basic urban amenities such as transport, sanitation, and electricity placing them at a disadvantage compared to their counterparts in the formal sector (WIEGO, 2013). Despite these challenges, there are meaningful opportunities to strengthen informal trade through more inclusive policymaking and improved governance structures. For instance, involving informal traders in urban planning processes can lead to better infrastructure provision, increased allocation of trading spaces, and enhanced access to public services—measures that can support the gradual integration of informal trade into formal urban economies (Steiler, 2018).

Transition Licenses: Previous transitional licenses were provided by the municipal authority to thousands of street vendors; however, their integration to a permanent formal status was hindered due to financial strain and capital shortages.

Insufficient Spaces: The municipal authority faces severe space shortage; spaces allotted for vendors when pushed back into the city center are overcrowded and lack facilities like water supply, sanitation, and electricity, thus luring back the traders into the streets

7.5. Theoretical Underpinning of the Conceptual Framework

The proposed conceptual framework draws support from several large theories. These include:

One: Dual-Sector Theory (Lewis, 1954): The informal economy is considered to be a subsistence solution to a lack of opportunities in the formal economy. It is found in the

"traditional" sector, which produces incomes for those who are not part of the modern, capital-based economy.

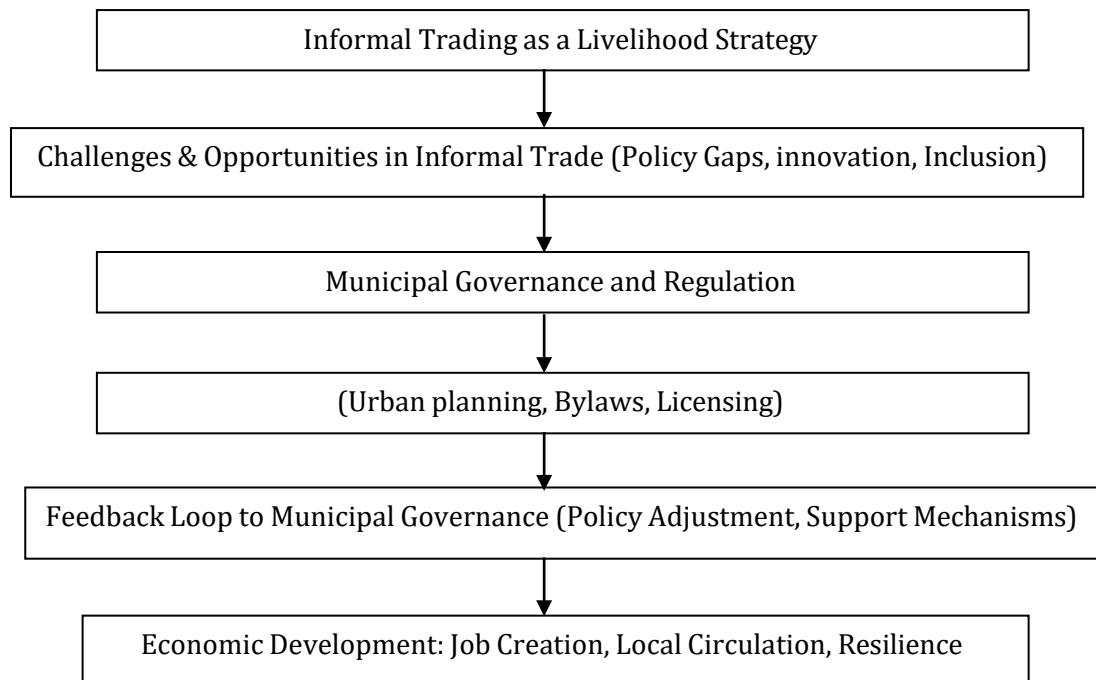
Two: New Institutional Economics (North, 1990): Formal non-recognition and regulation of the informal trade highlights the role of institutions in shaping economic outcomes. Weak or poor regulations or enforcement might deter the integration of the informal trade into the formal economy.

Three: Social Capital Theory (Putnam, 2000): Social networks tend to be formed among informal traders to share resources, ideas, and methods. They facilitate economic resilience and community solidarity and thus contribute towards local economic development.

Four: Governance Theory (Ostrom, 1990): Effective good governance is vital in controlling Informal trade and ensuring that both the formal and informal economy policy and legislation in urban spaces are suited for both. Informal traders, local authorities, and other stakeholders should collaborate to achieve inclusive urban development.

2.8. Conceptual Framework Diagram

Below is a simplified representation of the conceptual framework model, outlining interrelations between urban governance, informal trade, and economic growth:



Source: Adapted from: Satterthwaite, D. (2023). Urbanization and the informal economy

2.9. Conclusion

The theoretical framework developed in this paper has extended the analytical scope to an overarching analytical frame to the relation between informal trade, municipal governance and urban economic development in Addis Ababa using Nifas Silk Lafto Sub-City. City as the specific area of focus. It has synthesized several main theoretical views like Dual-Sector Theory, New Institutional Economics, Social Capital Theory, Governance Theory etc, to provide an enhanced explanation of the structural and institutional mechanisms determining the informal economy. It has also demonstrated that informal trade is an important livelihood strategy particularly for the poor in the urban setting, helping them achieve livelihood security and income.

In addition, the framework reveals that the relationship between informal traders and municipal administration is typically fraught with conflicts, especially where regulation is unclear, exclusionary and unevenly applied.

