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FACULTY OF BUILT ENVIRONMENT AND DESIGN

**ROLE OF COUNTY OWN SOURCE REVENUE IN THE PROVISION AND
MANAGEMENT OF MARKETS IN NAIROBI CITY COUNTY**

BY

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DECLARATION

This Project Report is my original work and has not been presented for a degree in any other university.

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DEDICATION

I dedicate this work to my parents, Elder Joshua Ombongi and Monicah Kwamboka, for their constant guidance, care, and support throughout my life. They have been a constant source of inspiration, knowledge, and moral support throughout the years, and for that, I will always be thankful.

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ABSTRACT

Globally, 'own source revenue' refers to the funds that local governments generate from their own activities and resources, such as taxes, fees, and charges. This revenue collection is used as an important tool for financing social and economic development. In Africa, local governments, through their own sources of revenue, play a crucial role in ensuring the effective improvement of local people's social services. In Kenya, counties came into being in 2010 with the promulgation of the new constitution. In this new dispensation, counties have their specific mandates, key among them revenue generation from their own source to support service provision to the local people. Infrastructure financing is a big problem for most county governments in Kenya, as they deploy most of the resources at their disposal on recurrent expenditures at the expense of development. The provision of services, development, and maintenance of markets require a steady and guaranteed source of revenue, which only the devolved units can guarantee. In Nairobi, the case study shows that the county government has been able to raise substantial Own Source Revenue, but the potential to raise more is still there. In this regard, this study seeks to fill the existing research gap by investigating the role of the county's own source revenue in the provision and management of markets in Nairobi City County. The study provides valuable insights into improving market management practices by examining how these revenues are generated, allocated, and utilized.

The study's overall objective was to establish the role of own source revenue in providing and maintaining markets in Nairobi County, focusing on markets in Nairobi's Eastland area. Specific Objectives of the study were to assess the current state of selected markets in Nairobi County, Kenya; to establish the types and amount of own resource revenue realized from urban markets in Nairobi County, Kenya; to examine the legal framework regulating own resource revenue management in Nairobi County, Kenya and to determine the extent to which own source revenues are being used in the provision and maintenance of markets in the Nairobi County, Kenya. The study employed the Benefit Received Theory, the Theory of Maximum Social Advantage, The decentralization theorem, and the NIE Framework. The study adopted a cross-sectional descriptive survey to collect quantitative data and qualitative information from respondents in Nairobi County. The study's target population was selected urban markets in Nairobi's Eastlands area, with respondents being traders/stall owners, customers in the markets, market managers, and suppliers. The sample size calculated and determined from the population size was 385 respondents and 11 key informants. The study employed quantitative and qualitative research methodology with data collected via questionnaires and interview guides and analyzed through Excel, SPSS, and Word.

The findings indicated that traders face numerous challenges in the markets. They pay business licenses, levies, market due fees, property taxes, and parking fees for using county government facilities and services. Traders pay the county revenues daily, weekly, monthly, quarterly, and yearly. Customers pay parking fees when accessing the markets. The key legislation the county government uses to raise revenue is the Nairobi County Finance Act of 2013, which provides for the various taxes, fees, and charges for services and other revenues. The collection of revenues is primarily done through the digital revenue collection system that the county has implemented. Despite the revenues being levied from the sampled markets, several challenges, including congestion due to inadequate market spaces, poor infrastructure, and lack of proper waste

management systems, poor accessibility, limited parking space, poor sanitation, and occasional conflicts between vendors still obtain. The markets' security and safety status significantly impact businesses. High crime rates, inadequate security measures, and the associated business constraints hinder growth and development. Most traders struggle with a lack of storage infrastructure. There is no precise mechanism for recouping part of the revenues generated from the markets to provide services.

The study has identified several areas where the county government can make significant improvements in service provision in the markets. These improvements can enhance revenue generation and support traders and customers. For instance, installing more streetlights can boost business and security, while addressing cleanliness and functionality issues can mitigate health risks and improve market visitors' well-being. Implementing effective waste management practices, especially during adverse weather conditions, can help retain customers and prevent economic losses for market vendors. These potential improvements offer a promising outlook for the future of market management in Nairobi County.

