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SPOTLIGHT

ACCESSIBILITY TO A MARKET
FACILITY SHOULD BE CONSIDERED
BEFORE ITS DEVELOPMENT IN
PAPUA NEW GUINEA

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Key Points

- Vendors prefer to sell in markets close to home, where it is safe, with easy access and where there is a large potential customer base.
- Good road links and closeness of the market to dwelling areas will attract both the customers and vendors to it.
- Providing basic infrastructure and services in a market would motivate vendors to use the market.
- Municipal authorities should consider vendors' preferences before establishing or upgrading a market facility.

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ACCESSIBILITY TO A MARKET FACILITY SHOULD BE CONSIDERED BEFORE ITS DEVELOPMENT IN PAPUA NEW GUINEA

By Lewis Iwong

This paper discusses the findings of a study by Kopel et al. (2017b) on vendors' preferences for market location and concerns related to market services in Papua New Guinea's National Capital District (NCD). The study was conducted to understand the dynamics of the informal economy through a survey of open markets capturing both planned and unplanned markets. Its findings reveal that in most markets, the facilities and services are either lacking or inadequate. This paper emphasises the importance of considering vendors' preferences for market location before developing new markets. It is vital for the market location to align with vendors' preferences to avoid underuse of the market. Choosing the right location can encourage vendors to use the market to sell their goods, reducing the chances of street vending. It also provides more revenue for the municipal authority. Most vendors prefer markets that are located within walking distance to dwelling areas and where there is a good road network. Markets also need to be renovated and upgraded to provide a conducive environment for the vendors. Therefore, open market services and facilities should capture both the vendors' concerns and preferences for the market establishment and upgrading.

Types of open markets

Unplanned markets: Unplanned, spontaneous markets are not designated or recognised by municipal authorities and often start at a prime location with a few vendors. Over time, more stalls are set up and the area eventually becomes a common market place. Due to the nature of unplanned markets, basic infrastructure and services are not provided. These markets sprout up on land that belongs to either the state, private owners or customary owners. The National Capital District Commission (NCDC) has the mandate to recognise and formalise a spontaneous market.

Planned markets: Planned markets are mandated by a municipal authority and in principle established with basic

infrastructure and services. In NCD, two different municipal bodies manage and develop planned markets. These are NCDC and the Moresby South Market Committee, which was formed through a process initiated by the local member for Moresby South electorate. Moresby South Market Committee is responsible for managing all markets in the Moresby South electorate. These have been redeveloped and transformed into safe and pleasant market places with utility services for all users. However, for some NCD-managed markets, provision of basic infrastructure and services is still either lacking or inadequate.

Factors that influence vendors' decisions to use a market

Vendors' decisions to use a market are influenced by several factors: distance from home, safety and security and having a good potential customer base.

Closeness to home. A market located closer to vendors' dwelling areas makes it more convenient. Vendors are often reluctant to travel to other suburbs to sell their goods. Being close to their neighbourhood gives vendors the assurance of safety and security.

Safety and security. For most retail vendors, selling through markets is often their full-time job and as such it is difficult for a new vendor to secure a space to sell in an existing market. This forces many vendors to sell in spontaneous unplanned markets that are prone to harassment or NCDC recognised but poorly serviced with appalling conditions. Harassment of vulnerable vendors comes from other market vendors as well as municipal authority-contracted employees. Due to the limited space in planned markets, there are often confrontation and arguments between the vendors. The fear of being harassed and chased out by existing vendors (retailers) in planned markets leads many vendors to operate at the periphery or in unplanned markets.

Availability of potential customers. The market has to have a good potential customer base for vendors to trade their goods and generate income. This means that the location of

the market must be easily accessible to the general public at a strategic location connected to public transport as well as shopping centres.

Why location matters in market development

For some vendors, selling through markets is their only means of generating income to finance their household needs. Unlike in the past, this has become a full-time activity with working hours equivalent to a salaried day job (Kopel et al, 2017a). Recognising vendors' preference for market location contributes to better use of markets, benefitting vendors and customers and increasing revenue for the municipal authority. The benefits of considering location in market development include the following:

Improved use of markets. Proper feasibility studies on market location and vendors' preferences should be considered before establishing markets. A centrally located market can enable optimum use of market facilities. Vendors prefer to sell in a market location that is economically viable for their income-generating activities. In contrast vendors will not use a market that is located in an area that is hard to reach by public transport or on foot, without a potential customer base. For instance, the abandoned Ranuguri market at Konedobu under the management of Moresby South Market Committee is an example of an underused market facility that has hardly been opened for business due to lack of water. But taking a closer look at the market's location, it also lacks easy access either on foot or public transport and therefore does not have a significant potential customer base.