In spite of this reality, there is also immense potential for informal trade to become integrated in urban formal sector. This integration can enhance livelihood resilience, sustainable living, and economic well-being, if such a process is backed by inclusive policies and sensitive institutions.

Hence this study intends to explore the embodiment of all these conceptual elements into real practice within the context of an urban Ethiopia. In the process, it is expected that the findings provide empirical information in terms of how the municipal government can provide greater support for informal trade operations and improve the hardships that are faced, leading to improved livelihoods for informal urban dwellers. The study

governments can do more to support informal trade activities and alleviate the prevailing hardships, in order to foster better livelihood among the urban informal sector. The study concludes with the suggestion that a pragmatic and inclusive governance framework is crucial to both stimulate sustainable urban economic development and livelihood resilience among the informal sector. Municipal governments can do more to support informal trade activities and alleviate the prevailing hardships, in order to foster better livelihood among the urban informal sector. The study concludes with the suggestion that a pragmatic and inclusive governance framework is crucial to both stimulate sustainable urban economic development and livelihood resilience among the informal sector.

Chapter Three: Research Methodology

Introduction This chapter outlined the research methodology used to study the relationship between municipal governance, informal trade and local economic development in Nifas Silk Lafto Sub-City Addis Ababa.

The research design was created to fully capture the complexities of informal trade practices and the regulatory framework of cities. Using a mixed method approach combining quantitative and qualitative techniques, the study aimed to provide both a general overview of informal trade and an in-depth understanding of governance strategies that shape this system of economy. The combination of both administrative data and the direct input of informal traders had enabled a more comprehensive understanding of this issue; therefore creating more reliable and robust data findings

3.1. Research Design

A mixed-methods study design was employed in the study using both qualitative & quantitative components of research together to provide an integrated view of informal trading dynamics. Quantitative data consisted of surveys of informal traders, providing demographic information & levels of activity, along with their responses to municipal regulations. This type of data provides evidence of general trends within the informal trading sector.

Qualitative data was collected through semi-structured interviews with municipal officials and by observing informal trade in the field. Qualitative data provides insight into the problems faced by officials in regulating informal trade and the larger socio-political landscape surrounding informal trade. By combining both of these methodologies in this study, the researchers intended to provide a rich depiction of how the municipal government impacts informal trade and what could be improved through regulatory reform (Creswell & Creswell, 2018)..

3.2. Description of the Study Location

The study was conducted in Addis Ababa, Ethiopia, with a primary focus on Nifas Silk Lafto Sub-City, one of the city's twelve administrative sub-cities. Located in the southern part of Addis Ababa, it is bordered by Bole Sub-City to the north and east, Akaki-Kality Sub-City to the south, and Kolfe Keranio Sub-City to the west. Administratively, the sub-city is divided into twelve woredas (districts) and had an estimated population of approximately 500,000 residents

According to the 2022 census. The spatial location and boundaries of the study area are illustrated using a map source (Google Maps, 2020).

Regarding governance, Addis Ababa's city administration operates within Ethiopia's federal system, with a decentralized structure that delegates authority across different administrative levels. The Addis Ababa City Council is the highest legislative body within the city and is primarily responsible for making city-wide laws and bylaws, approving budgets, and overseeing policy implementation. However, the city council does not operate in isolation; governance responsibilities are shared with sub-city and woreda administrations.

Each sub-city functions as a semi-autonomous administrative unit with its own executive office responsible for implementing city policies, managing local services, and coordinating development activities. However, sub-cities generally do not have independent legislative councils but operate under the legal and policy framework established by the city council. Below the sub-city level, woredas serve as the smallest administrative units, each with its own executive structure responsible for grassroots governance and service delivery.

The relationship between the city, sub-city, and Woreda administrations is hierarchical yet interdependent. The city council provides overall direction and legislative authority, while sub-cities and woredas execute and manage policies on the ground, adapting them to local needs. This governance structure allows for decentralized decision-making and more localized management of urban services, including those related to informal trade.

Figure 2: Nifas Silk Lafto sub-city Street of study area



Source: Google Map, 2020 **Figure 2: the map of Addis Ababa**

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Purposive sampling was used to select municipal officials, with a total of ten respondents drawn

selection was based on their direct involvement in informal trade policy formulation and enforcement. The distribution of respondents across the offices was determined purposively according to their level of responsibility and relevance to informal trade regulation rather than being equally allocated. Also, they were included in the study in one way or another, as both operate within the same governance system and regulatory framework.

3.4. Data Sources and Data Types

In order to provide a more complete picture of the relationship between informality and municipal government, both primary and secondary sources of data were used.

3.4.1. Primary Sources

Data was collected primarily from individuals and organizations that are currently involved with or are impacted by informal trading activities. The gathering of data took the form of direct observation of the people and institutions involved in or affected by informal trade. This included: informants composed of municipal authorities (as well as their Departmental Officials who control trade regulation) and informal traders / street vendors (the primary respondents of the research). Informal traders / street vendors were provided first-hand testimony about what it is like to be an informal trader every day. Surveys of a sample of informal traders were taken to provide quantitative data about the characteristics of traders, their operational issues, as well as their relationship with municipal officials. There were documents such as the Municipal Government Regulations / Orders / Circulars which provide an official statement of policy intentions and implementation. Historical documents include letters and other correspondence and appeals from informal traders that depict the historical and institutional response to issues related to informal trade.