The county government plays a crucial role in the provision, improvement, and maintenance of infrastructure in these markets. The challenges these markets face hinder their optimal functioning. Inadequate market spaces, poor waste management systems, and lacking basic amenities affect these markets' safety, cleanliness, and overall efficiency. The county government's commitment to the modernization of market facilities, introduction of digital payment systems, regular garbage collection provision of waste management facilities, implementation of hygiene regulations, and maintaining a safe and secure environment is essential for the well-being of traders and customers within these markets. This underscores the importance of the county government's role in market management and the potential for positive change.

ABBREVIATIONS AND ACRONYMS

APHRC	-	African Population and Health Research Centre
CBS	-	Central Bureau of Statistics
FAO	-	Food and Agriculture Organization
GDP	-	Gross Domestic Product
GDP	-	Gross domestic product
GoK	-	Government of Kenya
JKIA	-	Jomo Kenyatta International Airport
KNBS	-	Kenya National Bureau of Statistics, Nairobi, Kenya
LAFT	-	Local Authority Transfer Fund
Las	-	Local Authorities
LGAs	-	Local Government Authorities
MDGs	-	Millennium Development Goals
NAMATA	-	Nairobi Metropolitan Area Transport Authority
NCC	-	Nairobi County
NCWSC	-	Nairobi City Water and Sewerage Company
NMS	-	Nairobi Metropolitan Services
OSR	-	Own Source Revenue
PPPs	-	Public-Private Partnerships
SPSS	-	Statistical Package for Statistical Sciences

UN - United Nations

UNEP - United Nations Environment Programme

DEFINITIONS OF TERMS USED IN THE STUDY

Urban Infrastructure: A set of core systems that serve a community, region, or country. They include water and sewer systems, road and rail networks, and national electricity and gas grids. Infrastructure is critical for updating the structure that sustains civilization (Raghavendra, 2012).

Own Source Revenue: Is the money that the county governments get from local sources in the form of taxes, levies, and fees (Development Initiatives, 2018).

Local Governance: Andrew and Shah (2006) define it as a broad concept that encompasses the organizing and carrying out of local collective action. In order to achieve collective action, formal institutions, neighborhood associations, and state and federal agencies lay the groundwork for citizen-to-citizen and citizen-to-state and federal government interaction, group decision-making, and the provision of public services that raise living standards while enhancing living and working environments within the bounds of democratic participation.

Social Responsibility: It is an ethical framework that requires people to collaborate and work together with other people and organizations for the good of the community that will inherit their legacy. It is everyone's responsibility to uphold social responsibility (Jansen, 2006).

Local Government: Refers to specific organizations or bodies created by executive orders, regular federal legislation, state or provincial legislation, national or state constitutions, and other legal frameworks with the intention of offering a variety of specialized services to a relatively small geographically defined area (Andrew and Shah, 2006).

CHAPTER ONE: INTRODUCTION

1.1 Background to the Study

The role of local government income in the context of Nairobi City County, Kenya, is not merely a financial matter but a pivotal driver of global social and economic development (Davey, 2011). The 2008 European crisis serves as a stark reminder, underlining nations' reliance on local government financing for social services like health, education, and water. As White (2011) emphasizes, successful fiscal decentralization is intricately linked to effective revenue collection, which is necessary for developing a stable local revenue system that enhances social services. The local administration views income as more than just money; it is a vital resource for improving social services. Fjeldstad and Heggstad (2012) echo this concern, expressing increasing worry about the local government's income collection and its impact on health, water, and education services.

Local governments in Africa, with their self-sustaining funding streams, are not just providers of social services; they are facilitators and critical drivers of community development (Agba et al., 2013). When managed effectively, this funding can catalyze community development by constructing hospitals, schools, and other infrastructure or providing essential services like power and water. This potential for trans-governments, indicated by the amount of money they receive from overall government spending (Aluko, 2012), is a beacon of hope. Increasing local government revenue, according to Agba et al. (2013), is a crucial first step in enhancing social services in both urban and rural areas. "Own-source revenue" denotes" local funds obtained through legislative legislation or from county governments with approval from the federal government (National Treasury, 2021).