Reduced street vending. Providing markets at strategic locations will encourage more vendors to use designated markets to sell their goods, which would then reduce the number of street vendors. The livelihoods of most vendors depend entirely on vending and therefore they are prone to move to places with more economic activity and therefore more customers to sell their goods. For instance, the Gerehu market was redeveloped by NCDC in partnership with UN Women. However, the market is not in a strategic location – well away from the main bus stop – and lacks easy access. Regardless of the well-furnished market facility, the market is underused as it does not attract many customers. Most vendors end up selling their goods outside the market in the car park and many more sell alongside the main bus stop.

Increased economic activity and income. The market locations preferred by vendors have the potential to generate more revenue for the municipal authority through tax such as levies on the use of space and other services in the market. This is because a market in a strategic location has a lot of

potential customers and this attracts more vendors to sell their goods there. This leads to increased economic activity within the market for the vendors. It also benefits transport and logistics companies, increases demand for eateries within the market, creates more earnings for vendors and gives customers more access to fresh local produce. For municipal authorities, revenue is generated from vendors when they pay certain fees to use the facility and services provided in the market.

Necessary policy interventions to promote accessibility to markets

To enable informal economic activities to flourish in open markets, it is essential to provide adequate market facilities and services. But before establishing the market, it is necessary to conduct proper feasibility studies to ensure that the location is strategic for market economic activities. Municipal authorities are responsible for developing and promoting easy accessibility to markets. Policy interventions are needed to promote accessibility to markets for vendors and potential customers. The interventions include the following:

Construct a good road network that links different segments of the city to the market. A good road network has the potential to improve accessibility to market, which encourages both the vendors and customers to access the market. This provides vendors in urban centres more opportunity to access the market to sell their goods. It is necessary for municipal authorities such as the NCDC, through its Regulatory Service Division, to identify strategic locations for markets with access to various road networks.

Establish the market at a walkable distance from dwelling areas. Markets located at a walkable distance from homes contribute significantly to the availability of potential customers. And commuters who are passing by should have easy access to the market through a strategically located bus stop. Even for planned markets that are developed for nearby residents, the distance has to be walkable for these customers to reach the markets with ease.

Provide basic infrastructure and services for market vendors. To ensure that vendors have an enabling environment for their activities, adequate provision of basic infrastructure and services (such as water, electricity, toilets and garbage removal) for the market is essential. This has the potential of attracting more vendors to use the market, thus avoiding underuse. Therefore, it is critical for the municipal authorities in market development and management to ensure that basic infrastructure and services are provided to

motivate vendors to use the market fully.

Ensure safety and security. Providing security in market places is paramount to reducing the tendency of unrest. This is because vendors' confrontation and arguments will continue to arise as a result of insufficient market spaces. Necessary measures are needed to minimise any potential conflicts from escalating among vendors, or between vendors and the public. Thus, it is necessary to have a security post for resolution of conflicts in markets. Most spontaneous markets are established in strategic locations but are not recognised by municipal authorities and are almost always prone to harassment. Issues of vendors' harassment by municipal authorities in spontaneous markets is severe and needs to be seriously addressed using appropriate avenues.

Conclusion

Providing and developing adequate market facilities and services is essential to provide a conducive environment for vendors and to enable increased and sustained growth of informal economic activities. However, it is important to understand the factors that influence vendors' decision to use a market. Vendors often choose to use a market which is close to their homes, where they feel safe and where there is a potential customer base. Therefore, establishing a market in a strategic location with easy access has the potential to encourage the vendors to fully use the market facility. This can contribute to reducing street vending in public spaces. Therefore, when planning new or upgrading existing markets, it is necessary to consider vendors' preferences. This paper intends to inform physical planners, policy-makers and other municipal authorities that it is necessary to consult with potential market users before establishing or redeveloping a market facility.

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