POLICY BRIEF

INTEGRATING INFORMAL FOOD RETAIL AND MUNICIPAL MARKETS INTO SUSTAINABLE URBAN DEVELOPMENT

AfriFOODlinks

TARGETED AUDIENCE:

The target audience is the County Government of Kisumu.

INTRODUCTION AND CONTEXT:

Kisumu is Kenya's third-largest city, housing approximately 500,000 residents, with over 65% living in under-served informal settlements. The city derives its name from the Dholuo word *Kisuma*, meaning "a place to look for food".

Urban food insecurity in Kisumu city is primarily a market access issue rather than a rural production deficit. Though food production in the immediate hinterland is insufficient to feed the rapidly growing urban population, food is generally available in the city through importation from other counties in Kenya and the East African Region. The location of the city at the confluence of a major transit intersection ensures food availability in the city.

At the heart of the city's food system is Kibuye market, one of East Africa's largest open-air markets, supporting over 7,000 informal traders. Smaller markets in the city and satellite towns obtain their supplies from Kibuye market. Over 75% of city residents obtain their daily food provisioning from informal traders in residential areas, informal markets and municipal markets.

This brief is based on studies conducted in Kisumu from 2023 – 2026 under the auspices of AfriFOODlinks project. The project conducted a surface scan that resulted in the *2024 State of the City Food System Report*; and deep ethnographies and case studies that produced the *2025 City Food and Nutrition Report*. This brief outlines actionable steps to transition Kisumu's food market governance from punitive oversight to supportive and resilient infrastructure.

01 Statement of problem

Kisumu's urban food system faces compounding physical, economic, and institutional vulnerabilities:

- **Pervasive Food Insecurity & Economic Strain:** 71% of households are moderately or severely food insecure, and 86% exhibit low dietary diversity. Low-income areas face high unemployment, with 31% among residents aged 20 years and above unemployed.

- **Low Self-Production:** Despite policy emphasis on urban agriculture, less than 15% of residents grow any of their own food, and only 1% of low-income households rely on self-production as a primary food source. The vast majority depend entirely on informal markets, purchasing food daily in small, affordable quantities.
- **Gendered Vulnerabilities:** Over 60% of informal food businesses are female led. Women view food vending as a long-term livelihood strategy to secure basic household needs, yet they face double burdens of domestic care, a lack of formal credit, and exposure to gender-based safety risks.
- **Severe Infrastructure & Environmental Deficits:** Kibuye Market, and other municipal markets lack adequate market sheds, cold storage, paved walkways, and reliable water and sanitation systems, resulting in high post-harvest losses. The city generates approximately 100 tons of organic waste daily. Inadequate sanitation leads to public health hazards and conflicts between traders and city authorities.
- **Friction in Urban Modernization:** Market upgrades have been marred by scepticism due to fear of eviction and replacement by exploitative cartels and a lack of input on the project's design. For example, World Bank-funded rehabilitations in 2020 resulted in severe asset and livelihood losses due to evictions, while a July 2025 notice to vacate Kibuye market for a KES 3 billion national government upgrade triggered conflicts between city authorities and traders.
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02 Current implementation or action gap

The operational crises in Kisumu's markets stem from distinct regulatory and institutional deficiencies:

- **Statutory "Food Blindness":** Spatial planning frameworks (e.g., the old Physical Planning Act and Integrated Strategic Urban Development plans) designate areas for physical structures but fail to adequately provide for food safety, waste flows, logistics, or vendor security.
- **Fragmented Institutional Mandates:** Governance is complicated by overlapping jurisdictions and administrative friction between the Kisumu County Government and the semi-autonomous Kisumu City Board.
- **Exploitative Delegated Management:** Due to capacity shortfalls, city officials historically delegated tasks (e.g., sanitation and security) to centralized trader committees without formal checks. This structure fractured into competing factions, breeding extortion and violence over facility fees.
- **Financial Service Deficits:** Commercial banks fail to serve the informal food sector, forcing the urban poor to depend on trusted interpersonal networks to survive price spikes.

03 Lessons learnt and insights from AfriFOODlinks

- **Consumers Value Hygiene:** Traders and consumers value hygiene, and customers prefer food handled in clean, improved stalls with hygienic practices. Public investments in water, drainage, and hygienic concrete stalls directly align with consumer demand.
- **Informal Networks are Vital Safety Nets:** Women retailers heavily rely on community self-help groups (such as *chamas*) to pool capital and navigate financial shocks. These resources are hardly enough. Interventions should supplement these efforts and empower these groups.

- **Top-Down Projects Fail:** "Copy-paste" architectural designs that fail to engage vendors create non-functional environments and intense community pushback. Active participation is required to co-design suitable markets.
- **Logistical Deficiencies Multiply Loss:** Relying on unspecialized transport (e.g., passenger *matatus*, *tuk-tuks*, and *boda-bodas*) to transport food damages fresh merchandise. Safe handling and streamlined distribution infrastructure and carriages are vital.

SUGGESTED ACTIONS

ACTION N° 1: REGULATORY FOUNDATION & MARKET MANAGEMENT

- *Repeal Punitive By-laws:* Abolish colonial-era by-laws that criminalize informal food trade. Formulate regulations recognizing informal vendors as critical players in the urban food system and design support to mitigate the risks associated with informality.
- *Complete and implement Urban Market Management Policy:* Finalise and implement the formal regulations establishing democratic, term-limited elections for market committees. Set strict accountability and auditing mechanisms for fees collected from utilities to curb extortion.

ACTION N° 2: CO-DESIGNED SPATIAL & PHYSICAL INFRASTRUCTURE UPGRADES

- *Prioritize Low-Cost Upgrades:* Focus municipal budgets on providing potable running water, paved walking paths, covered stalls, lighting, drainage and waste management facilities in municipal markets.
- *Co-Design Large-Scale Upgrades:* Directly involve traders and consumers in the design of the market infrastructure projects to ensure spaces match retail, wholesale, and customer dynamics.
- *Install Cold Chain & Logistics Bays:* Incorporate foundational refrigeration systems and allocate managed parking bays for long-distance delivery trucks to minimize solar-heat food spoilage

ACTION N° 3: CITY-WIDE LOGISTICS & CIRCULAR BIO-ECONOMY

- *Integrate Transport & Spatial Plans:* Establish dedicated farmers markets or market sections with parking, off-loading zones, and transit hubs for food arriving from rural hinterlands and neighbouring regions. Eliminate informal "tolls" and transport delays that artificially inflate food prices.
- *Capitalize on the Circular Bio-Economy:* Partner with community-based organizations (e.g., Kisumu Waste Actors Network) to upscale the sorting and conversion of the market's organic waste into economic commodities like fuel briquettes, organic fertilizer, and animal feeds.

ACTION N° 4: SOCIO-ECONOMIC SAFEGUARDS & SAFETY NETS

- *Establish Gender-Sensitive Financial Systems:* Partner with local CBOs to link female food vendors' micro-savings (*chamas*) to municipal-backed micro-credit and post-disaster recovery funds, replacing predatory lending.
- *Secure Low-Rent Guarantees:* Protect vulnerable women-led retail structures by guaranteeing low-rent options in newly modernized facilities, shielding them from exploitative middlemen.

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