

NISO Position Paper on the Namibia Informal Economy

A vital source of livelihood for the
urban and rural poor



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This position paper is a policy advocacy tool. The findings, interpretations, and conclusions expressed in this volume reflect the views of Namibia Informal Sector Organisation, but not necessarily the Friedrich-Ebert-Stiftung. NISO and the Friedrich-Ebert-Stiftung do not guarantee the accuracy of the data included in this work.

Acknowledgement

This position paper was developed in a participatory manner. Four focus group discussions were conducted, in Rundu, Tsumeb, Swakopmund and Windhoek. In a parallel process, the zero draft was provided to key industry experts to obtain their candid commentaries. A validation workshop was then conducted to solicit final inputs and endorsement from key stakeholders. The inputs of all those who participated in these fora are highly appreciated and hereby duly acknowledged.

The Friedrich-Ebert-Stiftung, Namibia Office has been a steadfast and trusted ally and partner in supporting development efforts in the Namibian informal economy and civil society organisations in general. NISO is acutely aware and sincerely appreciative of this generosity and goodwill, without which the development of this position paper would not have been possible. Their generous financial support to this project is hereby acknowledged and appreciated.

On a personal note, I am grateful for NISO and the Friedrich-Ebert-Stiftung for having commissioned me to produce this position paper. This was, without a doubt, an exciting, rewarding and enriching assignment. Thank you for the opportunity!

Dr John B. Nakuta

Consultant



Message of Support



The Friedrich-Ebert-Stiftung welcomes the development of the position paper on the informal economy by the Namibia Informal Sector Organisation (NISO) and its stakeholders.

This position paper can serve as an instrumental tool in advocating for social justice and economic transformation for the informal economy in Namibia. It is widely known that the majority of participants in this sector are women. It is therefore encouraging to know that every effort has been made in formulating strategies to be deployed in addressing their varied

plights, and the challenges they face.

The informal economy remains one of the key sectors that is undervalued, unrecognised, and invisible within the mainstream of Namibia's economy and society. As I write this message of support, the informal sector does not feature in any of the legislative frameworks of Namibia. The Namibian Constitution, the Labour Act (11 of 2007), the Social Security Act (24 of 1994), and the Public Procurement Act (15 of 2015) are silent about the informal economy in Namibia.

It was therefore imperative that NISO respond positively to the call by the Ministry of Industrialisation and Trade (MIT) to provide their input through a series of regional consultations meetings with the affected marginalised and vulnerable members of society (informal traders) who were brave enough to speak their mind and raise their concerns about the issues that they are struggling with on a daily basis.

We are happy that this process was successful, and today, we are witnessing the final product, which is the NISO position paper titled "The Namibian informal economy: A vital source of livelihood for the urban and rural poor."

I am convinced that the content and policy issues raised will contribute towards the development of the National Policy for the Informal Economy by the MIT.

With this document in place and the political will and support of the legislators, regional and local authorities, and the MIT, we hope to see more programmes and activities designed that will expand and transform the informal sector. Through these initiatives and interventions, poverty and unemployment will eventually be reduced within the Namibian society.

Hajo Lanz

Country Director: Friedrich-Ebert-Stiftung, Namibia Office

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Acronyms and initialisms

| | |
|--------|--|
| ILO | International Labour Organization |
| MIT | Ministry of Industrialisation and Trade |
| NISO | Namibia Informal Sector Organisation |
| NSA | Namibia Statistics Agency |
| SDGs | Sustainable Development Goals |
| UNESCO | United Nations Educational, Scientific and Cultural Organization |
| WIEGO | Women in Informal Employment: Globalizing and Organizing |

Foreword



The main objective of this position paper is to articulate and communicate the views of the Namibia Informal Sector Organisation (NISO) in respect of the informal economy. Owing to its informal nature, the importance of this economy is largely unappreciated and neglected. For instance, after three decades of independence, the country has still not progressed beyond the stage of initiating the drafting of a national policy on the informal economy. This notwithstanding, NISO, as the constituency representative within the informal economy, welcomes this initiative and commits to

making constructive inputs and submissions to the envisaged policy.