Own-source revenue is a financial component and a pillar of resilience for these organizations. It represents the money that county or subnational governments earn through tax collection, resource revenues, and other income generation to enhance service delivery. This substantial income gives the counties a stable financial foundation, reducing their reliance on government transfers, grants, and donations. It empowers them to meet their continuous development and operating costs, ensuring their existence and growth (Development Initiatives, 2018).

The Sustainable Development Goals, as stated by the United Nations (2015), confirm planners' demand that governments prioritize urban planning by aiming to make cities safer, more resilient, and more sustainable. The Sustainable Development Goals and Kenya's Vision 2030 are examples of local and global commitments that seek to build environmentally clean, functional, and inclusive cities that meet the needs of all residents while also offering opportunities for access to essential services like waste management, transportation, and water.

The urgency of the situation in Nairobi City County's market management system cannot be overstated. The global acceptance of devolved county governments as a means of achieving sustainable development objectives is growing (Mboga, 2009). In the case of Kenya after 2010, local authorities are responsible for providing, among other crucial services, solid-waste and wastewater services, roads, markets, parking facilities, firefighting, education, health, and business licensing. These units need to be kept in reasonable condition to fulfill their duties. However, the effectiveness, infrastructure quality, and enforcement of regulations in Nairobi City County's market management system are lacking, highlighting the need for immediate study and advancement in this field.

Infrastructure financing is not just a challenge; it is a mountain for most county governments of Kenya. They find themselves deploying most of their resources on recurrent expenditure at the expense of development. Even where devolution has taken place, thereby giving devolved units more power to raise their revenues, the ability to raise the revenue has remained relatively high. The gravity of this situation cannot be overstated. Sustainability, resilience, and efficiency are not simply buzzwords; they are critical factors for urban managers in urban infrastructure management. Over 3.9 billion people, or more than 54% of the global population, were city dwellers as of 2020 (World Bank, 2020). Urbanization is not just a cultural phenomenon; it is a tidal wave expected to continue, with 6 billion people living in cities by 2045. Demand for urban infrastructure, particularly market demand, will surely increase due to this significant increase in the population living in urban areas (World Bank, 2020). Public infrastructure networks are crucial for a country's stability and economic viability (Guerrero et al., 2013).

Kenya has seen substantial urbanization; according to the 2019 census, 27% of the country's population, or about 13.8 million people, live in urban areas (UN-Habitat, 2018). By 2030, this trajectory is expected to increase to 33.4% (UN-Habitat, 2018). This expansion has not, however, been without difficulties. Kenya's urban areas require improvement due to inadequate development control, informal service delivery of essential services, and a lack of housing and infrastructure (Cira et al., 2016; Government of Kenya, 2016; UN-Habitat, 2018). These problems need to be addressed right away because they are alarming. Lall et al. (2017) state that structural transformation has been linked to urbanization, but this process has not yet occurred in Kenya or many other sub-Saharan African nations.

Cities are the engines of booming economies and are essential to growth and progress in the economy. This underscores the pivotal role that urban infrastructure plays in economic development and creates multiplier effects that support additional economic growth. There are costs to consumers in situations where the infrastructure is deficient, in need of repair, or both. It might obstruct regional, national, or even local economic growth (United Nations, 2015). This emphasizes how crucial infrastructure is to the development and health of cities. On the other hand, the industry has faced many difficulties. For example, public infrastructure has long struggled with deterioration, outdated technology, and inadequate capacity to accommodate growth in the future. However, depending on the kind of infrastructure and the area, these problems differ greatly in character and scope (Peterson, 1984). The increasing rate of urbanization makes infrastructure even more essential to the efficient operation of metropolitan areas, underscoring the significance of your work in urban development.