3.4.2. Secondary Sources

The use of secondary data has supplemented the primary data by providing context and academic perspectives. Examples of secondary sources now used include: academic journals, books, and published reports regarding the informal economy, street vending and urban administration; research studies and publications by various organizations such as WIEGO, UN-Habitat and ILO, which explore broader policy questions and draw inferences through comparative analysis against other jurisdictions/situations; and policy reports and publications that assess and critique the municipal response to the informal economy (e.g., Skinner & Watson, 2023; Roevers, 2022).

The combination of primary and secondary data will enable us to draw conclusions regarding informal trading activities in a more comprehensive manner than would be possible if either type of data were used independently.

3.4.3. Data Collection Tools/Instruments

In order to provide a more complete picture of the relationship between informality and municipal government, both primary and secondary sources of data were used.

a) Questionnaires

To get the desired data, close-ended and open-ended questionnaires were prepared and administered to respondents, such as predominantly informal traders, municipal authorities, and locals. Closed-ended questions yielded quantifiable data regarding demography, trading behaviours, and interactions with local authorities. Open-ended questions entailed space for respondents to offer remarks on municipal regulations, enforcement issues, and adjustment. The survey was pretested for clarity, reliability, and contextual appropriateness before final release.

b) Interviews

Semi-structured interviews were conducted with key informants such as municipal officials, planning officials, market managers, and informal traders' association leaders.

c) Focus Group Discussions (FGDs)

Focus group discussions were held with groups of 5–10 street vendors operating in Woreda 9 and Woreda 13 of Nifas Silk Lafto Sub-City. The discussions aimed to capture participants' shared experiences and perceptions regarding regulation, security, and access to trading spaces. The FGDs focused on capture mutual perceptions and experiences of vendors regarding regulation, security, and access to trading space. Capture gender relations, coping mechanisms, and collective organization among the informal traders. Capturing traders' opinions regarding policy reforms and their desired modes of interaction with the municipal authorities. FGDs provide a channel through which members can express shared concerns and community-level opinions, supplementing the qualitative data.

d) Observations

To get empirical data, non-participant observation was further undertaken in selected marketplaces and street vending grounds to collect first-hand information on the trading dynamics of informal trade, including: Spatial arrangements, types of products offered, and trading times. Trader/customer and trader/enforcer interfaces. Events of eviction, confiscation, or negotiation, as the case may be. A checklist for observation was drawn up to facilitate systematic documentation of field notes and photographic records where appropriate.

3.5. Data Collection Methods

3.5.1. Quantitative Method of Data Collection

For triangulation with quantitative data, data collected from informal traders, local government officials and residents was collected via standardized questionnaires. The survey recorded raw data in relation to:

- The socio-demographic trader profile (sex, age, level of education, income etc.)
- The characteristics of the trader and the place where he/she trades
- The trader's contacts with local government authorities and whether or not he/she abides by the regulations set for informal traders
- The problems that the traders experience at work on a day-to-day basis. Data was used to derive the boundaries of the diversity of informal economic activity, range and structure according to Chen et al. (2023) framework

3.5.2. Qualitative Method of Data Collection

For triangulation purposes, the researchers used different methods to collect qualitative data which they needed for their triangulation research of quantitative results. The researchers used semi-structured interviews to gather information from municipal officials and community leaders about their views on policy directions and administrative aspects of informal trade. The research team conducted focus group discussions with street traders to learn about their daily lives and the obstacles they face and the methods they use to deal with those obstacles. Non-participant observations were conducted to study trading methods and the ways traders interacted with each other and their daily operations with local officials and the informal street level governance systems. This triangulation methodology is supported by Liddell (2021) and Mitullah (2022),

who assert that in order to understand the power dynamics and institutional voids related to urban informal governance, multiple sources of information must be considered.

3.6. Data Analysis

The qualitative and quantitative data analysis was designed to be representative of the best method of research currently available in urban studies (Roever & Skinner, 2023). Quantitative survey data was analyzed with descriptive statistics such as frequencies, percentages, and means in order to reveal trend patterns related to demographics, patterns of trade and perceptions of municipal regulation. To further assess the relationships of the various variables, other inferential statistical methods such as chi-square tests and regression analyzed were used as well (Kamunyor, 2022). The above described methods produce useful, actionable findings that inform urban policy and governance. Qualitative data collected through interviews, focus groups and observations will undergo a thematic analysis (Lund & Saitta 2023). Thematic analysis can identify and characterize the emergence of themes and patterns with respect to informal trade practices, governance, and the trader-state relations. Thematic analysis is well-suited to revealing the experience and context of marginalised people (Lund & Saitta 2023). NVivo software was used to code, organize, and integrate the qualitative data collected on-site; thus ensuring methodological rigor and enhancing the validity of the findings. NVivo is necessary for managing large qualitative datasets and for providing careful thematic interpretation (Creswell & Poth, 2018).

3.7. Ethical Considerations

Ethical procedures were employed to guarantee participants' rights throughout the study and the research process. Before participating in the study, all participants were provided with sufficient information concerning why the study is being conducted; what their role will be as a participant; and what their rights are (i.e., right to withdraw from the study if they wish). Sufficient care was taken to accommodate the consent procedure to the informal trader's environment with some participants being illiterate. According to Gebeyehu (2023) it is vital that researchers use culturally appropriate and accessible methods when obtaining written consent, i.e. utilizing verbal consent when conducting research with participants in the informal sector.

Confidentiality and anonymity were maintained for all participants. Participants' identities were shielded through the use of pseudonyms and secure data storage/management techniques. Tadesse and Tefera (2024) emphasize that these types of protections are extremely important to provide for researchers working with informal traders, as many of them face possible legal and/or financial harm if their identities are disclosed.