The ultimate aim of this position paper is to map the people's demand for social justice in the Namibian informal economy within the context of sustainable development, and to suggest ways in which to realise a more inclusive economy.

The significance and permanence of the Namibian informal economy cannot be overstated. For example, global statistics reveal that more than 60% of the world's employed population earn their livelihoods in the informal economy (International Labour Office – Geneva, 2018, p. v). This trend is mirrored in Namibia. The 2018 Namibia Labour Force Survey, similarly, affirms that the Namibian informal economy constitutes a vital part of the country's economy. In this context, it reveals that about 58% of the country's workforce operates in the informal economy (Namibia Statistics Agency [NSA], 2019, p. 53). It is therefore indisputable that informal trade is, for many Namibians, a means of livelihood improvement, if not basic survival. Strangely, neither the Namibian Constitution, as the supreme law of the land, nor any other legislative instrument gives explicit recognition to the centrality of this sector to the national economic development process.

NISO is committed to advocating for the recognition, support, and embracing of the informal economy in Namibia in both law and practice. Several studies consistently reveal that recognising, embracing and supporting the informal economy contributes to a more inclusive form of local economic development.

Towards this end, our advocacy work will specifically be geared towards calls for the recognition of the legitimacy of the informal economy; the incubation and provision of assistance to firms which are willing to move from informality to formality; and the addressing of the concerns of small formal enterprises which find it difficult to comply with the regulatory environment. These, in our view, are amongst the necessary strategies which Namibia as a country and all stakeholders who interact with the informal economy should support.

Joseph Veripi Kandenge

Secretary General: Namibia Informal Sector Organisation

About NISO

The Namibia Informal Sector Organisation (NISO) primarily aims to build the capacity of informal economy operators. This includes representing and developing informal enterprises by recognising the legitimacy of informality, providing assistance to firms willing to move from informality to formality, and addressing the concerns of small formal enterprises, which find it difficult to comply with the regulatory environment. Advocacy towards a change in this environment (e.g., by addressing local by-laws and company regulations) is an important aspect of NISO's strategic thrust.

Vision, mission and core values

Vision

Transforming the informal economy for economic development and more productive and decent work

Mission

Unlocking the potential of the informal economy through enterprise, innovation, creativity, and skills development, while addressing the following:

- interest representation through policy development
- social protection, and
- infrastructure development.

Core values

NISO's core values are reflected in its objectives and activities, which include:

- adoption of mechanisms to reach out to all informal sector operators, regardless of whether they are organised in an association or not; in doing so, NISO aims to become the "voice of the informal sector" and to take up the concerns of informal sector associations and individuals alike
- provision of opportunities for networking (information dissemination, exchange of ideas and practices, adoption of advocacy agendas, provision of mandates)

- addressing concerns related to the informal sector environment, undertaking research, and providing a platform for the airing of informal sector concerns as a whole and the creation of effective linkages to the government and its agencies, labour unions, and business representative organisations
- addressing specific issues raised by informal sector organisations and individuals (assistance with interest representation and the provision of services)
- provision of effective on-demand services to organised informal sector associations with a view to improving their respective services to members through capacity building of member organisations (technical and financial assistance), and
- cooperation at national and international levels with other organisations, such as the International Labour Organization (ILO).

NISO responds to the needs and demands of the informal enterprise sector by activities such as:

- advocating informality as a legitimate option to do business and to escape poverty
- combatting negative perceptions about the informal economy whilst striving for the acceptance and recognition of informality in the community
- drawing attention to the government's role in recognising informality as a key enabler of enterprise development, and to the need to address the supportive legal and regulatory environment (including local by-laws and access to land)
- enhancing understanding of the informal sector by defining levels of formality and informality, and
- investigating and disseminating ways and means to move from informal into formal business.

