LOCAL GOVERNMENT AUTHORITY SUPPORT TO INFORMAL SECTOR
AND PERFORMANCE OF THE SECTOR IN TANZANIA: A CASE OF FOOD
VENDING IN SONGEA RURAL AND URBAN DISTRICTS

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A DISSERTATION SUBMITTED IN PARTIAL FULFILMENT OF THE
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ABSTRACT

The study for this dissertation was done to assess Local Government Authority (LGA) support to food vendors in Songea Rural and Urban Districts. The sample comprised 120 food vendors both men and women. Data were collected using a questionnaire with open-ended and close-ended questions and analyzed using SPSS. The findings showed that the food types vended were those locally available like maize stiff porridge, and rice served together with beans, meat, fish and green vegetables. Loans and grants, training, business areas, potable water and means of waste disposal were the kinds of support provided by the district authorities to food vendors, though it was little. The mean net profit due to food vending services for the respondents who had received government support ranged from TZS 17 295.75 to TZS 18 581.83 while among those who had not received any support the net profit ranged from TZS 16 960.81 to TZS 18 707.54. The mean monetary value of assets owned by the respondents who had received government support ranged from TZS 4 255 686 to TZS 4 719 865, while the mean monetary values of assets for those who had not received any support ranged from TZS 4 743 951 to TZS 4 931 400. A t-test to compare mean net profit due to food vending services and mean monetary values of assets owned between the two categories of respondents indicated that the differences were not significant (p > 0.05). It is concluded that little support from district authorities, factors like availability of customers, personal creativity, and ability to win customers, individual, families and relatives’ responsibilities could have influenced the mean net profit and mean monetary values of assets between the two groups. It is recommended that LGAs should increase support and make close follow of food vendors after receiving support, to monitor application of those types of support.
DECLARATION

I, Frida Magehema, do hereby declare to the Senate of Sokoine University of Agriculture that this dissertation is my own original work done within the period of registration and that it has neither been submitted nor being concurrently submitted for degree award in any other institution.

Frida Magehema
(M.A. Candidate)

The above declaration is confirmed by

Prof. Kim A. Kayunze
(Supervisor)
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DEDICATION

This dissertation is dedicated to the Almighty God Who gave me energy and health to do this work, my beloved parents who paved the way for my academic endeavours through their enduring upbringing and support. And all my friends whom I consider as part of my family. Thanks for your support both physically and spiritually, for your inspiration and for your encouragement to pursue my study.
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<th>Full Form</th>
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<tr>
<td>ABS</td>
<td>Australian Bureau of Statistics</td>
</tr>
<tr>
<td>BEST</td>
<td>Business Environment Strengthening for Tanzania Programme</td>
</tr>
<tr>
<td>ESCAP</td>
<td>Economic and Social Commission for Asia and the Pacific</td>
</tr>
<tr>
<td>FAO</td>
<td>Food and Agriculture Organization</td>
</tr>
<tr>
<td>FGD</td>
<td>Focus Group Discussion</td>
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<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
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<tr>
<td>ICLS</td>
<td>International Conference of Labour Statisticians</td>
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<td>IFPRI</td>
<td>International Food Policy Research Institute</td>
</tr>
<tr>
<td>ILO</td>
<td>International Labour Organization</td>
</tr>
<tr>
<td>LGA</td>
<td>Local Government Authority</td>
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<tr>
<td>NBS</td>
<td>National Bureau of Statistics</td>
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<td>NSGRP</td>
<td>National Strategy for Growth and Reduction of Poverty</td>
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<td>PBFP</td>
<td>Property and Business Formalization Programme</td>
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<tr>
<td>SD</td>
<td>Standard Deviation</td>
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<tr>
<td>SPSS</td>
<td>Statistical Package for Social Sciences</td>
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<tr>
<td>TRA</td>
<td>Tanzania Revenue Authority</td>
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<tr>
<td>UNDP</td>
<td>United Nations Development Program</td>
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<tr>
<td>UNESCAP</td>
<td>United Nations Economic and Social Council for Asia and the Pacific</td>
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<tr>
<td>UNIDO</td>
<td>United Nations Industrial Development Organization</td>
</tr>
<tr>
<td>URT</td>
<td>United Republic of Tanzania</td>
</tr>
<tr>
<td>VEO</td>
<td>Village Executive Officer</td>
</tr>
<tr>
<td>WDF</td>
<td>Women Development Fund</td>
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<td>WEO</td>
<td>Ward Executive Officer</td>
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CHAPTER ONE

1.0 INTRODUCTION

1.1 Background Information

In developing countries, the term ‘informal sector’ is broadly associated with unregistered and unregulated small-scale activities (enterprises) that generate income and employment for the poor (Bernabè, 2002). Liberalization and privatization have not been able to solve all problems affecting the informal sector. Therefore, the private sector is left to take up this employing responsibility. However, it has not been capable to absorb the growing numbers of job seekers. As a result, informal sector has stepped in to fill in the gap (Amenya, 2007). According to UNESCAP (2010), the informal sector accounts for over 50% of non-agricultural employment in many developing countries.

During the past decade, informal sector in Africa was estimated to account for almost 80% of non-agricultural employment, over 60% of urban employment and over 90% of new jobs (Charmes, 2002). In Sub-Saharan Africa, the informal sector is nothing new; the types of activities carried out in this sector have existed even prior to colonialism (Sparks and Barnett, 2010). The informal sector in sub-Saharan Africa represents the dominant share of many sectors across the continent, especially in manufacturing, commerce, finance and mining. Activities are conducted on the streets, sidewalks and back alleys of cities and it including petty traders, street vendors, small scale artisans and shoe shine (Misati, 2007).

In Tanzania, the recognition of the economic value of the informal sector came shortly after the economic hardships in the early 1980s. The economic hardships forced the government to reappraise its perceptions and policies towards local, indigenous technologies and enterprises (Maliyamkono and Bagachwa, 1990). van Dijk (2008) shows that the sector provides employment opportunities for a large number of people and also it
is a mechanism to generate and redistribute growth in Tanzania. In 2006, the urban informal sector employed 66% of the people for whom informal sector work is the main activity and only 16% of those for whom it is the secondary activity (TRA, 2011). In 2011, the sector was estimated to employ 2,502,327 people in Tanzania (Times Reporter, 2011; NBS, 2012).

Despite the growing importance of the informal sector, the sector still faces a lot of problems hindering its growth. According to Pfinder and Gold (2000), people working under informal sector are often not registered in official statistics/censuses, and they have limited access to organized markets and credit organizations, as well as to formal education and training. Most of them operate under low levels of production technology, production is labour intensive, and often the infrastructure in the immediate working environment is poor.

In policy context, there is no specific policy for informal sector but several policies cut across to support the informal sector development. However, Tanzania has undertaken various initiatives to enable the implementation of policies to support informal sector development such as establishment of the Property and Business Formalization Programme (PBFP) and the Business Environment Strengthening for Tanzania Programme (BEST) (URT, undated). These initiatives are normally implemented by Local Government Authorities at the local level.

Local Government Authority works within a parameter set by central government. The principle underlying role of the local authorities is to provide social, economic and political services needed at the community level (URT, 2006). The traditional local government work is simply liaising with agencies such as the health services practitioners, the school systems, the rural or urban infrastructure, development agencies etc. (Kuusi,
Local Government Authority has a major role to play in implementing policies and regulations initiated by government and ability to control several activities conducted under local authority including informal sector.

Therefore, focusing on Local Government Authorities’ support on the informal sector is crucial for development in Tanzania. There should be clear and known information on Local Government Authority support to informal sector so that stakeholders in the sector can be in a position of understanding what support they can get from the Local Government Authority. This study, therefore, attempted to assess Local Government Authority support to informal sector in Songea Rural and Urban Districts. The study addressed food vendors as part of informal sector since food vendors feed many people daily with a wide variety of foods that are relatively cheap and easily accessible. Also food vending activity offers a significant amount of employment, often to persons with little education and training (Muinde and Kuria, 2005).

1.2 Problem Statement

Businesses in the informal sector are done by many people in Tanzania, and Songea Rural and Urban Districts have high potential for such businesses. However, people doing business in informal sector particularly food vendors in the districts get inadequate support from Local Government Authorities which are expected to support them in their endeavours to bring on their own development and national development at large. In Tanzania, it is estimated that 34% of all households were engaged in informal sector activities at any given point of time in the year (Becker, 2004). It has been shown that the formal sector is estimated to be capable of absorbing between 7% and 10% of the new entrants into the labour market (Kent and Mushi, 1995) and leaving the rest to the informal sector. The contribution of informal sector to national GDP was about 39.5% in 2010.
The sector provides basic goods and services, which are cheap and easily accessible to the majority of the low-income earners.

Despite initiatives developed by the government to support informal sector, still the sector is facing various constraints. A study done by UNDP, ILO and UNIDO (2004) shows that informal sector lacks location for business, and face financial constraints and other regulatory constraints. A research report by Muhanga and Nombo (2010) conducted in Morogoro shows that people involved in informal sector revealed that neither the central government nor the Local Government Authority supports their businesses while others said they received little support. According to Muiruri (2010), vendors hardly get services from urban authorities and even authorities were not accountable to vendors. A study done by Arosanyin et al. (2009) shows that informal sector enterprises had limited or no support from Local Government Authorities. The aim of the study was to investigate Local Government Authority support to the informal sector activities.

1.3 Justification of the Study

Different studies on informal sector have focused on the important role played by the sector and the problems facing it. A study done by Baruti (2010) shows that people engaged in informal sector have limited or no access to the social security system hence they continue to be vulnerable and affected by pangs of poverty. Despite the contribution of informal sector to GDP in Tanzania, and efforts made by the government to support informal sector, yet there is little information on Local Government Authority support to the informal sector. The study was important because the government of Tanzania is advocating for informal sector support initiatives which aim to integrate the informal sector into the formal sector. The informal sector remains an important sector in Tanzania in enabling people to generate income and as a source of employment to most of people
hence reduce poverty. Little support provided by Local Government Authority to informal sector makes people in the sector continue to be underdeveloped; hence their efforts to reduce poverty are undermined. Therefore, this study was important to generate empirical information on Local Government Authority support provided to informal sector specifically food vendors and performance of the sector. The findings from the study generally provide a basis for recommendations that may be used by local government and policy makers in improving the sector and eventually development of livelihoods of those engaged in the sector in Songea Rural and Urban Districts.