The study also seeks to minimize the possibility of any harm to the informal traders. Informal traders work within an environment that may be very precarious in nature and therefore, may be subject to exploitation and unintentional consequences for participating in the study. Inconclusive (2024) believes that researchers have a responsibility to mitigate this type of risk and develop ethical procedures directed toward the well-being of the participants, especially vulnerable participants (e.g., women).

Chapter Four: Results and Discussion

4.0. Introduction

This chapter deals with the data recorded in the field that give insights into how informal trade occurs within Nifas Silk Lafto Sub-City; how well existing regulations work with respect to informal trading; and, finally, the experiences/perceptions of informal traders. The analysis drew on quantitative and qualitative (e.g. interviews and surveys) data that had been triangulated with secondary literature with the goal of understanding the relationship between governance and informality..

4.0. Demographic Characteristics of Informal Traders

Table 4.1: Demographic Characteristics of Informal Traders (n = 150)

Variable	Category	Frequency (n)	Percentage (%)
Gender	Male	60	40.0%
	Female	90	60.0%
Age Group	18–25 years	25	16.7%
	26–35 years	55	36.7%
	36–45 years	40	26.7%
	46 and above	30	20.0%
Marital Status	Single	35	23.3%
	Married	85	56.7%
	Divorced/Widowed	30	20.0%
Educational Level	No formal education	20	13.3%
	Primary school	50	33.3%
	Secondary school	60	40.0%
	Above secondary	20	13.3%
Years in Informal Trade	Less than 1 year	15	10.0%
	1–3 years	45	30.0%
	4–6 years	55	36.7%
	More than 6 years	35	23.3%
Type of Trade	Food and beverages	50	33.3%
	Clothing and textiles	40	26.7%
	Household goods	30	20.0%
	Electronics and accessories	15	10.0%
	Miscellaneous	15	10.0%

According to the data in Table 4.1.above the demographic profile of informal traders in Nifas Silk Lafto Sub-City gives a good overview regarding both the composition and social characteristics of the sector. According to the results from the survey, 60% of the respondents are women, indicating how gendered the informal trading profession seems to be and that women may rely on this sector for their livelihood due to limited opportunities for formal employment. The age group 26–35 has the highest proportion of 36.7%, followed by the 36–45 age group, comprising 26.7%. This evidence shows that most informal trader's fall within the age brackets of being economically active, thus identifying them as a very key source of employment for people of working age.

Out of the total, 56.7% of the traders are married, 23.3% single, and 20% divorced or widowed. This means that most traders have family responsibilities, and their dependence on informal trade is increased because it is a steady source of income for them. The level of education for the traders is such that 40% received education up to secondary school, while 33.3% received only primary education. However, only 13.3% received an education that went beyond the secondary level, and the same percentage had no formal education at all.

While conducting fieldwork, one trader interviewed at the nearby Saris market stated that, "Formal jobs are difficult to obtain due to limited schooling. I have a family to take care of. I'm glad that I am able to support them with this job." This provides additional evidence to support the survey findings indicating that informal trade continues to be the primary source of employment for people who have little or no skills or formal training in work.

There is a range of experience among informal traders, with the majority (36.7%) having engaged in trade for between 4 and 6 years, 30% having traded for between 1 and 3 years, and of the 23.3% that have been engaged in buying and selling for 6 or more years, This suggests that many of the people working in this industry are making long-term investments in their businesses instead of using informal trade as a temporary stop gap until they find a more stable job. The majority (33.3%) of the products traded can be categorized into food and beverage, with clothing and textile being the second largest category (26.7%), and household goods being third (20%). A small number of products were classified into two very small categories of electronics and accessories (10%) and Miscellaneous (10%).

The data also indicates that approximately 56.7% of informal traders surveyed are married, which means that informal traders have parental or family responsibilities that require them to rely on their informal trade income more than on any other available income source. Many of the informal traders surveyed had received little or no formal education (13.3%), and while they had differing levels of experience with respect to the number of years they have participated in informal trading, most of the informal traders interviewed indicated that they had been participating in informal trade for long periods of time. An example of this type of extended participation is the previous quote from the trader who said "I have been trading here for about nine years," thereby indicating that many people who participate in informal trading have established stable forms of work. The overwhelming majority of informal traders surveyed indicated that they primarily sold food and beverage products, clothing and textile products, and household goods.

Table 4.2.: Informal Traders' Perceptions on Municipal Regulation and Informal Trade Support

Statement	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total Respondents
1. Municipal authorities treat informal traders fairly.	6%	12%	14%	38%	30%	150
2. I feel secure operating my business without a formal license.	8%	20%	10%	32%	30%	150
3. Informal trading is my primary source of income.	65%	25%	5%	3%	2%	150
4. I have been harassed or evicted by local authorities at least once.	40%	25%	10%	15%	10%	150
5. I would formalize my business if procedures were simple and affordable.	30%	35%	15%	12%	8%	150
6. Lack of access to credit limits my business growth.	55%	28%	7%	6%	4%	150
7. Municipal authorities should create designated trading zones.	60%	25%	5%	6%	4%	150
8. I participate in consultations about urban planning or regulations.	5%	8%	10%	40%	37%	150