According to Fjeldstad and Heggstad (2012), local revenues raised by most African governments are essential. More is needed to develop and supply the essential services for the quickly growing population. They argued that the success of fiscal decentralization depends on a robust local government revenue structure. The same conclusion was reached by Bird (2010), Martinez-Vazquez and Smoke (2011), and Olowu and Wunsch (2004). Menon et al. (2008) state that weak accountability and the units' inability to effectively and efficiently serve their constituents are among the significant factors contributing to Kenyan cities, particularly in the pre-devolution era. Thus, even though urban areas account for most of Kenya's GDP, there is still a great deal of unrealized potential, mainly if practical solutions to the slum problem can be found. Resilient and prosperous urban areas can only be achieved by the devolved units raising enough of their own source revenue (OSR) to cover their budgets.

Several studies address how counties or LAs can generate enough OSR to fund their budgets. Several studies and reports have produced excellent recommendations for improving OSR, including Development Initiatives (2018), Draft National Policy to Support the Enhancement of County OSR (National Treasury, 2017), and Adam Smith International report in collaboration with the World Bank and The National Treasury on the OSR potential in counties and make recommendations on how to unlock existing potential. In this regard, this study aims to fill a research gap by looking into the role of the county's revenue in market provision and management in Nairobi City County. The study will provide valuable insights into improving market management practices by examining how these revenues are generated, allocated, and used. This, in turn, can improve economic opportunities and living conditions for Nairobi residents, which aligns with the larger goals of sustainable urban development and good governance.

1.2 Problem Statement

In a significant shift, Kenya adopted a new constitution in 2010, establishing a two-tier government system, with the National Government and the County Government. This constitutional change redefined the roles and responsibilities of local authorities, which were previously under the authority of the Central Government through the Ministry of Local Governments. The Local Government Act (cap 265), which granted local governments taxation powers, was a key legislation housed under the Ministry. Local governments (LA) were allowed to raise revenue, primarily through property taxes and user fees, among other small sources, to fund some of their activities. The Local Authority Transfers Fund (LATF) provided the central government with the majority of the funds needed to operate these local governments. Despite having limited borrowing authority under the Local Government Act, local authorities hardly

ever used this tool. Most Local Authorities might come to an abrupt stop without transfers from the Central Government.

Local Authorities (LAs) in Kenya have long grappled with a myriad of challenges, particularly those related to their financial autonomy. According to McCluskey et al. (2013) and McCluskey & Frunze (2005), the population growth in cities has far outpaced the ability of local authorities to provide services in the areas of management, infrastructure provision, and financing. Insufficient resources, poor management, a lack of institutional and technical capacity to expand service coverage, and a lack of planning have all hampered the local government's ability to deliver services (Barasa & Eising, 2010). A number of factors, including explicit and deliberate tax evasion and taxpayer resistance, corruption, including the embezzlement of revenues, and occasionally political pressure on the local tax administration to relax revenue collection, particularly during election seasons, are listed by Fjeldstad and Heggstad (2012) as the reasons why many local government authorities had gaps between reported and projected revenues. Brosio (2002) came to the same conclusion and proposed that a large number of local governments in Africa are weak financially and depend on financial support and transfers from national governments.

The financial challenges faced by local authorities in Kenya have not only justified but also reinforced the urgent need for decentralization of authority and resources from the center to the regions. This shift allows local authorities the freedom and a legal framework to address the challenges depending on each region's unique objectives. This global trend, though particularly noticeable in underdeveloped nations, was embraced by Kenya in 2010 with the adoption of the new constitution. The hope was that regional governments might increase their source income to

augment transfers from national governments while still providing sustainable services. However, the issue of our reliance on transfers has persisted. According to research published by Development Initiatives (2018), significant dependence on state financing has negative consequences for devolution, which is anticipated to help eliminate poverty and inequities by moving development services and decision-making closer to the people. Devolved governments employ these resources to deliver services such as urban infrastructure projects, which are not only essential for urban growth but also sustained by the role of markets, a key player in the development of towns since antiquity.