The study is in line with National Employment Policy in which the policy statement says that the informal sector operators, through their organisations, shall be empowered to easily access financial services, skills training and business development services to enable them generate sustainable incomes and productive employment (URT, 2008). Furthermore, the study is in line with the National Strategy for Growth and Reduction of Poverty (NSGRP) Cluster I, which stipulates economic growth for reduction of income poverty. Goal 2 of NSGRP is about reducing income poverty through promoting inclusive, sustainable, and employment enhancing growth and development. In addition, the study is in line with Millennium Development Goal Number 1, which is to eradicate extreme poverty and hunger (URT, 2005; 2010). In addition, the study is in line with Tanzania Development Vision 2025 which aims at eradicating abject poverty by 2025.

1.4 Objectives of the Study

1.4.1 General objective

The general objective of the study was to assess Local Government Authority (LGA) support to food vendors in Songea Rural and Urban Districts.
1.4.2 Specific objectives

i. To characterize the range of food types sold by vendors in Songea Rural and Songea Urban Districts,

ii. To establish kinds and extents of support extended to food vendors by Songea Rural and Urban Districts,

iii. To determine the net profit of food vending services and monetary values of assets owned by food vendors, and

iv. To compare the net profit of food vending services and monetary values of assets owned between food vendors who had got Government support and those who had not.

1.4.3 Null Research hypotheses

H₀: The net profits of food vending services do not differ significantly between food vendors who got Government support and those who did not.

H₀: Monetary values of assets owned do not differ significantly between food vendors who got Government support and those who did not.
2.0 LITERATURE REVIEW

2.1 The Informal Sector Concept

The informal sector is regarded as “the non-structured sector that has emerged in the urban centres as a result of the incapacity of the modern sector to absorb new entrants” (ILO, 1972). The informal sector concept is used more or less alternatively and interchangeably, in terms of informal income generating activities, unorganized sector, un-enumerated sector and unregistered self-employed individuals (ILO, 1972).

According to the 1993 International Conference of Labour Statisticians (ICLS) resolution on statistics in the informal sector, the sector was regarded as a group of production units which form part of the household sector. Household enterprises are units engaged in the production of goods and services, which are not constituted as separate legal entities independently of the household or household members that own them. They do not have a complete set of accounts which would permit a clear distinction between the production activities of the enterprises and the other activities of their owners, or the identification of any flows of income and capital between the enterprises and owners.

Kent and Mushi (1995), interpreted informal sector as individuals or groups of people engaged in legitimate enterprises (either subsistence or small-scale), some of whom may be regulated by the state, (e.g. co-operatives and Nguvu kazi groups) but the vast majority are considered to be operating outside the legal regulations of the state. Bagachwa and Naho (1994) added that informal sector consists of both employed workers and self-employed persons in rural and urban areas.
However Tanzania National Employment Policy 2008 informal sector defined as non-farm, small scale and self employed income generating activities based on low level of organization, low capital and low technology (URT, 2008). In addition informal sector involves majority of micro enterprises in Tanzania engaging up to four people (URT, 2002). According to Walther (2011) the sector is defined as being “all production units without an administrative registration number and/or which do not keep formal written sets of accounts.”

The most remarkable feature of the informal sector is its diversity and heterogeneity. The sector comprises individuals from all steps of the economic and educational ladder, the nature of activity taking place, the types of products being produced, the variety of technology used, and which types of quarters are being operated in (Müller, 2005). A common aspect to individuals in informal sector is that they are able to obtain power and control over their own means of subsistence, through their informal activities.

The features of the informal sector have been a major factor to its expansion. It has been observed that even skilled and educated people opt for employment in the informal sector for a variety of reasons (Ademola and Anyankora, 2012). ILO (1972) highlight the characteristics of informal sector that there is low entry costs, and general ease of entry, unregulated and competitive markets, reliance on indigenous resources, family ownership of enterprises, small scale of operation, labour intensive and simple technology and lastly skills acquired outside formal schooling system.

In general the informal sector activities are socially and economically worthwhile productive activities and services normally initiated with the honest objective of producing a product or offering a service for sale or own use. Despite the means used in performing
these activities may not comply with legal requirements (for example, quality and health standards) in some cases, the activities have highly desirable objectives such as building a house, manufacturing a product or providing a service (Bagachwa and Naho, 1994). Selling of second-hand clothes, shoe shining, food selling and repair and construction are common activities under informal sector. They are operating mainly from the streets of the main urban centres (Amenya, 2007).

2.2 Historical Development of Informal Sector in Tanzania

According to Kandonya et al. (2002) the development of informal sector in Tanzania begun earlier than independence, whereby substantial economic activities were taking place at the household level without being captured in official statistics. The concepts such as traditional activities, subsistence activities and efforts in the national accounts in as early as the 1960s to measure “subsistence activities” reflected the existence of unrecorded or informal activities. In Tanzania the development of informal sector can be categorized into four major periods. The features of each period and how each one is related to the development of informal sector in Tanzania as follows.

(a) Immediately after independence in 1961: At that period some indigenous people (especially those working on estates) opted to work on their own rather than working for their colonial masters. They established their own small-scale level practices, e.g. black smith, shoe making, tailoring and retail trade. Although these activities existed even during the colonial period, they increased strongly after independence.

(b) After the Arusha Declaration of 1967: In connection to nationalization of the major means of the economy, the IS prospered and two types of the informal sector operators emerged. The first category constituted those whose properties were nationalized, and who
established smaller enterprises that did not qualify for nationalization (most of the Asians moved into this type of business). The second was made up of former employees in the nationalized enterprises who could not be reemployed and who thus formed small businesses in areas such as retail trading, carpentry, tailoring and metal fabrication.

(c) The period between 1974 and 1980: The period was characterized by the Ujamaa Villages Act of 1975, stipulating that there should be no place for individual ownership of small-scale industrial activities in villages. During this period communal ownership was encouraged. This act accelerated the rural-urban migration, especially among the youths who wanted to escape from the social demands of the new system of living. Unfortunately, during this period the informal sector was highly constrained by legal by-laws. Regardless of the by-laws, the informal sector activities flourished, particularly in urban areas, as a survival mechanism following the economic crisis that began to surface in the late 1970s. Many micro-enterprises were born out of the need to survive in a harsh economic climate, and many micro entrepreneurs had no focus other than to endure from one day to the next.

(d) The 1980s and the structural adjustment reforms period: The period was characterized by collapse of the formal sector employment, compression and erosion of real wages in the 1980s and proliferation of informal sector activities in Tanzania (Kandonya et al., 2002). In the late 1980s, the government introduced a Public Sector Reform in order to make government administration leaner and more efficient. Many government officials were retrenched and the principles of professionalism were to be the new guideline for the selection of civil servants. The slimming of the public sector and the parallel process of privatization further accentuated the importance of urban self-employment as alternative sources of income (Pfinder, 2000). Besides, with erosion in real wages, formal employment increasingly became unattractive and unrewarding to the
extent that some employees opted for employment in the informal sector (Kandonya et al., 2002).

2.3 The Existing Perspective towards Informal Sector

A number of studies have argued that informality impedes investment and growth. This is for the reason that businesses that work outside the tax and regulatory net have a hard time accessing credit, limiting the scale of their operations and exploitation of investment opportunities. Furthermore, the informal economic activity undermines the ability of governments to lift up revenue and therefore denies the public sector resources that would otherwise play a complementary role to private investment through infrastructural development or facilitation of business environment (Loayza, 1996). Also the World Bank (2009) mentioned that informal sector is unofficial business which is evading tax, avoiding labour regulations and other government or institutional regulations, with no registration of the business.

2.4 General Contribution of the Informal Sector to Local Economies in Different Areas Around the World

The informal sector makes a huge contribution to African economies even if not recorded in official statistics. The contribution is higher in Sub-Saharan Africa than in any part of the world by nearly 55% of the sub continent’s GDP. In North Africa, its share of GDP is 37.7%, Asia 23.9%, Latin America 30.6%, the Caribbean 22.2% and the Transitional Economies having the lowest share of 21.7% (Charmes, 2006).
Table 1: A summary of the contribution of informal sector to GDP in different regions

<table>
<thead>
<tr>
<th>Region</th>
<th>Informal sector (including agriculture) of total GDP (%)</th>
<th>Informal sector (excluding agriculture) of non agricultural GDP (%)</th>
<th>Informal sector (excluding agriculture) of total GDP (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sub-Saharan Africa</td>
<td>54.7</td>
<td>37.7</td>
<td>23.7</td>
</tr>
<tr>
<td>North Africa</td>
<td>37.7</td>
<td>30.4</td>
<td>26.3</td>
</tr>
<tr>
<td>Asia</td>
<td>23.9</td>
<td>26.8</td>
<td>21.5</td>
</tr>
<tr>
<td>Latin America</td>
<td>30.6</td>
<td>25.9</td>
<td>23.4</td>
</tr>
<tr>
<td>Caribbean</td>
<td>22.2</td>
<td>21.2</td>
<td>19.7</td>
</tr>
<tr>
<td>Transition economies</td>
<td>21.7</td>
<td>13.9</td>
<td>11.8</td>
</tr>
</tbody>
</table>

Source: Charmes (2006)

2.5 Role of Informal Sector in Poverty Reduction

Informal sector has become a main theme in academic’s landscape of developing countries, and there is general agreement over the need to pay attention to the informal sector because of its importance to employment and poverty issues (Tokman, 2007). In other words, the sector is linked directly and indirectly to the main development objectives such as increased income, job creation and reduction of poverty (Havinga and Carson, 2006).

Despite the existing of traditional agricultural sectors, informal sector constitutes one of the important sources of income for rural society (Ahmad et al., 2011). According to Sparks and Barnett (2010) employment in the informal sector is no longer a journey, but has become the destination of many. In Malaysia, for example, it has been observed that the involvement of people in this sector especially amongst rural folks helped the majority of people to get rid of rural poverty (Ahmad et al., 2011). Mnenwa and Maliti (2008) said that, the income generated from small business contributes to poverty alleviation in
Tanzania. Adhikari (2011) said that there has been a significant increase in the incomes and assets of those who are involved in the informal sector activities.

Informal sector is useful sector because it takes into account the structure of the economy of the countries concerned and makes it possible to calculate the number and identify the type of household enterprises or informal enterprises composed of people working for themselves, as well as the number and the types of activities of small enterprises employing one or several employees (Walther, 2011).