4.3. Nature and Scope of Informal Trading

As it is shown in table 4.2 above, the informal trading nature and scope within the Nifas Silk Lafto sub city clearly illustrate the dynamic but precarious nature of urban informal economies. The findings suggest that the majority of traders operate by selling low-cost and high-demand items to low-income consumers such as fresh fruits and vegetables, street foods, clothing, and small electronics. As such, traders typically set up in high-volume locations with heavy pedestrian traffic such as sidewalks, public market areas and close to major transportation hubs (bus stations). Even though they are easily located, the majority of traders interviewed (85 %) stated that they operate illegally (without a business license or municipal permit). Due to their lack of legal standing, traders are vulnerable to routine harassment, confiscation of inventory and/or the threat of eviction from public space by the authorities. Consequently, traders have very little protection under the municipal code, which limits the ability to grow their businesses and access assistance from formal institutions, reinforcing their marginalization within the urban economy. Traders generally set up in high-volume locations with heavy pedestrian traffic such as Saris, Jemo, public walkways, and transportation terminals. As one trader described, they sell fruits and vegetables on the street next to Saris public market and normally set up on the pedestrian street. Interviews also confirmed that almost all (85%+) of the traders operate without the requisite licenses or permits.

4.4. Challenges Faced by Informal Traders

Informal traders often hold negative perceptions of municipal governance, which are largely shaped by adversarial relationships and perceived lack of institutional support. Interview findings suggest that many traders describe their interactions with local authorities as —hostile and punitive,^{ll} and report that municipal regulations are often unclear, inconsistent, and difficult to comply with (ILO, 2018; UN-Habitat, 2008). Similar patterns have been documented in studies of informal economies in urban settings, where regulatory ambiguity and enforcement practices contribute to tensions between traders and local governments (De Soto, 1989; Moser, 2017

. This ambiguity in regulation breeds distrust and reinforces the common perception that municipal governments primarily seek to control and enforce, rather than facilitate and include. By contrast, the municipal officials interviewed reported limited capacity to effectively engage with informal

Traders, citing unclear policy direction and insufficient institutional resources as key constraints (ILO, 2018; UN-Habitat, 2008).

During interviews, informal traders reported experiencing harassment, having their goods confiscated, and being violently evicted from their place of business by municipal authorities. One trader said that last year the municipal police confiscated her business's equipment, and she had to pay a fine for having her equipment returned (ILO, 2018; Cross, 2000).

Insufficient infrastructure presents another large challenge for traders when trying to operate their business. One trader explained that the biggest challenges he faces are harassment, the risk of being forcibly removed from his business space, lack of shade coverage, and that there is no designated storage facility for his business . One trader explained that the main challenges he faces include harassment, the risk of forced eviction from his trading space, lack of shade or shelter, and the absence of designated storage facilities for his goods (ILO, 2018; UN-Habitat, 2008).

In conclusion, the information provided indicates that this goal is not supported by formal legal agreements with any municipality for obtaining official approval to conduct business, a situation that applies to informal traders either directly or indirectly. These institutional deficiencies highlight the need for more coherent, inclusive, and participatory urban governance structures.

4.5. Discussion

However, informal trading does not happen because individuals fail to follow policies; instead, it is the exclusion of people from legal and economic benefits by institutions that causes the persistence of informality. In addition, the study demonstrates that 57% of interviewees have expressed their fear towards being formalized. This fear is backed by research around the world on how people fear increased taxation and bureaucracy along with the loss of freedom (Horn, 2020). It is justified since regulations imposed in Addis Ababa include punishments for traders.

The fear of formalization, 57% of the sample size expressed, corresponds to the global fears of increased tax burden, bureaucratic encumbrance, and withdrawal of autonomy (Horn, 2020).

Regulation No. 88/2017 has been criticized for criminalizing informal trading activities without providing adequate alternative arrangements or pathways for formalization (Addis Ababa City Administration, 2017).

4.6. Interview Analysis

This section shows results from study interviews which gathered information about informal traders and municipal officials based at Nifas Silk Lafto Sub-City. The study used interviews to study how informal trading activities operate through their existing problems and their governing processes within the research area. Thematic analysis of the study data links together different viewpoints from both groups which help determine their shared and different institutional experiences and practices. The findings from informal traders emerge from their interview answers which show their real experiences of working within the informal economy together with the difficulties they face from regulations and physical limits and their relationships with local government bodies (Informal Trader Interviews, 2025). The institutional viewpoint from municipal officials showed how they enforce regulations and implement policies while describing their organizational limits which hinder their ability to provide services and work with traders (Municipal Official Interviews, 2025). Thematic analysis examines these two viewpoints to determine how both structural factors and governance methods influence informal trading operations. The study shows that policy disagreements between the two parties create situations which generate tension in the field.

A. Informal Traders

I talked to people who sell things on the street in Woreda 9 and Woreda 13. What I found out is that selling things on the street is mostly something people do to get by than a real business. Informal trading in Woreda 9 and Woreda 13 is what people do when they need to survive. It is not like a business that people start to make money. Informal trading is a way for people, in Woreda 9 and Woreda 13 to make enough money to live.

Respondents consistently reported a high level of economic dependence on informal trade as their sole source of income, with many also supporting extended family members.

Respondents all indicated significant economic dependence on the informal trade as their only source of income, and many support extended families. Most of the traders had been informal traders for more than five years; hence, indicating continuing characteristics of the way their businesses operated, despite having no security or legal recognition.

Problems reported included harassment and displacement by municipal authorities. These experiences included the confiscation of goods, the demolition of makeshift stalls, and being chased away by enforcement officers. This creates feelings of fear, humiliating treatment and injustice because there are no clear requirements or processes to obtain licenses for informal trading (UN-Habitat, 2008).