Position statement

Informality is part of the bigger ecosystem and should be embraced. The fruit and vegetable, cold drink and newspaper hawkers at the intersections that we see as nuisances are sales channels for farmers, refreshment and media companies. Through their endeavours, school fees are paid and with their daily takings they buy a loaf bread from a local retailer who goes on to pay workers' salaries and suppliers.

Eddie Rakabe (2020)

Rationale underlying this position paper

1. This position paper, for the avoidance of doubt, does not purport to provide an in-depth analysis of trends and factors of informality in Namibia.
2. NISO is aware that the MIT is currently developing a national policy on the informal economy.
3. To support this initiative, NISO seeks to make constructive inputs and submissions to inform the development of the envisaged policy.
4. The ultimate aim of this position paper is to map the people's demand for social justice in the Namibian informal economy and to suggest ways to realise a more inclusive economy.

Methodology

5. No data collection or empirical analysis was carried out to compile this position paper.
6. Rather, the paper carried out a comprehensive review of the rich existing published literature on the informal economy.
7. Importantly, in view of its being a people's position paper, four focus group discussions were conducted with informal economy operators, in Rundu, Tsumeb, Swakopmund and Windhoek, to obtain their inputs and to highlight and examine policy issues that directly affect them.
8. Furthermore, the draft position paper was given to a selection of individuals

with specialist knowledge of the informal economy to obtain their key informant commentaries.

9. Lastly, a validation workshop was conducted to discuss and validate the position paper with stakeholders and social commentators.

Demystifying misconceptions

10. False assumptions and misconceptions regarding the informal economy abound.
11. A recent analysis of official data and research findings by the Women in Informal Employment: Globalizing and Organizing (WIEGO) network challenges some of these myths.
12. This position paper fully subscribes to WIEGO's stance in respect of demystifying these myths; a summary of these myths and the evidence challenging them is considered to be pertinent for this position paper and is accordingly provided, with minor adaptations, below.

Seven common myths about the informal economy

| Myth | Fact |
|---|---|
| The informal economy will shrink or disappear with economic growth. | Informal employment is likely to remain the main source of employment for most workers in developing countries for the foreseeable future. The informal sector serves as the "entrepreneurship incubator" and the entry point for an entrepreneurial journey. |
| The informal economy is comprised of plucky entrepreneurs who seek to avoid taxation and regulation. | The majority of informal workers are own-account workers with few employees, wage workers, sub-contracted workers or contributing family workers. Although they are in some cases employers, employee numbers are generally low. |
| Informal firms represent unfair competition to formal firms, as they do not pay taxes, rent, or utility fees. | Informal enterprises pay taxes, including VAT, against inputs (stocks and material), registration and compliance fees, and municipal or local authority trading, hawker and vending fees. Additionally, they are frequently forced to pay bribes to operate. |

| | |
|---|---|
| The informal economy is not linked to the formal economy. | There are many links between the informal and formal economies. ¹ |
| The informal economy is comprised of traditional activities that are not part of the modern economy. | Many entrepreneurs in the informal sector are integral parts of modern chains of trading, service provision, production and distribution. |
| The informal economy does not contribute to the economy. | Informal workers produce and distribute goods and services in a wide array of sectors of the economy. ² |
| The informal economy is outside the reach of the state and its laws. Put differently, the informal economy is somehow illegal or is the equivalent of the underground, or even criminal, economy. | Informal traders and workers are regularly subjected to punitive laws and regulations with minimal protection provided in the event of harassment or heavy-handed treatment, or extortion by corrupt public officials. In fact, in the absence of protective laws, informal traders and workers are often subject to punitive laws and regulations. |

Source: WIEGO (2015, pp. 1–2)

The significance and permanence of the Namibian informal economy

13. Global statistics reveal that more than 60% of the world's employed population earn their livelihoods in the informal economy (International Labour Office – Geneva, 2018).
14. This trend is mirrored in Namibia.