2.6 Skills Acquisition for those Involved in Informal Sector Activities

Ganu and Boateng (2012) confirm that informal sector is characterized by illiteracy or semi illiteracy operators. Most of the informal sector participants asked a business partner for help when the need arises and others depend on their personal initiatives to solve business problems. The average education level for those involved in the informal sector is not higher than primary school level (Adhikari, 2011). Walther (2011) reported that surveys on the informal sector clearly show a very high proportion of people working in the sector are trained by the sector itself. Ahmad et al. (2011) said that, its diversity of scope and the time flexibility have attracted rural folks to devote their living in this informal sector and therefore participation and involvement in this sector neither require for any special educational background nor higher skills.

2.7 Challenges Facing Informal Sector

Although the informal sector seen to be crucial in reducing poverty among the people, the sector in Tanzania consists of mainly with unregistered and the number of informal operators is growing fast (Mutalemwa, 2010). An increasing of informal sector is an indication of the failure of government to offer a formal environment conducive to small-scale enterprise development and, since informal enterprises operate largely outside the
influence of government, and the increasing stake of informal enterprises in the economy limits the efforts of international institutions and donors to support informal sector (Nelson and Bruijin, 2005). Misati (2007) said that informal sector activities thrive in countries with stiff government restrictions.

The informal sector activities are usually conducted underground or without following the laid down procedures in the formal spheres. Furthermore, informal sector lack specific policy which guides the sector. In addition, people engaged in informal sector lack capital, experience harassment by the LGA officials, lack business skills and have limited access to loan facilities (Muhanga and Nombo, 2010). In addition, lacks of market, unfaithful and unreliable clients are also the leading bottleneck in informal sector business performances (TRA, 2011). Furthermore, the existence of laws and regulations which do not take into account the development of the sector increasing the hardness of doing business in informal sector.

2.8 Informal Food Vendors

Food vending is a small-scale business of producing and distributing services of the cooked food at different times and the common used names are “Mama Ntilie” and “Baba Ntilie”, “Bei poa” “Bei mapatano”. FAO (2012) reported that, street food vending becomes a large source of employment, offering abundant informal labour opportunities in contrast with scarce labour demand in the formal sector, particularly for unskilled workers. The term street vended food, describes a wide range of ready-to-eat-food and beverages, sold and sometimes prepared along streets and several other public places such as lorry stations, parks, schools, construction sites and virtually all locations where there is a high number of potential customers (FAO, 2012). It is accessible everywhere, convenient, inexpensive, delicious, authentic, culturally enriching and relatively healthful. Its types of
foods, services and areas depend mostly on local dining habits, cultures, as well as the social and economic environment. Indeed street foods often reflect traditional local cultures and exist in an endless variety (Habib, 2011).

Street food vending is an economic activity that normally uses a small space, such as a pavement or alley, as a trading area. Street food vending can be either mobile or fixed (Nirathron, 2006). Women are mostly active in the vending of street foods and consumers range from a variety of social backgrounds, transcending income groups, gender, age and education (FAO, 2012).

According to Muzaffar et al. (2009), there are a lot of discussions on street food vending in literature although a large portion of it concentrated on the health and hygiene feature of this group. There are also some papers that concentrate on the nutrition aspects of street food. The street food vending has largely been considered as part of the informal sector; and separate numbers specifically for street food vending is hard to find since vendors are itinerant, moving one site to another. Street food vending plays a vital role for the economic planning and development of many towns as well as providing a basic need to the urban dwellers at affordable prices. Each street food enterprise is generally small in size, requires relatively simple skills, basic facilities, and small amounts of capital (Muzaffar et al., 2009).

The food vendor sector is growing not only because people need food but lack of formal job influence the growth of the sector. According to Chukuezi (2010) most jobless college graduates in Nigeria fall back to street food vending as a stop-gap as the start-up capital is low and affordable. FAO (2012) reported that, the rapidly growing urban realities, services and infrastructures cannot keep the pace with the increasing food demand of the population and this leaves room for the informal food sector to fill the gap and thrive.
2.9 Performance of Food Vendors

The Food and Agriculture Organization (2007), reported that 2.5 billion people worldwide eat street food every day. In cities like Niamey, Niger and Kumasi, Ghana, almost all individuals, regardless of their age, ethnic or socioeconomic status, consume street foods (IFPRI, 2000). A study done by Macha (2006) shows that among the micro-enterprises operated in Morogoro Rural District, food vending itself was the leading micro-enterprise by 40% of respondents who were doing this activity and the remaining percent was distributed into other micro-enterprises. According to Mjawa (2003) cited by Kinabo (2003), street foods account for 70% of the total calorie intake of the urban low and middle income groups. In a survey carried out in Dar es Salaam it was observed that on average 168 people visit one street food vendor per day. The types of foods served by street food vendors include rice, stiff porridge from maize flour, plantain, and maize cooked with beans. Other foods include fried potato chips, cassava chips and sweet potato chips, roast and fried chicken, roast pork, beef and goat meat (Kinabo, 2003).

According to FAO (2012) it has been shown that, women entrepreneurs in West African countries undertake survival strategies in managing street food operations and mostly use revenue to support household expenditures such as clothing, health and child education.

2.10 Categories of Food Vendors

Food vendors are categorized into two groups based on how they operate their food vending activities. Following is an effort to describe those existed groups of food vendors.

2.10.1 Mobile food vendors

These are the food vendors who travel from one place to another on a bicycle, motorcycle or tricycle, carrying a glass case which contains the food intended for sale. Most of the time the food is prepared much in advance and stored under unfavourable conditions, such as there is no temperature control to prevent microbial growth or no water facilities to
wash their hands before handling the food. Although placed in a glass case, the food is not protected against dust, flies or cross-contamination (Mosupye et al., 2000). Ice cream sellers are examples of mobile food vendors.

2.10.2 Stationary food vendors
These are food vendors who have a stall which are stationary at a point, usually on the roadside or under a shop, where they prepare or cook food on the spot. Everyday these vendors store their bulky goods such as grills, tables, benches in their caravan (Freese et al., 1998).

2.11 Meaning of Local Government Authority (LGA)
Local Government Authority is grassroots government recognized by law. The concept refer to the administration of the entities “operating on a local level, functioning through a representative organ known as the council, and established by the law to exercise specific powers within a defined area of jurisdiction”. Local Government Authorities are autonomous organizations established under the Local Government Act number 7 and number 8 of 1982 (Baker et al., 2002). Maddick (1963) defines local government as a sub-unit of government controlled by a local council which is authorized by the central government to pass ordinances having a local application, levy taxes or exact labour and within limit specified by the central government varies centrally decided policy in applying it locally. The United Nations Office for Public Administration defines local government as: A political subdivision of a nation or (in a federal system) state, which is constituted by law and has substantial control of local affairs, including the powers to impose taxes or to exact labour for prescribed purposes. The governing body of such an entity is elected or otherwise locally selected (Adetoritse, 2011).
2.12 Functions of Local Government in Area of Jurisdiction

The basic functions of the local government in Tanzania are maintenance of law, order and good governance; promotion of economic and social welfare of the people within their areas of jurisdiction; and lastly ensuring effective and equitable delivery of qualitative and quantitative services to the people within their areas of jurisdiction (URT, 2006). Another function is ensuring the collection and proper utilization of the revenues of the council. Therefore, it is expected that people will get services from the local government including those involved in the informal sector.

2.13 Strategies done by Government in Promoting the Development of Informal Sector

In Africa local government has tended and still tends to deal with informal economy participants largely on the basis of by-law formulation, particularly in respect of street traders (David et al., 2012). Tanzania recognizes that a substantial amount of economic activities taking place in the small and medium business are not well recognized and regulated and for that case the government of Tanzania has developed strategies to support informal sector. According to TRA report (2011), initiatives are in place to ensure gradual transition of economic activities from informal to formal. For informal sector operators to be afforded opportunity to expand, they have first and foremost to be formal. Only then can finances be channelled to the sector to bridge the savings-investment gap in the sector. The Property and Business Formalization Programme (PBFP) recognizes this fact and is currently working towards formalization of the informal sector businesses.

However, supportive policy and legal frameworks have been developed and reviewed for enhancing employment creation. Such programmes and projects implemented, include those focusing on increasing financial support for micro credit schemes for the youth, women, entrepreneurs and other vulnerable groups, skills training through vocational
education and training, management and business training and counselling as well as review of labour and employment related laws (URT, 2008). The government through the Ministry of Community Development, Gender and Children allocate funds in order to boost entrepreneurs in Tanzania through Women Development Fund (WDF) (URT, 2008).

According to Mnenwa and Maliti (2008), the Local Government Authorities in Dar es Salaam were found to be vital in providing facilitation to small businesses through licensing, allocation of space for business premises, financial services, health and quality control, setting rules and regulations, and policy management.

In South Africa for example, the government has taken a step forward in recognizing the vital function of the informal sector. The South African authorities have designed policy measures that improve the business environment for the informal operators as well as promote its growth and development (Braude, 2005). The government is now committed to continue promoting a favourable environment for the informal activities including street vendors.

2.14 Challenges Faced by Government in Developing Informal Sector

Mutalemwa (2010) mentioned one of the challenges facing most developing countries including Tanzania is the presence of highly growing informal sector and the presence of this sector is a challenge for taxation, regulation, financing, reforms, and provision for social services. However, the position from local government towards street vendors is ambiguous. It changes often with every new mayor and political fashion (Destombes, 2010). David et al. (2012) said that local governments which show an interest in embracing and promoting their informal economy, often find themselves overwhelmed by
the challenges of how and where to include it into local government policy and planning processes.

Other challenges local governments experience with regards to the sector include acknowledging the importance and presence of the sector and facilitating its changes; dealing with the complexity and diversity within the informal sector; bridging the relationship and communication gap between local government and the informal economy; including informal sector issues into local government policies, regulations and planning processes; developing local economic development friendly policies and by-law guidelines for the sector and involving national departments in supporting the efforts of local government to develop and implement a more developmental approach towards the sector (David et al., 2012).

2.15 Conceptual Framework

The conceptual framework presented in Fig. 1 explains the relationship between Local Government Authority support and the performance of food vendors in terms of income and assets. The assumption was that the dependent variable, which was food vendors’ performance, was affected by the number of independent variables related to Local Government Authority support. Local Government Authorities were considered to provide support of different types to informal sector, including food vendors in order to bring good performance of their businesses. These types of support included financial, technical and infrastructure support. These types of support have an impact on performance of food vendors’ activities such as increase of income and assets. It was assumed that food vendors who had received financial, technical and infrastructure support had their business performing relatively better compared to their counterparts who had not received any support from Local Government Authority. However, there were other forces that can be
collectively referred to as background variables which were assumed to influence the dependent variable; these are age, sex, educational level, income level, marital status, and location of food vendors.