Another recurrent issue brought up by respondents was the lack of infrastructure that supports their informal trading business. Most of the respondents operate without shelter, and no toilet or rubbish disposal facilities, all contributing to serious physical and social stigmas associated with informal trading. There was a strong interest in formalizing their businesses, however, they all agreed that this would only occur under the premise that there would be access to affordable licenses, access to a financial institution to receive loans, and designated places for trading to occur with all of the services required. Many of the respondents place a significant amount of importance on formalizing their businesses.

B. Municipal Officials

The results demonstrated that the lack of institutional capacity is a major issue when it comes to managing informal trading through either comprehensive or integrated management strategies or the enforcement of policies that are usually enforced as a reaction to public pressure or complaints. In addition, there were many officials who described Regulation No. 88/2017 as not providing adequate solutions for formalizing or creating avenues for inclusive commerce and that it only defines informal trade. Coordination between departments has been reported as weak, with responsibilities fragmented across institutions dealing with health, licensing, and security, leading to inefficiencies in service delivery and enforcement (UN-Habitat, 2008; ILO, 2018).

Several officials expressed an understanding of how difficult it is to incorporate informal economic activity into a larger urban growth or development framework. Some officials mentioned that there are plans to develop specific market zones for informal traders; however, those plans create problems with regard to available land, resources, and community resistance (UN-Habitat, 2008; ILO, 2018).

C. Community Leaders / Elders

According to Community Leaders, the local economy depends on informal trade because it provides consumers better access to goods and services according to community leaders. They recognized that informal traders create social and economic benefits for their community although they mentioned that their operations cause space and traffic problems. Leaders identified the need for an organized system which would allow traders and municipal officials to communicate because both groups require better cooperation between their two groups. Community leaders showed their full support for officially recognizing informal traders because they emphasized that these traders create economic value which benefits local residents. The leader of the project explained that "street trading provides income which supports multiple family units" which shows how important this sector is as an income source for many households. The research results demonstrate that informal trade operates as a fundamental economic activity which exists throughout the community despite existing legal and space limitations. The evidence from community leaders shows that informal trade functions as both a necessary way to survive and an essential part of the urban economy.

Chapter Five: Summary, Conclusion, and Recommendations

5.1. Summary of Major Findings

This study looked at how trade works with the local government in Addis Ababa, particularly in Nifas Silk Lafto Sub-City and how it helps the local economy. The study used a few methods like surveys and interviews to get information.

The main thing the study found out is that informal traders mostly work in places. They set up shop on sidewalks in marketplaces and near transportation hubs. Most of these traders than 85 percent do not have licenses. They mostly sell things like food, clothes, electronics and more food.

One trader who was interviewed said that they sell produce on the road outside the Saris market. This shows how easy it is to find traders and that they often work in very busy public areas. Informal trade is a part of the local economy in Addis Ababa and informal traders are everywhere especially, in Nifas Silk Lafto Sub-City.

Second, informal trade is a key socio-economic livelihood activity, with more than 72% of respondents 300 (n = 150) indicating that it constitutes their primary source of income, highlighting the sector's central role in household survival within the study area.

With over 60% of people who took the survey having two or more dependents it's clear that the informal sector plays a role in reducing poverty and helping households.

One informal trader said, "I don't have an education so it's hard for me to find a job. I feed my family through trading."

This shows just how important the informal sector is in providing needs reducing poverty and helping households.

The informal sector helps people survive.

However the study found that informal traders face problems.

Some of these problems include:

- * Not being recognized by the law
- * infrastructure
- * Not being able to get finance
- * Being constantly bothered and moved by authorities

Without licenses traders are always in trouble if they get caught.

Also not having facilities like toilets and shelter makes it hard for them to live with dignity and stay safe.

The informal sector provides a way for people to make a living. It needs support.

Informal traders need help to overcome these challenges.

The info Only a small number of people eighteen percent, out of one hundred and fifty people who were asked said they had used credit. On the hand a really big group of people eighty two percent had never dealt with formal financial institutions.

This shows that there are still obstacles for informal traders when it comes to getting access to financial things like loans. Informal traders are still having a time, with financial inclusion. Informal traders face a lot of problems when they try to get help from financial institutions. rmal sector is important, for reducing poverty.

Furthermore, approximately 65% of the surveyed traders 3000(n = 150) reported having experienced eviction or confiscation of their goods at least once within the past two years, compared to the remaining 35% who reported no such experiences.

Traders are subjected to recurring instances of harassment, evictions, goods being confiscated, and uncertainty in their operations. One trader mentioned that last year, items were confiscated from him and in order to have some returned, he was required to pay a fine before they were returned. There is also a lack of basic infrastructure as traders do not have access to shelter, sanitation, storage, or waste disposal services leading them to conduct business under poor and undignified conditions. Many traders expressed frustration stating that while regulations do exist, they are not enforced in a way that would assist them.

Overall, the study indicates that informal traders largely hold negative perceptions of municipal governance. Traders reported that their relationship with municipal authorities is —hostile and unpredictable. Municipal officials pointed to, among other reasons, institutional "fragmentation" and a "lack of clarity in mandates" as some of the many reasons for their inability to assist traders. Additionally, there are no consultative or participatory forums through which traders can be involved in the planning and regulatory processes that affect their businesses. Traders commonly state, that decisions are made without asking us, this lack of participation strengthens systemic marginalization.