Providing services such as market development and maintenance needs a consistent and reliable source of money, which only devolved units can provide. The case study in Nairobi demonstrates that the county administration has been able to raise significant OSR, but there is still room for growth. According to a report conducted by Development Initiatives (2018), Nairobi has the lowest amount of fiscal dependency, with 45.5 percent of total revenue coming from its own sources between 2013 and 2018. This gives optimism that there will be enough OSR levels to supply products and services to the population. However, the majority of the cash earned is spent on recurrent spending at the expense of development.

Furthermore, revenues earned from urban markets must be reinvested appropriately. Even though urban markets provide most local government revenue, they should receive considerable financial allocations for growth and administration. Closely examining most urban marketplaces in the study region reveals little investment or open neglect by the county administration. This has led to the growth of informal and illegal marketplaces, particularly along roads, public lands,

and other undesignated areas. At the same time, official marketplaces have been neglected, resulting in degradation.

Despite the above status, county governments continue to levy and tax traders in these markets. Studies have concluded that urban markets still have enormous potential for revenue generation. Part of the purpose of this study was to address the disconnection between the revenue generated by the selected urban markets and what is invested back. This study focused on OSR's role in providing urban infrastructure with a specific focus on urban markets in Nairobi County. To answer the research problem, a case study of a selected number of markets in Nairobi Eastland's area was used. The findings of this study could potentially inform policies that harness the revenue potential of urban markets for the benefit of local governments.

1.3 Objectives of the study

The overall objective of the study was to establish the signification of own resource revenue in the provision and maintenance of market in Nairobi County, with a particular focus on markets in Nairobi's Eastland's area.

1.3.1 Specific Objectives of the study

1. To assess the current state of selected markets in Nairobi County, Kenya
2. To establish the types and amount of own resource revenue realized from urban markets in Nairobi County, Kenya.
3. To examine the legal framework regulating own resource revenue management in Nairobi County, Kenya.

4. To determine the extent to which own source revenues are being used in the provision and maintenance of markets in the Nairobi County, Kenya.

1.4 Research questions

1. What is the current state of selected markets in the Nairobi County, Kenya?
2. What the types and amount are of own resource revenue realized from urban markets in the Nairobi County, Kenya?
3. What the legal framework regulating own resource revenue management in the Nairobi County, Kenya?
4. To what extent is the own source revenues being used in the provision and maintenance of markets in the Nairobi County, Kenya?

1.5 Justification of Study

It has been over ten years since Kenya's Constitution 2010 was implemented, and devolution began to take effect. Ten years have passed since devolution was introduced in Kenya. It was envisaged that devolution would answer the challenges that used to bedevil the defunct local governments. The greatest challenge for the defunct local administrations was money, which meant they over-relied on disbursements from the central government for existence. The state of affairs has mostly stayed the same with devolution, although counties can now raise significantly higher revenues from their sources than under the defunct local authorities. The challenge of dependency on transfers is still a challenge. This has resulted in counties facing a governance

crisis threatening service delivery. This situation also affects Kenya's study area and devolved governments, as shown in Box 1.1 below.

Box 1.1: Problem of revenue at the counties



The screenshot shows a news article on the website 'THE STAR'. The article is titled 'Governors threaten legal action, shutdown over delayed county cash disbursements' and is categorized under 'CASH STARVED'. The author is Julius Otieno, a Political Reporter. The article is dated 11 January 2021 at 18:58. The main text states that the Council of Governors (COG) has threatened legal action to compel the National Treasury to release Sh94.7 billion meant for counties. It also mentions that CoG chair Wycliffe Oparanya has threatened to shut down county services to alleviate county employees who have not been paid for months.

CASH STARVED

Governors threaten legal action, shutdown over delayed county cash disbursements

Devolved units demand Sh97 million from Treasury

by **JULIUS OTIENO**
Political Reporter

News
11 January 2021 - 18:58

In Summary

- The Council of Governors (COG) has threatened legal action to compel the National Treasury to release Sh94.7 billion meant for counties.
- In the letter to Treasury Cabinet Secretary Ukur Yatani, CoG chair Wycliffe Oparanya has also threatened shut down of county services to alleviate county employees who have not been paid for months from suffering.