Support

Key: The arrow shows direct relationships between independent and dependent variables

Figure 1: The conceptual framework of the study
CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Geographical Characteristics of the Study Areas

The study was conducted in Songea Rural and Urban Districts as presented in Fig. 2. Donor requirement was the major reason for choosing the districts. However, the study areas have also been selected since little is known on informal sector including food vendors’ interaction with Local Government Authority support.

3.1.1 Songea Rural District

Songea Rural District is one of five districts in the Ruvuma Region, Tanzania. The district is situated in the central area of Ruvuma Region. It is bordered by the Republic of Mozambique in Southern West, Mbinga District in the West, Namtumbo District in the East and Ulanga (Morogoro Region) and Njombe Region in the North. The district is estimated to cover 16 727.14 km² of total area, out of that 3 013.14 km² is covered with water bodies, which are rivers (URT, 2011). According to the National Population and Housing Census of 2012, the population was 173 821 whereby 86 548 were males and 87 273 were females while the average household size was 4.5 (URT, 2013). Administratively, the district is divided into 3 divisions, 17 wards, and 63 Villages. Agriculture is the major economic activity to people in Songea District. Due to agricultural inputs voucher system whereby farmers received subsidised inputs, the actual production of grains increased from 5 to 8 bags per acre in the 2007/08 agricultural season to 20 bags per acre in the 2008/2009 agricultural season.
3.1.2 Songea Urban District

Songea Urban District lies between Longitudes 35°30’ and 35°45’ East of Greenwich and Latitudes 10°30’ to 10°35’ South of Equator. It is the headquarters of Ruvuma Region and Songea District. It is bordered by the Iringa Region to the Northern part, Songea District Council Southern part, Tunduru District Council Eastern part, and Mbinga District Council Western part. The district covers an area of 750.05 km² of which 659.95 km² is arable land, 15.9 km² land is occupied by residential and industrial buildings while 75.2 km² of the land is occupied by natural resources. According to the National Population and Housing Census of 2012, the population was 203,309 whereby 96,347 were males and 106,962 were females while the average household size was 4.2 (URT, 2013). The district is divided into 2 divisions consisting of 21 administrative wards. The economy and livelihood of people depend on agriculture, livestock keeping, trade and small scale industries.
Figure 2: A map of Tanzania showing study areas, Songea Rural and Songea Urban Districts
3.2 Research Design
A cross-sectional research design was employed in this study. The research design allows data to be collected at a single point in time (Bailey, 1994). In addition, this design was considered to be useful due to resource constraints; it saves resources because data are collected once.

3.3 Study Population
The study population was individuals both men and women engaged in food vending activities in rural and urban Songea Districts. Local government officers were included in the study as key informants such as the District Trade Officer, the District Community Development Officer, Health Officer, and the District Planning Officer. In addition, Village Executive Officers (VEOs) and Ward Executive Officers (WEOs) were involved in providing important information about food vending in their areas.

3.4 Sample Size
The sample size was 120 cooked food vendors. The sample size was justifiable based on the literature which says that regardless of the sample size, a sample of 30 respondents is a bare minimum for studies in which statistical data analysis is to be done (Bailey, 1994).

3.5 Sampling Procedures
Non-probability sampling technique was used whereby purposive sampling was used to choose Songea Rural and Urban Districts. Moreover, the purposive sampling technique was also used to select four wards where food vending was being conducted prominently. In the four wards, the lists of food vendors were compiled, and then simple proportionate stratified sampling was used to select respondents from each of the four wards to come up with the sample of 120 food vendors. Systematic sampling was applied to select
respondents from different strata whereby 17 respondents were selected from Mahanje ward, 30 respondents were selected from Peramiho ward, 33 respondents were obtained from Songea Urban ward, and 40 respondents were selected from Misufini ward.

3.6 Data Collection Methods

For primary data, a survey method using a questionnaire with open-ended and closed-ended questions was used to collect primary data on types of food vended by food vendors, Local Government Authority support to food vendors, and net profit due to food vending activities and monetary value of assets owned by food vendors. Checklists were used to collect information from key informants on Local Government Authority support offered to food vendors and constraints of Local Government Authority in supporting food vendors. Moreover, the FGD method was applied to get additional information about Local Government Authority support towards food vendors and constrains influencing Local Government Authority in supporting food vendors. Secondary data were collected from local government trade, planning, and health and community development offices’ reports.

3.7 Data Analysis

Qualitative data collected through focus group discussions (FGDs) was analyzed by comparing agreements and disagreements of the discussants on various items raised during discussions about support of local government to food vendors. Qualitative data collected through key informant interviews was analyzed by noting how the information given by key informants deviated or was similar to information given by individual respondents and focus group discussants. In addition, content analysis technique was applied to analyse the qualitative data obtained from key informants and FGD. Quantitative data were coded and analyzed using the Statistical Package for Social Science (SPSS) computer software.
Descriptive statistics were used to get frequencies, percentages, averages, and minimum and maximum values of individual variables. Net profit due to food vending business per day for each respondent was computed by taking gross income from the food types sold per day minus total costs in running the food vending business per day. An independent-samples T-test was used to compare the mean net profit values from food vending services between food vendors who had got government support and those who had not. This was done to test the first hypothesis of the research.

### 3.8 Limitations of the Study

The following were the main limitations of the study:

During data collection, some respondents were reluctant to provide some information by assuming that the researcher was among the government officials who were trying to investigate on the status of their business so as to close them, or increase revenues and amend by-laws to the disadvantage of food vendors. The researcher clarified to respondents by using simple language that the survey was for academic purpose and not otherwise.

Another limitation was mistaken beliefs that their information would be used as tool for the researchers to benefit themselves without any tangible benefit to the community members as they had been providing information to various researchers without any advantage. To manage this limitation, the researcher insisted that the information they were providing was only for the researcher’s academic purposes.

The busy nature of food vending activities was another limitation of the study. This limitation was overcome by conducting the survey on their preference time, particularly after lunch hours when customers were not congested at the food vending places.
CHAPTER FOUR

4.0 RESULTS AND DISCUSSION

4.1 Background Characteristics of Respondents

The background characteristics of the respondents included seven aspects which are age, sex, marital status, level of education, main occupation of respondents, other occupations of respondents, and household size. The results on age, sex, marital status and level of education are summarized in Table 2.

Table 2: Background characteristics of respondents (n=120)

<table>
<thead>
<tr>
<th>Ward of residence</th>
<th>Peramiho (n = 30)</th>
<th>Mahanje (n = 17)</th>
<th>Misufini (n = 40)</th>
<th>Songea Urban (n = 33)</th>
<th>n = 120</th>
</tr>
</thead>
<tbody>
<tr>
<td>Characteristics of respondents</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age group</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Youngest (15-24 years)</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>2</td>
<td>3 (2.5)*</td>
</tr>
<tr>
<td>Less young (25-34 years)</td>
<td>6</td>
<td>8</td>
<td>10</td>
<td>5</td>
<td>29 (24.2)</td>
</tr>
<tr>
<td>Less old (35-44 years)</td>
<td>18</td>
<td>7</td>
<td>24</td>
<td>22</td>
<td>71 (59.2)</td>
</tr>
<tr>
<td>Oldest (45 &lt; years)</td>
<td>6</td>
<td>1</td>
<td>6</td>
<td>4</td>
<td>17 (14.2)</td>
</tr>
<tr>
<td>Sex</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>3</td>
<td>0</td>
<td>2</td>
<td>10</td>
<td>15 (12.5)</td>
</tr>
<tr>
<td>Female</td>
<td>27</td>
<td>17</td>
<td>38</td>
<td>23</td>
<td>105 (87.5)</td>
</tr>
<tr>
<td>Marital status</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single</td>
<td>7</td>
<td>6</td>
<td>7</td>
<td>5</td>
<td>25 (20.8)</td>
</tr>
<tr>
<td>Married</td>
<td>15</td>
<td>8</td>
<td>18</td>
<td>15</td>
<td>56 (46.7)</td>
</tr>
<tr>
<td>Widow/Widowed</td>
<td>2</td>
<td>1</td>
<td>7</td>
<td>5</td>
<td>15 (12.5)</td>
</tr>
<tr>
<td>Separated/ Divorced</td>
<td>5</td>
<td>2</td>
<td>5</td>
<td>7</td>
<td>19 (15.8)</td>
</tr>
<tr>
<td>Cohabitated</td>
<td>1</td>
<td>0</td>
<td>3</td>
<td>1</td>
<td>5 (4.2)</td>
</tr>
<tr>
<td>Level of education</td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>No formal education</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>1 (0.8)</td>
</tr>
<tr>
<td>Primary education</td>
<td>29</td>
<td>15</td>
<td>37</td>
<td>31</td>
<td>112 (93.3)</td>
</tr>
<tr>
<td>Secondary education</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>7 (5.8)</td>
</tr>
</tbody>
</table>

*: The numbers in brackets are in percentages (%)
4.1.1 Age

About three-fifths (59.2%) of the respondents were 35 to 44 years old. Less than a quarter (24.2%) were 25 to 34 years old, and over 45 years old were 14.2%, while 2.5% were 15 to 24 years old, as presented in Table 2. The findings which showed that 59.2% of the respondents were engaged in food vending activities at the age 35 to 44 years old imply that within those ages most of respondents were having different responsibilities for themselves, to their families and to other relatives; hence they needed to work hard in order to get income and other needs. The study findings are comparable with those of Ahmad et al. (2011) which showed that many people operating in traditional food industry entrepreneurs were within 20 to 39 (39.4%) and 40 to 49 (50.7%) years old.

4.1.2 Sex

Seven-eighths (87.5%) of the respondents were female and only 12.5% was male (Table 2). This indicates that females are more engaged in food vending activities than males in Songea rural and urban districts. A study done by Chukuezi (2010) indicated that 66.7% of women were involved in street food vending than men. ESCAP (2006) reported that the majority of women enter the IS as a result of lack of employment opportunities in the formal sector; also, they often lack the education and skills required for employment in the formal sector. The study results differ from those by Nirathron (2006) which showed that the percentages of male and female cooked vendors were almost similar in Bangkok, which indicates that women no longer prevail in selling food on the streets in their areas. However, in many cases the decision to start street food vending has been prompted by the need to increase family income (FAO, 2012).

4.1.3 Marital status

The study indicated that slightly less than half (46.6%) of the respondents were married and about one-fifth (20.8%) were single (Table 2). However, below one-fifth (15.8%)
were separated, 12.5% were widowers and 4.2 % were cohabitants. A study done by Ahmad et al. (2011) indicated that about four-fifths (78%) of respondents engaged in traditional food industry entrepreneurs were married. Based on field results, it implied that the married respondents were employing themselves in food vending activities in order to get income to sustain their family and other relatives.