1 The WIEGO analysis found that many informal workers source their goods/raw materials from formal sector suppliers; some even sell their goods to formal sector enterprises or intermediaries who supply formal firms. For example, many fruit and vegetable vendors buy their goods from formal wholesale markets, while other street vendors sell goods on commission for formal firms.

2 Recent global statistics, according to the WIEGO analysis, indicate that informal economic units contribute a significant share of non-agricultural gross value added in countries where such data are available, for example, around 50% in three West African countries (Benin, Niger and Togo), 46% in India, and over 30% in Colombia and Guatemala.

15. The 2018 Namibia Labour Force Survey states that 57.7% of the country's workforce operates within the informal economy (NSA, 2019, p. 53).
16. It is therefore indisputable that informal trade is, for many Namibians, the only alternative to unemployment (Van der Heijden, 2012, p. 12).
17. As in most countries, Namibia's informal economy serves as an entrepreneurship incubator and is the entry route for the majority of those with a desire to venture into the business arena. In summary, it is the starting point of an entrepreneurial journey.
18. However, working space for entrepreneurs in the informal economy in Namibia is characterised by small or undefined workplaces; generally, such "business sites" are unsafe, and premises impose unhealthy working conditions for entrepreneurs and their staff.
19. Other challenges include unregulated business environments, low or irregular incomes, long working hours, and low levels of technical and business skills, including an absence of financial literacy on the part of entrepreneurs, with resultant productivity constraints, and the lack of access to information, markets, finance, training, and technology (International Labour Organization, n.d.).
20. Furthermore, workers in the informal economy are not recognised, registered, regulated or protected under labour legislation or social protection (ibid.).
21. All these factors explain the strong correlation between poverty and informality.
22. Given this intersectional relationship, Skinner (2018, p. 127) points to the tendency to approach the informal economy as a poverty alleviation issue, with welfare measures being the primary policy interventions, even though the informal economy is increasingly being recognised as key to promoting growth and/or reducing poverty.
23. The recent re-convergence of interest in the informal economy stems from the recognition that the informal economy is growing; in other words, that it is a permanent and not a short-term phenomenon (Chen, 2006, p. 2).

24. In the words of Chen (ibid.), the informal economy:
- ... is a feature of modern capitalist development, not just traditional economies, associated with both growth and global integration. For these reasons, the informal economy should be viewed not as a marginal or peripheral sector but as a basic component—the base, if you will—of the total economy.*
25. Over the recent years there has been a debate that questions: "... whether the informal sector should really be seen as a marginalised, 'survival' sector, which mops up excess or entrenched workers, or as a vibrant, entrepreneurial part of the economy which can stimulate economic growth and job creation" (attributed to an African Union 2008 publication, quoted in Sparks and Barnett (2010, p. 1)).
26. In answering the question, this position paper holds the latter view.
27. In the words of Sparks and Barnett (ibid.): "... employment in the informal economy is no longer a journey, but has become the destination of many. If the aim is to create jobs and reduce poverty, the informal sector must be included in the debate."
28. Research is increasingly attesting that the Namibian informal economy makes an important contribution to wealth and job creation.
29. For instance, World Economics (n.d.) indicates that Namibia's informal economy constitutes 24.7% of gross domestic product.
30. Similarly, according to the online news article (The Brief, 2022) a 2018 case study report of the Ministry of Labour and Employment Creation cited in the MIT Draft National Policy on Starts-Ups and Entrepreneurship, the informal economy in Namibia accounts for 40% of national employment, with 70% of those in informal employment being women.
31. There is tremendous potential to grow Namibia's informal economy from the grassroots up, for it to become a major role player in sustaining the livelihoods of many people, but the efficiency of these informal businesses needs to be improved by removing some of the constraints which hinder their functioning (Sheehama, 2022).