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Source: (Julius Otieno, January 11, 2021: The Star News)

Part of the problem has been the lack of a harmonized legal framework for county-level revenue collection, management, and administration; additional difficulties include corruption, which includes embezzling county funds, and a lack of ability to collect income. In order to address this issue, counties have conducted studies to increase OSR in collaboration with the National Government, development partners like the World Bank, and other independent groups and academics. A few of these studies have already been mentioned. Urban marketplaces are crucial to the growth of local economies, especially in the automation of products and services, which makes this study pertinent. Secondly, urban markets and urban infrastructure, in general, play a critical role in job creation in the county. This is more pronounced in Kenya, where 80 percent of the population works in the informal sector, comprising most urban markets that were the research subject (KNBS, 2020). Thirdly, urban markets are essential in generating county taxes

and levies. Therefore, there is a need to understand how revenue is generated and invested through a monitoring and evaluation mechanism. This will reveal how much revenue collected in the study area is re-invested.

While several studies have delved into various aspects of devolution in Kenya, such as its impact on governance, service delivery, and local development (Kate, 2023), it's crucial to note that significant research gaps still persist. These gaps, particularly in understanding the role of devolution in market management and infrastructure provision in Nairobi County, are of utmost importance and require immediate attention.

One of the key research gaps that this proposal aims to address is the influence of devolution on the provision and management of markets in Nairobi County. While some studies have explored the broader effects of devolution on governance structures and local decision-making processes, there is a unique opportunity to delve deeper into how devolved institutions, such as county governments and market committees, have shaped market dynamics, revenue generation, and infrastructure development in Nairobi's market ecosystem. This research will provide a fresh perspective and contribute to the existing body of knowledge on devolution and market management.

Furthermore, more attention should be paid to the implications of devolution for market inclusivity, equity, and social justice in Nairobi County. Research gaps exist in assessing how devolution has addressed historical inequalities in market access, participation, and representation among marginalized groups, including women, youth, informal traders, and low-income communities. Understanding the distributional impacts of devolution policies and market

interventions is crucial for promoting inclusive growth and poverty reduction in Nairobi's diverse urban landscape.

Empirical studies are crucial to evaluate the effectiveness of devolution-related policies and interventions in enhancing market governance, revenue mobilization, and infrastructure provision in Nairobi County. While anecdotal evidence suggests improvements in market management and service delivery since the advent of devolution, rigorous evaluations are needed to inform policy and practice. This research will fill the gaps in assessing the outcomes and impacts of specific devolution initiatives, such as market upgrading programs, revenue enhancement measures, and capacity-building interventions for market stakeholders. The findings will provide evidence-based recommendations for improving market governance and service delivery in Nairobi County.

Moreover, limited research has examined the intersections between devolution, market in formalization, and urban informality in Nairobi County. Research gaps exist in understanding how devolution policies and governance structures have influenced the informal economy's dynamics, including informal trading practices, spatial patterns of informality, and the livelihood strategies of urban residents. Exploring these intersections is essential for developing context-specific policy recommendations that address the complex challenges of urban informality and promote sustainable development in Nairobi's markets and informal settlements.

1.6 Significance of study

For several reasons, studying the role of one's source revenue in the provision and management of markets in Nairobi County is crucial. First and foremost, understanding how own-source revenue influences market operations, such as through the funding of market infrastructure or the

implementation of market regulations, can provide valuable insights for policymakers and local authorities in designing effective market development and management strategies.

By examining the relationship between own-source revenue and market provision, researchers can delve into the key factors that can either contribute to market success or lead to failure in Nairobi County. This knowledge can engage them in making informed decisions about resource allocation, infrastructure development, and regulatory frameworks to ensure the sustainability and efficiency of market operations.

Furthermore, studying the role of own-source revenue in market management can shed light on the challenges and opportunities faced by market vendors and traders. It can instill hope by identifying ways to improve market infrastructure, enhance market access, and promote market competitiveness, ultimately benefiting market participants and consumers.