### 4.1.4 Level of education

The results on the levels of education among the respondents are presented in Table 2; it shows that most of the respondents (93.3%) had attained primary education while 5.8% of respondents had attained secondary education. Only 0.8% of respondents had no formal education. Based on the findings, due to low level of education which cannot offer them any opportunity to be employed in the formal sector absolutely the only option was to engage in food vending activities which did not need complex technical skills.

However, the findings on the level of education are similar to those by Mfaume and Leonard (2004) who reported that less than 36% were engaged in entrepreneurship and small business because they did not have adequate education backgrounds, and therefore it was difficult for them to find alternative paid jobs. On the other side, a survey done in West Africa revealed that a relevant number of informal street food vendors had a secondary level of education that is nearly 57% in Freetown, less than 47% in Accra, about 30% in Bamako, and only 16% in Abidjan (FAO, 2012). This implies that level of education among food vendors in West Africa is high and possibly can have effect on business daily performance.

Based on field results, even though the majority of the respondents had primary education, still they continued operating their activities daily by using the normal experience of
attracting the customers whom they got in the daily food vending activities as long as they needed money. In a study done by Muzaffar et al. (2009), it was found that the educational background of the street food vendors does not significantly affect sales revenues generated by the vendors. The study concluded that experience in terms of years of doing business helps them to gather insight and knowledge of food vending than formal education because the business requires only simple skills.

4.1.5 Main occupation of respondents

The main occupation of respondents was food vending activities. All of the respondents reported that food vending was their main occupation. The reason behind could be that the activity naturally requires few and low level skills to operate compared to other informal sector activities. Also, by performing food vending activities, one is sure of getting money as long as food is needed in town or centres. A study done by Habib (2011) in Morogoro Municipality reported that the reasons for people entering the food selling activities were due to lack of significant profit in the other businesses, low wages payment and others were due to health problems. According to a study done by Nataraj (2012) in India, it was found that about 74% of food vendors started businesses as a means of survival as it was difficult to find a skilled job because of low education or illiteracy, unemployment, poverty, had no other choice to survive and they started the business as a survival option. Food vending activities cover a wide range of IS activities in different places. According to Macha (2006), food vending activities was leading among the micro-enterprises in Morogoro Rural Districts.

4.1.6 Other occupation of respondents

About a half of the respondents (50.8%) were engaged in crop production as their other occupation. The reason behind was due to that it enabled them to save costs of living by
having food in their house. However, 2.5% of respondents were engaged also in other businesses apart from food vending and 0.8% of respondents were involved in livestock keeping. On the other side the rest of the respondents (45%) were not involved in other occupations.

4.1.7 Household size

The minimum and maximum household sizes were 1 and 8 respectively, while the average household size was 4.65. Based on the average national household size (4.8) (URT, 2013), less than a half (45%) of the households were below the national household average. However, more than a half (55%) of households were larger than the national average. Therefore, household sizes which were above the national average could probably lead to low capital generation because the income generated by the food vending activities was immediately used to sustain household needs. ABS (2012) argues that larger households normally require a greater level of income to maintain the same material standard of living as smaller households.

4.2 Range of food sold by Vendors in Songea Rural and Urban Districts

The results in this section meet the first objective of the research, which was to characterize the range of food sold by vendors in Songea Rural and Urban Districts. The respondents in the study areas prepared different foods based on the customers’ requirements. The range of food vended in Songea both rural and urban districts included maize stiff porridge, rice which was served together with beans, meat, fish and green vegetables. Other foods included chapatti, dough nut, bread, black tea, and tea with milk, milk, sweet potatoes, cassava, and porridge, chips with eggs, roasted meat, roasted banana, soup and kande (dish of mixed maize and beans).
The results showed that maize stiff porridge, rice, black tea, chapatti and dough nut are the foods which were sold in high amounts (Fig. 3). According to a study conducted in Mwanza City in 2006, food vendors prepared different types of food and some of them included maize stiff porridge, rice, banana, rice buns, chapatti, beans, meat, fish, tea and eggs (http://uaps2007.princeton.edu/papers/70865).

Figure 3: Percentages of people who consumed different types of food

Food varieties prepared by food vendors vary from one area to another, or they are prepared based on cultural habits. Based on the results, the respondents in the study areas responded differently about some of the common foods. The consumption of cassava and sweet potatoes was low in the study areas despite the fact those foods are produced by most farmers in the districts. The reason mentioned for low consumption of cassava and sweet potatoes was that people did not like them since they consumed more at home. FAO (2012) states that street food vendors serve as banners illustrating the local culture, the language, the foods and the eating habits of various people in various place.
However, the results indicated low distribution of fish in their daily menus, even though the districts are lucky to receive fish from Lake Nyasa that is not from the research areas. The price of fish was mentioned to be a reason for low distribution of fish in their daily meals.

In Bangladesh, for example, the food items sold by vendors comprise a diverse range of selection, starting from small snacks such as biscuits, tea, nuts and *phuchka/chhotpoti* (spicy snack) to wholesome meals such as *ruti-bhaji* (bread based meal) and rice (Muzaffar *et al.*, 2009). In Côte d'Ivoire, one of the most appreciated street foods are the *garba*, a local delicacy made of steamed cassava semolina (called *attieké*) and fried tuna, served with raw vegetables, freshly cut onions, peppers and tomatoes (FAO, 2012). In addition to that, in West African cities foods prepared by food vendors range from small snacks such as cowpea fritters, wheat beignets and plantain chips to more substantial full meals including boiled rice with sauce and roasted fish with yams (Otoo *et al.*, 2010).

### 4.3 Kinds and Extents of Support Extended to Food Vendors by Songea District Council Authorities

The second objective of the research was to establish kinds and extents of support extended to food vendors by Songea Rural and Urban Districts. The findings in this (Section 4.3) indicate the kinds and extents of support which are categorized into finance, technical and infrastructure support.

#### 4.3.1 Financial support

During interview, it was found that 29.2% of the respondents had received loan from LGAs and 70.8% of the respondents had not got loan. Also, only 1.7% of interviewed respondents received grant from LGA and the rest 98.3% did not get grant (Table 3).
However, those who had received loans and grants were women only. Lack of loans and grants to many respondents were also mentioned during Focus Group Discussions (FGDs). From the FGDs, it was revealed that most of food vendors had not received loans and grants from the LGA. In addition, there were inadequate information on provision of loans and grants to food vendors. However, those who reported to have received loans said that they received once in 2008 and the loans were small, ranging from TZS 20 000 to TZS 100 000 per food vendor. On top of that the amounts of loans received were not sufficient to meet business needs. Furthermore, key informants elaborated that provision of loans and grants covered all entrepreneurs without considering whether the borrowers were food vendors or not. For that case all entrepreneurs were targeted, but the amounts of loans were mentioned to be small to meet the demand of all entrepreneurs. A study done by Macha (2006) on Women Development credit facility Fund in Morogoro Rural District showed that 76% of the respondents received credit in 2003, 21.7% in 2002 and only 1.7% received credit in 2000. By considering that trend of credit distribution it showed that the distribution increased yearly. However, the provision of credit to entrepreneurs covers all types of entrepreneurs without considering which group was better than the others.

<table>
<thead>
<tr>
<th>Respondents accessed loan from LGA</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>35</td>
<td>29.2</td>
</tr>
<tr>
<td>No</td>
<td>85</td>
<td>70.8</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Respondents accessed grant from LGA</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>2</td>
<td>1.7</td>
</tr>
<tr>
<td>No</td>
<td>118</td>
<td>98.3</td>
</tr>
</tbody>
</table>

**4.3.2 Technical support**

The technical support covers issues of capacity building to respondents. Training to respondents was considered as means of capacity building. In this study, nearly 29% of the
respondents received training for their business. On the other hand, 71% of the respondents did not receive training. During FGDs, lack of training to food vendors concerning business was also mentioned. Furthermore, key informants said that training was provided to those who had taken loans within their groups, and the seminars for all entrepreneurs were provided during special events within the districts and most of entrepreneurs usually did not attend them.

A study by Osinde et al. (2013) in Kenya shows that most of the entrepreneurs did not attend training services. Also, a study done by Macha (2006) on Women Credit Facility Fund in Morogoro Rural District indicated that about 68.3% of the respondents had never attended any training for business, either formal or informal. However, Sebyiga (2010) reported that LGA in Mkuranga District provides entrepreneurial and business knowledge and skills, facilitating the business licensing system and formation of entrepreneurs’ groups, associations and societies; sensitizing entrepreneurs to participate in local markets through trade fairs. Inmyxai and Takahashi (2010) said that training for entrepreneurs is crucial to upgrade and update their know-how, knowledge, and skills, particularly for the leadership positions that can enhance firm performance. Therefore, it seems training is crucial for development of entrepreneurs including food vendors.

On the other side, respondents at the study areas reported to be visited by health officers, and they received education on how to ensure safety of food and general hygiene in their respective working place. Also, key informants (health officers) from both districts mentioned to have regular visits to food vendors and gave them general hygiene education so as to avoid eruption of food related diseases. WIEGO (2012) said that street food vendors in many cities receive training from officials to help reduce public health risks.
4.3.3 Infrastructure support

In this study, infrastructure support includes business areas, source of water in the business area and means of waste disposal. During interview, 40% of the respondents had areas for conducting food vending activities while 60% of the respondents did not have such areas.

On the other side, the sources of water were variable. Only 2.5% of the respondents were fetching water freely from public taps constructed by LGA (Fig. 4). However, 5% of the respondents were paying for water fetched from public taps constructed by LGA. Not only that, 12.5% of the respondents were buying water from institutional taps. About three-quarters (73.3%) of the respondents were paying for water from individual taps owners, while 3.3% of respondents were fetching water from individual taps freely and 3.3% were fetching water from their own taps. The cost of water per 20 litre bucket was TZS 100.

Availability of water to food vendors at their working places is essential in order to ensure safety and general hygiene of food and dishes. A study done by Muinde (2005) observed this; food vendors fetched water from their homes for the reason that no clean water was available at their areas of operation. Vendors carried water to their business sites in containers of 5 to 20 litres in which, in the real sense, the water was not of sufficient amount for dish washing and food preparation.
Figure 4: Sources of water to respondents’ business sites

The findings on means of waste disposal are well shown in Fig. 5. About 68.3% of the respondents were disposing of the wastes to dumping places created by LGA while 15% of the respondents used their own disposing places. However, 7.5% of the respondents were disposing waste to damping places created by businessmen around the business area. About 9.2% of the respondents were using dumping places created by village government authorities.