32. These constraints include the lack of appropriate and visible spaces to operate from, vulnerability to criminal elements, lack of transport for their goods, poor municipal services, and harassment at the hands of the police (ibid.).
33. Given the importance of the informal economy, it is imperative that informal operators and businesses be assisted to transit or migrate into the formal economy so as to reap the benefits associated with formalisation, whilst at the same time allowing society, in general, to also benefit from increased job creation, tax contributions, and social responsibility contributions that result from formalisation (ibid.).
34. In this regard, Hovsha and Meyer (2015, p. 36) put it best:
[... we cannot view the informal economy as being exclusively the township economy. In so doing, we fall into the trap of racialising the informal economy, thereby setting it outside the borders of urban life and perpetuating exclusivity. While the township economy should be a part of a thriving informal economy, traders should also be permitted and encouraged to continue and initiate trading in cities.

Informal economy policy and legislative framework

35. Policy statements, and particularly legislation, as rightly observed by Skinner, is a critical starting point for understanding the interaction between the informal economy and government since they set the framework for engagement (Skinner, 2019, p. 413).
36. In Namibia, the informal economy is largely invisible in the country's legal and policy framework.
37. Neither the Namibian Constitution, as the supreme law of the land, nor any other legislative instrument makes explicit reference to the informal economy despite it being so patently obvious that most entrepreneurs started their entrepreneurial journey in the informal economy.
38. The most relevant deficient pieces of legislation in this regard include the following:

- a) the Labour Act (11 of 2007);
 - b) the Social Security Act (34 of 1994);
 - c) the Public Procurement Act (15 of 2015); and
 - d) the Local Authorities Act (23 of 1992).
39. Similarly, the various national development plans also do not expressly reference the informal economy.
40. The omission and neglect of the informal economy is best captured by Rogerson (2004, p. 765): “Existing government [small, medium and micro enterprises] programmes largely have been biased towards the groups of small and medium-sized enterprises and to a large extent have by-passed micro-enterprises and the informal economy.”
41. Having evaluated the national government skills-development system, we similarly echo the views of Devey et al. (2003, quoted in Skinner (2019) p. 418), who argue that those working in the informal economy had “fallen into the gap” between small businesses and the unemployed.
42. Additionally, allegations of repression and persecution, and actual prosecutions remain the most recurrent complaints of informal economy traders.
43. Such complaints predominantly relate to the maltreatment through harassment, abuse of power, and arbitrary impounding, confiscation and disposal of street vendors’ property by law enforcement agencies, in conflict with Principles 6, 8 and 9 outlined in *Code of conduct for the Namibian informal economy: Breaking new grounds* (Nakuta, 2021, pp. 19–21).
44. Against this backdrop, it is no exaggeration to characterise the current status of the informal economy, in both law and practice, as one of omission, ambiguity, and repression.

Policy imperatives

45. This position paper unequivocally subscribes to the central pledge of the 2030 Agenda of the Sustainable Development Goals (SDGs) of leaving no one behind.
46. We submit that the envisaged policy for the informal economy should be underpinned by a stronger commitment to equity.
47. Towards this end, we present the following key policy imperatives to address the structural causes of exclusion and social injustice plaguing the informal economy in the country.

Policy imperative #1: Law reform

48. The informal economy should be expressly recognised in law (de jure) and in practice (de facto).
49. The law and policy should enshrine the obligation to create a system of accountability and integrity.

Policy imperative #2: The policy-making process

50. Globally, a trend is emerging toward greater transparency, inclusion, participation, and national ownership (see Gluck and Brandt (2015, p. 4)).
51. Laws, rules, and regulations created for the informal economy should accordingly be designed in a manner that nurtures:
 - e) inclusivity
 - f) consultation
 - g) meaningful and consequential participation, and
 - h) recognition of the importance of interest representation at all decision-making levels (see Principle 7 in *Code of conduct for the Namibian informal economy: Breaking new grounds* (Nakuta, 2021, p. 20)).