The overwhelming perception of negative municipal governance as reported by traders is reflected in the way in which they describe their relationships with the municipality through hostile and unpredictable interactions; the inability of traders to be involved in decision-making affecting their livelihoods results from the lack of access to consultative or participatory processes.

In addition, municipal officials described the inability of the parties to work collaboratively as barriers to successful municipal governance. It is clear that this governance deficit is indicative of larger governance challenges and supports.

5.2. Conclusion

This study examines the role of informal trade within the broader context of urban economic development and governance in Addis Ababa. The findings indicate that informal trade in Nifas Silk Lafto Sub-City is not only an alternative livelihood strategy but also a significant contributor to local economic growth.

Despite the important role of informal trade in urban economies, its development in many contexts is often constrained by structural and institutional challenges. In Nifas Silk Lafto

Sub-.City growth has been slow because of rules that make it hard for informal traders to operate. The government does not do much to help them. There are no fair systems in place.

The issue is not that informal traders do not want to follow the law. It is that they are not given a chance to be part of the system. They cannot easily get the money they need or use facilities.

The current municipal rules, as stated in Regulation No. 184/2025 Treat traders like they are breaking the law. They are not seen as important to the city's economy.

This view causes distrust between the municipality and informal traders. It makes it difficult to achieve development goals. It also makes the urban poor more vulnerable socially and economically.

Informal traders are a part of the urban economy. They need support and understanding from the government. The current system needs to change to help them.

The municipality and informal traders must work together. They need to find ways to make the system fair and inclusive. This will help the city's economy grow and make life better for everyone.

The urban poor are affected the most by these issues. They need a chance to improve their lives. The government and municipality can help by making changes to the system.

Regulation No. 184/2025 Needs to be reviewed. It should help traders, not hinder them. The government and municipality must work together to make this happen.

This change will help the city's economy. Make life better, for informal traders and the urban poor.

Municipal governance can use two approaches to trade.

One approach is to see traders as important people in the city's decision-making process.

They should be part of the discussions when making policies and plans.

This way their voices are. Their needs are considered.

The other approach is to help informal traders join the economy slowly.

The municipality can make rules that're easy to follow.

They can also simplify the process of getting licenses and provide support.

Using both approaches can bring improvements.

It can also lead to long-term benefits like structured growth and sustainable city development, for informal traders and the municipality.

Informal traders can benefit from these approaches.

They can get support and opportunities.

The city can also benefit from trade.

It can lead to a vibrant and diverse economy.

The city is dealing with a lot of people moving from the countryside to the city. These people are not able to find jobs. The city is seeing a lot of people working in the service sector. The service sector is a part of the urban workforce in the city. Many people, in the city are working in the service sector.

The city has a lot of problems with the way it is run. The Addis Ababa City Code Enforcement Office, which people around here call Denb Askebari is supposed to make sure everyone follows the rules.. The rules are not always easy to understand.. Sometimes the Addis Ababa City Code Enforcement Office or Denb Askebari does not enforce the rules in a fair way.

This causes a lot of trouble, between the city and the vendors. The city and the vendors are always arguing with each other. This leads to corruption and people do not trust each other. The Addis Ababa City Code Enforcement Office or Denb Askebari and the vendors are always having problems.

The Addis Ababa City Administration and the Addis Ababa City Trade Bureau have to team up with the vendors. They need to do this so that Addis Ababa City becomes a place for all the people who live there. This will make Addis Ababa City a great place to be, for everyone. The Addis Ababa City Administration and the Addis Ababa City Trade Bureau should really work together with the vendors to make this happen in Addis Ababa City.

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5.3. Recommendations

The study's findings and conclusions give us some ideas that policymakers and practitioners can use. These are the things that the study says we should do. The study tells us what policymakers and practitioners should do. This is what it says;

1. Formalize and simplify license regulations: The Addis Ababa City Administration needs to amend Regulation No. 184/2026 to formally acknowledge informal trading and streamline the licensing procedures to be simpler, more inclusive and less punitive.

2..Develop trading infrastructure: A designated area for trading with basic amenities (shelter, toilets, waste management and storage) should be developed in a bid to enhance trading conditions and public health in trading zones.

3.Promote inclusive finance: Low-collateral loans, savings and mobile money, together with financial literacy education, should be enhanced for informal traders through governmental and microfinance institutions.

4 Strengthen institutions: A specialized municipal unit for informal trade should be set up to improve inter-agency collaboration, coordinate enforcement and ensure policy coherence across all sub-city offices.

5.Ensure stakeholder participation: An interactive forum that brings together trader associations and the municipality on a regular basis should be instituted.

6.Conduct research and monitor progress: Systems of continuous data collection and applied research should be established in a bid to enhance evidence-based planning and assess impacts of informal trade policies.

5.3 Recommendations for Future Research

Future research has to consider going beyond Nifas Silk Lafto Sub-City and include other sub-cities of Addis Ababa so as to assess comparative aspects of informal trading governance on a wider scope. Sex-disaggregated analysis also needs to be prioritized, and more in-depth analysis about the different gender-specific constraints that female informal traders face (workload-care burden, lack of mobility, sexual harassment and others) needs to be carried out in order to be in a position to design and implement policies for the improvement of livelihood and promotion of voluntary formalization.

1. The city should work with vendors of just trying to get rid of them.

The city can plan with vendors to figure out when and where they can sell their things. The city can also let vendors sell their things in areas at certain times of the day when it is not too busy.