Figure 5: Means of waste disposal by the respondents
4.4 Net Profit from Food Vending Services Offered by Food Vendors

The results in this section (4.4) meet part one of the third objective of the research, which was to determine the net profit due to food vending services. Net profits due to food vending services were computed and the profit was based on single day sale. The results are summarized in Fig. 6. The study found that, the mean net profit for the respondents who had attended training was TZS 18 581.83. Also, the mean net profit for those who had received loan was TZS 18 707.54 and for the respondents who had accessed areas for conducting businesses was TZS 17 295.75. However, for those who had never received training and loans the values were TZS 17 012.58 and TZS 16 960.81 respectively. In addition, the mean net profit for the respondents who had not accessed areas for conducting food vending activities was TZS 17 586.63. Based on the results, the differences in the mean net profit value from food vending services were not much different between the two groups of respondents in all types of support. Moreover, the minimum and maximum net profits of food vending services were TZS 340 and TZS 45 900 respectively. Therefore, the mean net profit value due to food vending services between the two groups might be influenced by the availability of customers, daily amounts of sales, business capital and the price of food varieties available at a particular area. However, personal ability to negotiate during buying foods may influence the net profit value of food business, that is one may end up with either low or high net profit value of food vending services.

In addition, the mean net profit values of food vending activities were TZS 17 722.53 for the respondents in Songea Rural District and TZS 17 307.86 for those in Songea Urban District. The mean net profit for the respondents in Songea Rural District was slightly higher probably due to Songea Rural District dealing more with crop production activities and social services which involve people from different places including those coming
from Songea Urban District hence increased food demand. The study result is different from that of Habib (2011) which indicated that the gross margin of the snacks and meals at Morogoro town centre were TZS 41,609 greater than TZS 19,509 obtained at the periphery areas. The mentioned reasons for that difference was that sellers at Morogoro town centre were probably getting higher profit because they had great opportunities to a large and frequent clientele base, opportunity to market information and could adopt better technologies and hygiene that increased their market share hence higher profits.

Figure 6: Mean net profit value of food vending services for the respondents who got government support and those who did not per day

4.5 Assets Owned by Food Vendors

During the study, it was found that respondents owned different assets. The types of assets owned by the respondents in Songea Rural and Urban Districts included house plots, houses, land, cattle, goats, pigs, chickens, bicycles, motorcycle, mobile phones, radios, televisions, sofa sets, cupboards, wooden beds, mattresses, tables, chairs, fridges cooking
pots, and serving pots/items. The monetary values of the assets owned varied among different respondent due to quality and numbers of assets individuals owned.

4.6 Monetary Values of Assets Owned by Food Vendors

The results in this section (4.6) meet part two of the third objective of the research, which was to determine monetary values of assets owned by food vendors. The mean monetary values of assets owned by food vendors were computed, and the results are summarized in Fig. 7. The findings show that the differences in the mean monetary values of assets in all kinds of supports between two groups were not much different. Findings indicates that the mean monetary values of assets for the respondents who had attended training were TZS 4,399,086, and TZS 4,255,686 for the respondents who had received loans while TZS 4,719,865 was for those who had accessed areas for conducting food vending activities. On the other hand the mean monetary values of assets for the respondents who had not attended training and who had never accessed loans were TZS 4,872,353 and TZS 4,931,400 respectively. In addition, the mean monetary values of assets for the respondents who had not accessed areas for running food vending activities was TZS 4,743,951. The study found that the minimum and maximum monetary values of assets were TZS 460,000 and TZS 35,530,000 respectively. The reasons behind obtaining those mean monetary values of assets regardless either one received support or not could be due to personal creativity in business. If one is creative, one would probably manage to acquire different high quality assets. Personal experience in ability to budget and purchase assets may influence mean monetary values of the assets that the respondents owned. There were people who had good experience on owning assets even if they had little earnings.

However, customers’ availability might probably influence assets owned. If there could be high amount of sales, possibly individuals would be able to own assets of high monetary
values. On the other side, individual families’ and relatives’ responsibilities might affect the whole plans of purchasing assets. One may end up with sending children to school, supporting relative needs and other community needs. Not only that for married respondents, decisions to purchase assets depended on how decision making took place in that family. In that case, possibly, some assets would be purchased or not. Also differences in spouse occupation would affect numbers and types of assets one owned. The type and profit or wages a spouse received would probably affect the monetary values of assets one owned.

On the other hand, personal interest may influence the monetary values of assets individual owned. Individuals would be interested in finding money but they would not invest in any of the assets either because they would be using some money for minor issues like hair plating, drinking beer. Furthermore, areas/houses in which individuals live might affect decision to buy assets. During the field study, most of the respondents were not in their own houses; they were renting houses, hence the space of a room in the houses could either allow more assets or not. However, to get exactly the number of assets purchased by food vending activities became difficult to some of the respondents since they used money from other sources together with money obtained from food vending to buy assets.
Figure 7: Monetary values of assets owned by food vendors who got government support and those who did not

4.7 Comparison of Mean net Profit Values from Food Vending Services between Food Vendors who got Government Support and those who did not

The results in this section (4.7) meet part one of the fourth objective of the study, which was to compare net profits of food vending services between food vendors who had got government support and those who had not. Table 5 presents results on mean net profit values from food vending services between the two groups. The mean net profit value was obtained by computing the data to get net profit. The types of support given to food vendors were training, loans and areas where to do business. Mean net profit among rural and among urban respondents were also computed.

4.7.1 Training

The findings showed that mean net profit values of food vendors who had undergone training were TZS 18,581.83 and TZS 17,012.58 for the respondents who had not. The results of a t-test indicated that the difference in mean net profit of individuals who had
undergone training and those who had not were not significant (p > 0.05) as it is seen in Table 5. This implies that receiving training on how to run a business does not mean that one can have high net profit in his or her business. Ability to apply the received business education can probably lead to high net profit. In addition, there were some other factors which might have affected the net profit in a person’s business, such as flow of customers, economic activities of people in areas surrounding the business and customer care. However, study results by Osinde et al. (2013) showed that respondents who had attended training services recorded an improvement in their businesses in terms of growth in sales and profits as opposed to those who had never attended any training programme.

4.7.2 Loan

The mean net profit values of food vending services from respondents who had received loans was TZS 18 707.54, and that of respondents who had not received loan was TZS 16 960.81. According to T-test results, it was observed that the difference was not significant (p > 0.05) between net profit of respondents who had received loan and those who had not. The reason behind this observation might be influenced by amounts of loan individuals had received. In the study areas, the amount of loan was small; the respondents reported to have received loans from TZS 20 000 to TZS 100 000. Ability to utilize the amount of loan one received could be another challenge. During the survey, some of respondents said that they had used loan in adding to their children’s school fees, and others said that they had used the loan money on other activities apart from food vending. Therefore, the remaining amount of loans that was used on improving food vending services had little effect on the mean net profit to those who had received loans, compared to those who had not received loans.
4.7.3 Business areas

The results indicated that the mean net profit value of food vending services from respondents who had been allocated areas for running food vending activities was TZS 17,295.75 and for those who had not was TZS 17,586.63 as seen in Table 5. The T-test results indicated that there was no significant difference (p > 0.05) in mean net profit among respondents who had areas for conducting their businesses and those who had not. The lack of significance difference was probably due to little support from Local Government Authority. If the support from Local Government Authority had been high, possibly the mean net profit among respondents who had areas would have been high. Another probable reason could be ability to win the customers whether having been allocated a place for running business or not. In operating food vending activities, every individual was trying to be in a place where he/she was assured of getting customers or to meet the demand of his/her customers. In addition to that, it should be noted that the demand for food was high since not all people who go to work can manage to go back home for lunch. Therefore, whether they liked or not they would buy food from vendors.

However, reasons for buying food from food vendors differed from one individual to another. A study conducted by Habib (2011) in Morogoro Municipality indicated that 38% of respondents ate outside the home during the evening due to regular outings with friends, 35% wanted to save time and money, 25% ate because of pleasure and 2% ate out because of convenience as they did not cook at home.

4.7.4 Comparison of mean net profit between rural and urban areas

In the case of rural and urban districts, the mean net profit values of food vending activities were TZS 17,722.53 and TZS 17,307.86 respectively. T-test analysis indicated that the difference was not significant (p > 0.05). The reason behind could be due to food being needed in every place where different socio-economic activities were conducted. In addition, food prepared by food vendors is usually sold at a little price compared to the
price of food sold in hotels or restaurants. Most people took food nearby their working places. Chukuezi (2010) reported that the street food industry has an essential function in the cities and towns of many developing countries in meeting the food demands of the urban dwellers. The sector feeds millions of people daily with a wide variety of foods that are relatively cheap and easily accessible.

However, a study done by Habib (2011) showed that there was significant difference (p ≤ 0.05) between snacks and meals sellers who were in town centres and those located in periphery areas; sellers in town centres gained higher profit than those in periphery areas, probably due to adoption of better technologies, better access to market information, and frequent clientele base.

**Table 4: Comparison on net profit values of food vending services between food vendors who got government support and those who did not (n=120)**

<table>
<thead>
<tr>
<th>Variable compared</th>
<th>n = 120</th>
<th>Mean net profit (TZS)</th>
<th>F-value</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net profit of respondents who got training</td>
<td>35</td>
<td>18 581.83</td>
<td>0.002^ns</td>
<td>0.968</td>
</tr>
<tr>
<td>Net profit of respondents who did not got training</td>
<td>85</td>
<td>17 012.58</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net profit of respondents who got loan</td>
<td>35</td>
<td>18 707.54</td>
<td>0.006^ns</td>
<td>0.940</td>
</tr>
<tr>
<td>Net profit of respondents who did not got loan</td>
<td>85</td>
<td>16 960.81</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net profit of respondents who got areas</td>
<td>48</td>
<td>17 295.75</td>
<td>0.163^ns</td>
<td>0.687</td>
</tr>
<tr>
<td>Net profit of respondents who did not got areas</td>
<td>72</td>
<td>17 586.63</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net profit in Rural areas</td>
<td>47</td>
<td>17 722.53</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net profit in Urban areas</td>
<td>73</td>
<td>17 307.86</td>
<td>0.087^ns</td>
<td>0.769</td>
</tr>
</tbody>
</table>

ns = Not Significant
4.8 Comparison of Monetary Values of Assets Owned between Food Vendors who
Got Government Support and Those who did not

The results in this section (4.8) meet part two of the fourth objective of the research, which was to compare the monetary values of assets owned between food vendors who had got government support and those who had not. The monetary values of assets owned between the two groups was obtained by computing the data to get the means as presented in Table 6.