Policy imperative #3: Participatory governance

52. The need for participatory governance in the informal economy space is best

captured by the statement “Do not plan for the people; plan with them” (see Guideline 4 (Participatory governance) of *Operational guidelines for the code of conduct for the Namibian informal economy* (Nakuta, 2022, p. 20)).

53. This statement underpins the clarion call of this position paper for participatory and inclusive development in the informal economy space.
54. We understand public participation in the informal economy space to mean “... an open, accountable process through which individuals and groups within selected communities can exchange views and influence decision-making” (Department of Co-operative Governance and Traditional Affairs, 2005; 2007).
55. Further, “as a democratic process of engaging people, deciding, planning, and playing an active part in the development and operation of services that affect their lives” (ibid.).
56. With that said, public participation standards in the informal economy in line with the Constitutional prescripts should minimally include:
 - a) informing
 - b) educating, and
 - c) creating meaningful opportunities for the public to participate in the decision-making of an issue that affects their lives (ibid.).
57. This approach, for us, requires a commitment to active involvement and consultations in the informal economy space across all stages of policy-making and programming.
58. We wish to reiterate this clarion call: “Public authorities, namely, ministries, parastatals, local authorities and other public bodies operating or involved in the informal economy, should consult with, and promote the active and meaningful participation of the representative organisations in all decisions affecting the informal economy” (see Principle 4 of *Code of conduct for the Namibian informal economy: Breaking new grounds* (Nakuta, 2021, p. 18)).

Policy imperative #4: Data to leave no one behind

59. Given the diversity within the informal economy, a critical starting point for policy must be a detailed empirical analysis.
60. This is so because statistics serve as quantifiable evidence to underpin the policy-making process.
61. Furthermore, informality also poses another challenge to policy-makers, given that by its nature, production in the informal economy is either underestimated or often not recorded in national accounts.
62. Needless to say, this undervaluing of informal production complicates the process of analysing the situation and subsequently formulating policies to protect rights in the sector.
63. There are currently limited data available on the informal economy in Namibia.
64. For instance, Oherein (2021, p. 23) observes that the NSA has only reported on informal employment since 2013.
65. Even then, the NSA purportedly only reports on the rate of informal employment and gender distribution; its reporting does not cover incidents and the types of entities that create the reported employment within this sector (ibid.).
66. Identifying groups that are left behind and are in need of special measures requires better household and individual-level data and increased data disaggregation (United Nations Department of Economic and Social Affairs Division for Social Policy and Development, n.d.).
67. For guidance in this regard, Article 36 (Data collection and monitoring) of *R204 – Transition from the informal to the formal economy recommendation, 2015 (No. 204)* (ILO, n.d.) should be the relevant standard to be upheld regarding the collection, collation, disaggregation, and dissemination of data pertaining to the informal economy.

68. In this context, Article 36 directs ILO member states, including Namibia, to regularly and in a consultative manner collect, analyse, and disseminate disaggregated statistical data on the size and composition of the informal economy (relating to sex, age, workplace, and other specific socio-economic characteristics), including the number of informal economic units, the number of workers employed and the sectors in which they work (ibid.).
69. Furthermore, and importantly, the collected data must be used to monitor and evaluate the progress made towards formalisation (ibid.).

Policy imperative #5: Access to information

70. Access to information is universally recognised as a necessary enabling mechanism for transparent, accountable, and participatory governance (United Nations Educational, Scientific and Cultural Organization [UNESCO], 2020, p. 6).
71. Conceptually, public access to information, as clarified by UNESCO, refers to an effective system to meet citizens' rights to seek and receive information, particularly that held by or on behalf of public authorities (ibid.).
72. Access to information is guaranteed as a fundamental right in the International Covenant on Civil and Political Rights (United Nations, 1966) and the African Charter on Human and People's Rights (African Union, 1981) (see Article 9).
73. Namibia has ratified both the International Covenant on Civil and Political Rights and the African Charter on Human and People's Rights.
74. We are also cognisant of the fact that the Access to Information Act (8 of 2022) unambiguously recognises and guarantees access to information as a fundamental right in the Namibian order.
75. We further recall that Target 16.10 of the SDGs calls on states to ensure public access to information.
76. Against this backdrop, we are bolstered in our resolve and demand for the proactive disclosure of all relevant information pertaining to the informal economy.