2. The city should make it easier for vendors to become businesses.

The city can change its rules to make it less expensive and less complicated for vendors to get the papers they need to be businesses. The city can also make it easier for vendors to get a taxpayer identification number and a trade license.

3. The city should provide vendors with places to sell their things.

The city can make sure that the temporary market spaces it provides have services, like water, toilets and electricity.

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Tools

Dear respondents: the main objective of this research is to evaluate the relationship between municipal governance and informal trade and its role in economic growth in Nifas Silk Lafto Sub-City, Addis Ababa ,Ethiopia. By completing the survey questions you are enabling us to learn more about the experiences of informal traders and how we might refine or create new policies that could facilitate their continued successful economic activity in our city.

Appendices

Appendix-A

.Interview Guide

Dear Respondent, Please mark a tick (✓) in the box that best represents your opinion regarding each item below, based on your own experiences as a casual trader and in your dealings with local government officials. Use the scale below to indicate your level of agreement: **1 = Strongly Agree** **2 = Agree** **3 = Neutral** **4 = Disagree** **5 = Strongly Disagree**

Response Options Strongly Agree Agree Neutral Disagree Strongly Disagree

Table: Informal Traders' Perceptions on Municipal Regulation and Support

Statement	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total Respondents
1. Municipal authorities treat informal traders fairly.	☐	☐	☐	☐	☐	
2. I feel secure operating my business without a formal license.	☐	☐	☐	☐	☐	
3. Informal trading is my primary source of income.	☐	☐	☐	☐	☐	
4. I have been harassed or evicted by local authorities at least once.	☐	☐	☐	☐	☐	
5. I would formalize my business if procedures were simple and affordable.	☐	☐	☐	☐	☐	
6. Lack of access to credit limits my business growth.	☐	☐	☐	☐	☐	
7. Municipal authorities should create designated trading zones.	☐	☐	☐	☐	☐	
8. I participate in consultations about urban planning or regulations.	☐	☐	☐	☐	☐	

Appendix A: Interview Items for Informal Traders

1. Please tell me about your business and the location you typically run it.
2. How long have you operated informally in this area?
3. What challenges do you encounter as an informal trader in Nifas Silk Lafto Sub-City?
4. Have you ever been removed, punished with fines, or have your product taken away by local authority figures? Please elaborate.
5. Do you perceive any municipal law/ordnance as protecting you to a certain extent? Please explain why or why not.
6. Have you ever tried to obtain a business license or register formally? What challenges did you encounter?
7. What type of support (financial, legal, infrastructure) do you think would help improve your business?
8. Would you be willing to move to a designated trading area if the municipality provided one with services (e.g., sanitation, shelter)? Why or why not?
9. Have you been involved in any discussions or consultations with local government about policies affecting your business?
10. In your opinion, what should the government do to better support informal traders like you?
11. How do you think your business contributes to the local economy (job creation, affordability, convenience)?
12. Does informal trading provide income opportunities that you could not obtain in the formal sector?
13. How does your business support other local businesses, suppliers, or households?
14. What economic opportunities would you pursue if the government supported and recognized your trade?

Appendix B: Interview Items for Municipal Officials

1. How does your office currently regulate or manage informal trading activities in the sub- city?
2. What challenges do you face in implementing policies related to informal trading?
3. Are there any current programs aimed at supporting informal traders in Nifas Silk Lafto?
4. How are decisions made regarding enforcement actions such as evictions or confiscations?
5. Is there any collaboration with informal trader associations or community groups in the policy-making process?
6. How do you evaluate the effectiveness of Regulation No. 88/2017 in addressing informal trading issues?
7. As an informal trader, do you feel that there are barriers preventing you from taking your business formal?
8. What additional services should municipalities provide in the form of management or support systems to assist with informal trading?
9. Is there any initiative underway to create designated areas or infrastructure where street vendors can trade?
- 10 How does your office measure the economics of informal trading in your sub-city?
11. In your opinion, how do informal traders contribute to growth in the local economy and job creation within that economy?
12. Does the municipality incorporate informal traders into their local economic development strategies? If so, what has been the rationale for non-inclusion?
13. Are there any efforts to connect informal traders with value chains, training programs or micro-financing options?
14. If more support were provided for informal traders, what types of economic benefits would result?

Appendix -C: Interview Items for Community Leaders / Local Elders

Interview Questions

1. How would you describe the nature of informal trade in your area?
2. How does informal trade (or trade in general) affect the local economy?
3. Are there challenges associated with the presence of informal traders in the community (e.g., traffic congestion, litter)?
4. Have there been any initiatives by the community to aid or regulate informal traders?
5. Should the local government recognize informal traders?
6. Have you seen any types of conflict or cooperation between informal traders and municipal authorities?
7. What do you see as being the potential role of community leaders in creating a forum for dialogue between informal traders and local governments?
8. What would you recommend as a way to improve the relationship between informal traders and local government?
9. How do informal traders support household income and livelihoods in your community?
10. Is informal trade assisting in filling key gaps in the market (affordable goods and services)?
11. Have you seen a reduction in unemployment or poverty due to the existence of informal trade?
12. How could informal traders be incorporated into community-based initiatives for economic development?
13. What do you see as the primary obstacles to the formalizations of businesses by informal traders?
14. What changes or improvements do you feel should be made to better manage and support informal traders?
15. Are there any efforts under way to develop designated spaces or sites for informal traders?

**Appendix-D: Photos of Municipal Officials, Informal Traders and Community Leaders /
Local Elders**









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መሪ



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