4.8.1 Training

The mean monetary values of assets for respondents who had training was TZS 4 399 086 and for those who had not was TZS 4 872 353. Nevertheless, based on inferential analysis using T-test, it was observed that the difference was not significant (p > 0.05). This could be due to ability to apply business education one had received to reinvest in purchasing assets or not. However, respondent priorities can affect the decision to buy particular assets since people have different needs such as one may need to send children to school, taking care of family and other relatives.

4.8.2 Loan

Findings on monetary values of assets for individual who had received loan was TZS 4 255 686 and that for those had not received loan was TZS 4 931 400. T-test results indicated that the difference was not significant (p > 0.05). In relation to that, the study results by Macha (2006) showed that there was no statistically significant (p > 0.05) difference between credit recipients and non-credit recipients on the value of assets they owned. According to field results, the reason for no difference in monetary values of assets owned between the two groups may be due to personal interest in the use of loan. Also, performance of business may vary from an individual to others regardless of the reason that one receives a loan or not.
4.8.3 Business areas

Monetary values of assets for the respondents who had accessed the areas for doing food vending activities was TZS 4,719,865 and that of the respondents who had not accessed the areas for running the food vending activities was TZS 4,743,951. However, T-test results showed that the difference was not significant ($p > 0.05$) between respondents who had areas for running food vending activities and those who had not.

4.8.4 Comparison of monetary values of assets between rural and urban areas

For the case of rural and urban districts, the monetary values of assets for individuals in rural areas were TZS 4,905,107 and for urban respondents their monetary values of assets were TZS 4,624,356. T-test analysis indicated that the difference was not significant ($p > 0.05$) to the mean monetary values of assets between food vendors who conducted their business in rural and those in urban districts. The reasons might be due to costs in living in urban areas, which were probably higher than those in rural areas. For that case, individuals used more costs in living than purchasing assets or might purchase few important assets.
Table 5: Comparison of monetary values of assets owned between food vendors who got government support and those who did not (n=120)

<table>
<thead>
<tr>
<th>Variable compared</th>
<th>n = 120</th>
<th>Monetary values of assets (TZS)</th>
<th>F-value</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Values of assets for those who received training</td>
<td>35</td>
<td>4,399,086</td>
<td>2.075</td>
<td>0.152</td>
</tr>
<tr>
<td>Values of assets for those who did not received training</td>
<td>85</td>
<td>4,872,353</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Values of assets for those who got loan</td>
<td>35</td>
<td>4,255,686</td>
<td>3.087</td>
<td>0.082</td>
</tr>
<tr>
<td>Values of assets for those who did not got loan</td>
<td>85</td>
<td>4,931,400</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Values of assets for those who got areas for doing business</td>
<td>48</td>
<td>4,719,865</td>
<td>0.699</td>
<td>0.405</td>
</tr>
<tr>
<td>Values of assets for those who did not got areas for doing business</td>
<td>72</td>
<td>4,743,951</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Values of assets of respondents in rural areas</td>
<td>47</td>
<td>4,905,107</td>
<td>0.012</td>
<td>0.911</td>
</tr>
<tr>
<td>Values of assets of respondents in urban areas</td>
<td>73</td>
<td>4,624,356</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

ns = Not Significant
CHAPTER FIVE

5.0 CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusions

On the basis of the findings meeting the objectives of the research, the following conclusions are drawn. The range of food vended was those locally available and men were very few in the business. However, those foods consumed in little amounts like cassava and sweet potatoes were due to the habit of consuming them less at home. The high price of fish seemed to limit the distribution of fish in daily meals prepared.

According to the results which showed that Local Government Authorities supported cooked food vendors in four areas of Peramiho, Madaba, Songea Urban, and Misufini wards, and the kinds of support provided were loans and grants, trainings, business areas, potable water and means of waste disposal; the support provided to food vendors was little. Few respondents received loans, trainings, potable water from the public taps and areas for conducting their business. However, food vendors were continuing with their business despite the fact that they received little support. This implies that they were well committed to their development and national development at large.

Another conclusion is that the difference in the means of net profit for the respondents who had received government support and those who had not were not much different. However, factors like availability of customers, amount of sales daily, and prices of food varieties at a particular area, personal ability to negotiate during buying foods could probably influence mean net profit of foods vending services. Also the loans received were too little to make big differences.
The means monetary values of assets for the respondents who had received government support and those who had not were not much different. Food vendors’ own assets of different monetary values regardless of having received support or not, owning assets of particular monetary values could be influenced by several factors like personal creativity, personal experience in ability to budget and buying assets, customers’ availability and amount of sales daily, individual, family and relatives’ responsibility, spouse occupation wages payment, personal interest and area or house one live.

The results in testing the hypothesis that net profits of food vending services do not differ significantly between food vendors who had got government support and those who had not indicated that the net profits between the two groups were not significantly different (p > 0.05). This implies that the kinds of support given could be little since the food vendors who were given support confirmed to be given loan ranging TZS 20 000 to TZS 100 000 which is basically a very little amount in business. Furthermore, ability to apply the received training, customer care, the entrepreneurs’ ability to win customers and self efficacy might have influenced the mean net profit between the two groups.

According to the hypothesis testing results, which showed that monetary values of assets owned did not differ significantly between food vendors who had got government support and those who had not, the difference was not significant (p > 0.05) on the mean monetary values of assets between the two groups to all kind of local government supports. This implies that the assistance given to food vendors was not substantial. However, there were possible factors which might lead to such kinds of results like, personal priorities whether to own asset or not, ones’ family responsibilities and application of business trainings might affect the decision to own assets.
5.2 Recommendations

Based on the conclusions, the following recommendations are given.

i. It is recommended that local governments, through their trade department, should look into fish prices so as to see how to ensure enough fish is available at affordable prices to both food vendors and consumers of cooked food.

ii. Local government should empower food vendors by registering them in groups so as to be able to access different financial institutions for financial matters such loans or advice, instead of the vendors depending much on Local Government Authorities for financial support.

iii. Local government authorities should take enormous effort to provide business educations so as to enable entrepreneurs to understand factors likely to affect their business performance and how to overcome them.

iv. Local government should make sure that water is easily available at food vendors’ work sites in order to maintain the general hygiene and health of customers. Areas for food vendors which enhance profitability for their business should also be considered.

v. Local government authorities should conduct regular impact assessment to food vendors on the supports provided in order to reveal factors which lead them to have no difference in net profit and monetary values of assets owned among those who never got any support.
vi. Local government should provide substantial amount of loan in order to differentiate those who receive support and those who do not.

5.3 Areas for Future Research

The study suggests areas for further research since the study was conducted in a small area and did not cover all types of informal sector. Therefore, more research is needed, and the following areas should be addressed in order to get more information.

i. There should be a study on the impact of training or seminars on food vendors in business performance.

ii. There should be a study on LGA support to informal sector and performance of the sector in other districts to see whether the case of food vendors’ performance is similar to that of Songea Rural and Urban Districts.

iii. There should be a study on LGA support to other informal sector activities apart from food vendors.
REFERENCES


### APPENDICES

**Appendix 1: Variables and their operational definitions**

<table>
<thead>
<tr>
<th>Variable name</th>
<th>Operational definition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Background variable</strong></td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>Number of years respondent has</td>
</tr>
<tr>
<td>Sex</td>
<td>Being a male or female in the biological sense</td>
</tr>
<tr>
<td>Education</td>
<td>Level of schooling attained by respondents</td>
</tr>
<tr>
<td>Marital status</td>
<td>Current status of marriage of a person</td>
</tr>
<tr>
<td>Location</td>
<td>Place where food vendor operate business</td>
</tr>
<tr>
<td><strong>Independent variable</strong></td>
<td></td>
</tr>
<tr>
<td>Financial support</td>
<td>Provision of physical money or loans</td>
</tr>
<tr>
<td>Technical support</td>
<td>Provision of seminars, training and advice to food vendors</td>
</tr>
<tr>
<td>Infrastructure support</td>
<td>Provision of physical building, roads, toilet, water, disposal services to food vendors</td>
</tr>
<tr>
<td><strong>Dependent variable</strong></td>
<td></td>
</tr>
<tr>
<td>Performance of food vendors</td>
<td>Performance of food vendors in terms of money and assets one owns</td>
</tr>
<tr>
<td>Income</td>
<td>Money earned per day</td>
</tr>
<tr>
<td>Assets</td>
<td>Number of assets food vendors own</td>
</tr>
</tbody>
</table>
Appendix 2: Questionnaire

LOCAL GOVERNMENT AUTHORITY SUPPORT TO INFORMAL SECTOR AND PERFORMANCE OF THE SECTOR IN TANZANIA: A CASE OF FOOD VENDING IN SONGEA RURAL AND URBAN DISTRICTS

By

Frida Magehema

M.A. (Rural Development) Student

INTRODUCTION

Good morning/afternoon,

Dear respondent, my name is………………………… a Master of Arts Degree Student in Rural Development at Sokoine University of Agriculture, Morogoro. I am currently doing research so as to make my studies successful. The title of my research is “Local Government Authority Support to Informal Sector and Performance of the Sector in Tanzania: A Case of Food Vending in Songea Rural and Urban Districts”. All the information that you provide will be treated confidentially and will be used only for purposes of this study.

1. Division………………………… Ward ……………… Sub-village ……………
2. Name interviewer …………………………………………………………………
3. Name of interviewee ………….and his/her relationship with the household head ………………………
4. Date of Interview………………………………………………………………
PART A: BACKGROUND INFORMATION

1. Household composition

<table>
<thead>
<tr>
<th>Serial numbers</th>
<th>P1 H/H Head</th>
<th>P2 (Spouse)</th>
<th>P3</th>
<th>P4</th>
<th>P5</th>
<th>P6</th>
<th>P7</th>
<th>P8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name (Only one)</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Sex (1 = M; 2 = F)</td>
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<td></td>
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<tr>
<td>Year of birth</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Yrs of schooling</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Highest level of education</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 = No formal education, 2 = Adult education, 3 = Primary education, 4 = Secondary education, 5 = Post secondary education, 6 = Other (specify)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marital status</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 = Single, 2 = Married, 3 = Separated/Divorced, 4 = Widowed/ Widower, 5=Cohabitated</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Main occupation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other occupations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

PART B: ACTIVITIES DONE, INCOME FROM THE ACTIVITIES, AND ASSETS OWNED

5. How long have you been in food vending activities? .............. (years/months)

6. (a) Please state whether you use: 1 = Only household members, 2 = Only labourers, or 3 = Both household members and labourers

(b) If you use labourers, how many do you have now .................; what is the minimum number of them ................., and the maximum number of them you have had this year?