77. Such information must, as a rule, be accessible to all (simplified, in local languages, and for blind persons), affordable (where costs are payable), and be of high quality (reliable).

Policy imperative #6: Access to justice

78. Access to justice is a significant challenge in the informal economy.
79. Disputes in the informal economy are often viewed through a criminal justice lens, while the approach should rather be nurturing and facilitative to achieve the aim of wealth and job creation, and thereby to grow Namibia's economy at an accelerated rate from grassroots level up, including in towns, settlements and rural areas of all of the country's 14 administrative regions (see *Security and justice in the informal economy: Exploring links and trajectories* (Knowledge Platform Security & Rule of Law, 2015)).
80. For instance, street traders are generally subjected to criminal rather than administrative sanctions, thereby demonstrating a punitive approach to street trader management (Skinner, 2019, p. 418), without any effort being made to guide and assist towards compliance.
81. This perpetuates the vulnerability of informal economy operators.
82. We recall that Target 16.3 of the SDGs commits the international community to promote the rule of law and to ensure equal access to justice for all by 2030.
83. In our view, if the objective of SDG Target 16.3 is to ensure access to justice for all, then the access-to-justice needs for those in the informal economy space require urgent attention too.
84. As a policy imperative, the goal should be to create and institutionalise an effective, affordable, and accessible alternative dispute resolution regime within the informal economy.
85. Towards this end, we reiterate our call for the introduction of an alternative dispute resolution (tribunal) system for the informal economy (see Principle 13 of *Code of conduct for the Namibian informal economy: Breaking new grounds* (Nakuta, 2021, p. 24)).

Policy imperative #7: Partnerships

86. We recognise that there is appreciable interest in the activities within the informal economy amongst governmental, inter-governmental, and non-governmental organisations in the country.
87. However, such interest and initiatives are devilled by a silo, exclusive mindset and an absence of cooperation and collaboration between public sector entities.
88. Consequently, adequate data regarding who does what and at what level in the context of transitioning are lacking.
89. Most glaringly, informal economy representative organisations are currently not formally recognised or included in the tripartite framework.
90. The need for the establishment of smart partnerships in the informal economy cannot be overstated.
91. Addressing the challenge associated with informality in the country requires strategic partnerships that unite the governmental entities, informal economy operators and businesses, their representative organisations, the private sector, and other actors, mobilising all available resources.
92. It is worth stressing, though, that the traditionally public-private partnership mechanisms have been characterised by a “Value for Money” rationale (United Nations Economic Commission for Europe, 2018).
93. The way forward now is to take public-private partnerships from “Value for Money”, to initiatives that deliver “Value for People” (ibid.).

Policy imperative #8: Empowerment opportunities

94. There is a need to break the curse of inequality of opportunities, and specifically, to advance gender equality by empowering women working in the informal economy and youths embarking on their entrepreneurial journeys.
95. There is a need to examine how their lives can be transformed from a situation in which their choices are severely curtailed, to one in which they

are empowered to make decisions within the household and the labour market.