(c) How do you pay them ...... (1 = By cash or 2 = In kind) and how much do you pay your labourers per day/month? ......
7. For the period January to December 2012, which food types did you sell, with respect to the items in the following table?

<table>
<thead>
<tr>
<th>Food types sold from Jan to Dec 2012</th>
<th>Days/Months sold the food types</th>
<th>Months when the food types were sold</th>
<th>Gross income from the food types for the whole period</th>
<th>Total costs for the whole period</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

8. Would you kindly tell me the prices for the meals you sell?

<table>
<thead>
<tr>
<th>Meals sold</th>
<th>Price per unit</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Minimum price</td>
</tr>
<tr>
<td>Breakfast</td>
<td></td>
</tr>
<tr>
<td>Lunch</td>
<td></td>
</tr>
<tr>
<td>Dinner</td>
<td></td>
</tr>
<tr>
<td>Beverages</td>
<td></td>
</tr>
</tbody>
</table>

9. Where, among the following, do you purchase food items for cooking for your business?

1. Small scale
2. Retail
3. Wholesale
4. Both
10. For the period January to December 2012, which other activities apart from food vending did you do?

<table>
<thead>
<tr>
<th>Activity</th>
<th>Days/Months did the activity</th>
<th>Gross income from the activities for the whole year</th>
<th>Total costs for the whole year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crop production</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Livestock production</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Casual labour work</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other business apart from food vending</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local brew making</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

11. If you got income from other sources, including the following ones, please tell me the amounts of income you got.

<table>
<thead>
<tr>
<th>Source</th>
<th>Number of times you got cash from the source</th>
<th>Gross income from the activities</th>
<th>Total costs for the whole period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash remittances (TSh)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monetary value of non-cash remittances</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rentals</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
12. Which of the assets do you own, as detailed in the following table?

<table>
<thead>
<tr>
<th>Assets owned</th>
<th>No.</th>
<th>Number of the assets owned</th>
<th>Monetary value of the assets</th>
<th>Bought using money from food vending (1 = Yes, No = 2)</th>
<th>If not used money from food vending, what was the sources of the money</th>
<th>Who controls the assets (1 = Myself, 2 = Spouse)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of House(s)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land in acres</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cattle</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Sheep/goats</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chickens/ducks</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bicycle</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Motor cycle</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Mobile phone</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Radio</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>TV</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sofa set</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cooking pots (sufuria)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Serving pots</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buckets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cupboard</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wooden bed</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tables</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chairs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

PART C: LOCAL GOVERNMENT AUTHORITY SUPPORT TO FOOD VENDORS

C1 Technical Support by LGA

13. (a) Is there any food vendor association(s) in your area of work? 1 = Yes 2 = No (If the answer is yes, go to question .................)

14. If no, please tell me why there is no food vendor association in your area

...........................................................................................................................................
15. How was the association formed and by whom? .................................................................

16. (a) Are you a member of any food vendors association(s)? 1 = Yes  2 = No

(b) If no, explain why you are not a member of any association..............................................

(c) If yes, please name it/them ..............................................................

(d) Please, state the benefit you have got/are getting from the association ........................................

17. (a) Is your association supported by LGA? 1 = Yes  2 = No

(b) Is there any SACCOS initiated by LGA in your area? 1 = Yes  2 = No *(If the answer is yes in question 18(b) above, go to question 19, and if no, go to question 20)*

18. (a) As a food vendor, do you benefit from that SACCOS? 1 = Yes  2 = No

(b) If yes, please explain how .................................

(c) If no, please explain why .................................

19. Why do you think there is no any SACCOS initiated by LGA? ................................................

20. (a) Have you ever attended any seminar/training concerning small business conducted by LGA?

1 = Yes  2 = No

(b) If yes, please specify what the seminar/training was all about .................................

(c) What are the benefits you got from the seminar/training? .................................

(d) If no, what do you think are the reasons for not attending seminars/training apart from home social problems?

21. (a) Have you ever been visited by an LGA officer/officers in your area of work with respect to your business? 1 = Yes  2 = No

(b) If yes, who were they? .................................
(c) What was the purpose of their visit? ..................................................

22. If no, why ............................................................... 

23. Where do you get business advice for running your food vending activities?
   1 = From LGA officers  2 = From friends  3 = From NGOs  4 = Other
   sources (Specify)

24. (a) Are there rules and regulations in conducting your business? 1 = Yes  2 = No
    (b) If yes, who identifies those rules, regulations ............................... 
    (c) What are those rules/regulations all about.................................

25. If no, why..............................................................

26. (a) Have you ever been trained on how to maintain hygiene in doing your business? 1 = Yes  2 = No
     (b) If yes, what did he/she/they say? .............................................
     (c) If no, why.................................................................

27. (a) Have you ever being trained to cook standard food? 1 = Yes  2 = No
     (b) If yes, what did he/she/they say? ...........................................
     (c) If no, why.................................................................

28. (a) Have you ever been trained on how to ensure your health status against infectious diseases
     (cholera, typhoid, and STIs) 1 = Yes  2 = No
     (b) If yes, how do you apply the knowledge? .................................
     (c) If no, why.................................................................

C2: Financial support

29. (a) Have you ever accessed loan from Local Government Authority? 1 = Yes  2 = No
(b) If yes, explain how much was it and state the usefulness of it

........................................

(c) If no, why you did not access loan from LGA? ........................................

30. (a) Have you ever been given any grant from Local Government Authority?  
1 = Yes
2 = No
(b) If yes, please tell me how much you got ........ and activities/items for which you used 
the money ........................................

(c) If no explain why you did not access any grant from LGA?
........................................

(d) If your answer in question 14 and 15 is no, then indicate the assets you managed to own by 
doing your business .................................

31. (a) Are there areas/premises identified by LGA for your business?  
1 = Yes 2 = No
(b) If yes, have you got it? 1 = Yes 2 = No
(c) If no, would you please tell me why .................................

32. (a) Do you pay levy?  
1 = Yes 2 = No
(b) If yes, how much do you pay ....... (TZS), and to whom do you pay?
........................................
(c) If no, explain why ........................................

33. (a) Do you pay other money apart from levy?  
1 = Yes 2 = No
(b) If yes, what is payment for and who is monitoring that money?
...........................................................

34. How do you ensure safety for your business properties?

1 = I pay for someone from my own pocket/ I go with my property home [    ]
2 = I contribute money for the village security guards [    ]
3 = I and others organize for our own security guards

35. Which is the source of water to you for your business?
   1 = Public well/tape constructed by LGA freely
   2 = Public well/tape constructed by LGA paid
   3 = Water kiosk
   4 = River
   5 = Others (specify)

36. Where do you dispose wastes?
   1 = Dumping place created/set by LGA
   2 = Dumping place created/set by myself
   3 = Anywhere around the working place

37. What do you think are the possible constraints influencing LGA to support food vending activities in your district?

THANKS FOR YOUR COOPERATION
Appendix 3: Checklist for Trade officer

SOKOINE UNIVERSITY OF AGRICULTURE
DEVELOPMENT STUDIES INSTITUTE

LOCAL GOVERNMENT AUTHORITY SUPPORT TO INFORMAL SECTOR
AND PERFORMANCE OF THE SECTOR IN TANZANIA: A CASE OF FOOD
VENDING IN SONGEA RURAL AND URBAN DISTRICTS

By
Frida Magehema
M.A. (Rural Development) Student

INTRODUCTION

Good morning/afternoon,

Dear respondent, my name is…………………………… a Master of Arts Degree Student in Rural Development at Sokoine University of Agriculture, Morogoro. I am currently doing research so as to make my studies successful. The title of my research is “Local Government Authority Support to Informal Sector and Performance of the Sector in Tanzania: A Case of Food Vending in Songea Rural and Urban Districts”. All the information that you provide will be treated confidentially and will be used only for purposes of this study.

District……………………………… Name interviewer ……………

Name of interviewee ………………… Date of Interview………………

1. What strategies do you have to boost informal sector/smaller business including food vending activities?

2. What kind of support do you provide to food vendors?

3. What are the constraints are you facing in providing support to food vendors?

4. What are possible challenges facing food vendors?

5. Have you ever conducted any entrepreneur seminar?

6. From whom do you collect levies in your district?
Appendix 4: Checklist for a Community Development Officer

SOKOINE UNIVERSITY OF AGRICULTURE
DEVELOPMENT STUDIES INSTITUTE
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District…………………………… Name interviewer …………………
Name of interviewee ………….. Date of Interview…………………
1. What are the existing strategies to support food vending activities?

2. What do you do to support business in food vending activities in this district?

3. What are the constraints are you facing in providing support to food vendors?

4. Are there any NGO working in partnership with LGA to support food vendors in this district?

5. Have you ever being facilitating in formation entrepreneurship groups?

6. What is main source of fund in your district?
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District…………………….. Name interviewer ……………………………..

Name of interviewee ………….. Date of Interview…………………

1. What are the existing plans to support the food vendors in this district?

2. What are the constrains are you facing in supporting food vendors in your district?
Appendix 6: Checklist for a Health Officer

SOKOINE UNIVERSITY OF AGRICULTURE
DEVELOPMENT STUDIES INSTITUTE

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AND PERFORMANCE OF THE SECTOR IN TANZANIA: A CASE OF FOOD
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By

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District……………………… Name interviewer …………………

Name of interviewee …………… Date of Interview……………………

1. How many times do you visit food vendors in their business premises?

2. What are the existing means for solid/water waste disposal for food vendors in your district?

3. What are the existing plans in handling any outbreak food related disease?

4. Have you provided any seminar or training to food vendors? What was all about?

5. What challenges do you face in dealing with food vendors in your district?
Appendix 7: Checklist for Focused Group Discussion (food vendors)

SOKOINE UNIVERSITY OF AGRICULTURE
DEVELOPMENT STUDIES INSTITUTE

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AND PERFORMANCE OF THE SECTOR IN TANZANIA: A CASE OF FOOD
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District……………………… Ward ................. Sub-village ..............

Name interviewer …………………………………………………..

Date of Interview…………………………………………………..

1. What are local government do to support food vending activities in your area?
2. What do you think are the major constraints that influence local government support to food vendors?

3. Have you ever attended any seminar/training concerning smaller business?

4. Where do you get business skill for conducting food vending activities?

5. Do you have specific place for doing your business allocated by LGA?

THANKS FOR YOUR COOPERATION