96. The ultimate objective is to facilitate the transition of these workers and economic units from the informal to the formal economy.
97. For us, empowerment opportunities come in various shapes and forms, including:
 - a) financial assistance
 - b) training in areas of business skills, including but not restricted to bookkeeping, record keeping, tendering, etc., and
 - c) the provision of land at affordable rates to build their own market and industrial stalls.
98. The current procurement system does not provide informal traders with a fair chance to compete at securing procurement contracts with public and private partners.
99. In consonance with the principle of leaving no one behind, we accordingly call for the following minimal reforms in the public and private procurement space:
 - a) the designation of informal traders as preferred tenderers in relevant circumstance (however, this should not be conflated with small and medium enterprises)
 - b) the relaxation of rigid procurement rules, for instance, by recognition of prior learning in the awarding of tenders
 - c) exploration of ways to increase informal traders' and businesses' access to public and private procurement opportunities by ensuring that procedures do not discriminate against them
 - d) the creation of incentives to encourage the demand side to procure from operators in the informal economy
 - e) a review of the relevant legislation (Competition Act (2 of 2003)) to allow

informal traders and businesses to combine their resources in tendering

- f) dissemination of information to informal traders and businesses about procurement rules and regulations, and assistance to those that are facing problems in bidding for government or private sector procurement contracts, and
- g) the designing of mechanisms to ensure good service delivery from informal traders and businesses participating in tenders.

100. Lastly, we submit that a beneficiaries list of those who have benefitted from previous empowerment opportunities be compiled and publicly disclosed in order to guard against nepotism and corruption.

Policy imperative #9: Social protection

101. The COVID-19 pandemic highlighted the vulnerabilities of the informal economy as well as the lack of social protection schemes, disproportionately impacting the informal economy, especially in urban areas, and highlighting the vulnerability of already vulnerable groups (Guyen et al., 2021, p. ix).

102. The need to protect informal economy operators from shocks and build their resilience cannot be over-emphasised.

103. The time has come to extend social protection schemes to the informal economy.

104. This calls for the initiation of innovative social protection programmes for informal economy operators and businesses.

105. We need innovative instruments to encourage the “missed middle” of social protection to build and secure resilience to future shocks.

Policy imperative #10: Migrant informal economy operators

106. Labour migration in Africa is primarily intra-regional, with Namibia being no exception.

107. In this context, ILO Recommendation 204 (ILO, n.d.) calls on states to “pay special attention to those who are especially vulnerable to the most serious

decent work deficits in the informal economy, including but not limited to ... migrants ...”.

108. Migrant informal economy operators are particularly vulnerable to sexual exploitation and pressure to pay bribes.
109. Labour migration policies take into account labour market needs and promote decent work and the rights of migrant workers.
110. There is a need for the harmonisation of SADC laws, policies, and practices in respect of migrant informal economy operators.

Policy imperative #11: Police brutality

111. Informal traders throughout Namibia have always endured harassment at the hands of police officers.
112. Even though, as noted earlier, many people work in the informal economy, authorities have never treated informal traders with kindness and understanding.
113. The mistreatment, harassment and arrest of informal traders are commonplace, while goods are routinely confiscated by law enforcement officers.
114. Our stance is unambiguous: informal traders whose only offence is trying to eke out a living in a weak economy are not criminals, and should not be treated as such!
115. Informal economy traders thus deserve to be heard, supported and assisted – they should never be brutalised for trying to survive (StreetNet International, 2020).
116. We accordingly urge municipal managers to adopt a more inclusive approach to dealing with street vendors in Namibia by entering into negotiations with their representative organisations (ibid.).
117. We demand that the evictions, harassment, and arbitrary confiscations of

goods by law enforcement officers be stopped with immediate effect.

A call for action

118. The Namibian Government should adopt a stronger equity focus with respect to policy-making.
119. Towards this end, the policy imperatives presented in this position paper will go a long way to addressing the structural causes of exclusion and social injustice in the informal economy space in Namibia.
120. Now is not the time for small steps, but for bold action.
121. Confronting the challenges within the informal economy space in the country will, in the words of Phumzile Mlambo-Ngcuka, former UN Women Executive Director, “require unprecedented political leadership, dedicated and vastly increased resources, and new partnerships” (UN Women, 2015).

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