In addition, research on the link between own source revenue and market provision can contribute to the broader literature on public finance and local economic development. By highlighting the importance of generating revenue from local sources for market development, this study can inform debates on fiscal decentralization, local governance, and sustainable urban development.

Overall, investigating the significance of own-source revenue in the provision and administration of markets in Nairobi County is essential for advancing our understanding of the dynamics of local markets. This understanding can then be used to inform policy decisions, such as the allocation of resources or the design of regulatory frameworks and promote inclusive and sustainable economic growth in urban areas.

1.7 Scope of the Study

With its practical implications, this research concentrated on providing and managing urban infrastructure in Nairobi County. The role of own-source revenue, such as taxes and fees collected by the county, is theoretical and has direct implications in their provision and management. For instance, these funds are not just used but are crucial in maintaining and upgrading roads, bridges, and public transportation systems. The study, which practically evaluated selected markets in Nairobi's Eastlands area, clearly demonstrates this. Nairobi was chosen for its elaborate and established market system and for generating its source revenues, making it a practical model for other urban areas.

1.8 Limitations of the Study

The study's sample frame includes marketplaces in Nairobi's Eastlands neighborhood. The research project, which was not without its challenges, concentrated on the importance of self-generated money in developing and maintaining marketplaces in Nairobi County. Access to information hindered the study. Furthermore, the targeted respondents were hesitant to provide the requested information for fear that it might be used to intimidate or portray them negatively. The other restriction is time, as the investigation was completed within a short window. Indeed, the study used many strategies to overcome its constraints.

1.8 Assumptions

The study was based on the following assumptions:

- 1 The urban markets will continue playing a critical role in generating significant revenue for Nairobi County.

- 2 Population increase in Nairobi County leads to high demand of urban markets.
- 3 The urban market users do not get best services they need even so they abide to laws and pay the required fees and charges.

CHAPTER TWO: THE STUDY AREA

2.1: Introduction.

Nairobi County served as the research's location. The Maasai phrase "Enkare Nyirobi," which means "the place of cool waters," is where the name "Nairobi" comes from because of the streams and an abundance of water at the borders of an arid region. This was the initial site of the Kenya-Uganda Railway, which was created when the railhead arrived in Nairobi in June 1899. The city grew to become the commercial and economic hub of British East Africa and was named Kenya's capital in 1907 (Mitullah, 2003). Often referred to as the "green city in the sun," Nairobi serves as a significant hub for trade, banking, tourism, communications, and diplomacy. Moreover, it acts as an entry point into East and Central Africa.

One of the city's significant geographic assets is Nairobi National Park, a stunning location with a unique blend of woods and savanna grasslands trending southeastward with three rivers running through it: the Ngong River, the Mathare River, and the Nairobi River (Mitullah, 2003). This city is home to the headquarters of the UN Environment and UN Human Settlements Programme (UN Habitat, 2018). Westlands, Dagoretti, Njiru, Embakasi, Makadara, Kamukunji, Njiru, and Langata are the nine sub-counties that comprise the County. The County is divided into 27 divisions, 64 locations, and 135 sub-locations (KNBS, 2019).

2.2 Location and Size.

One of Kenya's 47 counties, Nairobi County stands apart due to a unique topographical feature. It borders Machakos to the east, Kajiado to the south, and Kiambu County to the north and west. One of the main reasons for the county's economic importance is its advantageous location at the southeast tip of Kenya's 700 km² agricultural heartland. Nairobi is situated just south of the

equator and somewhat east of the Prime Meridian, at around 1.2921 degrees south latitude and 36.8219 degrees east longitude. In addition to offering a pleasant climate, its position makes it easier for trade and transportation to operate both inside Kenya and throughout East Africa. Located between 1600 and 1850 meters above sea level, the city has pleasant temperatures all year round. The city's eastern side is lower and mainly level, while its western side is the tallest and has a mountainous landscape. Many neighborhoods are crossed by the Nairobi, Ngong, and Mathare rivers, while the native Karura forest still covers portions of northern Nairobi. Mount Kenya rises farther distant in the north, the Ngong hills are nearby in the west, and Mount Kilimanjaro rises out of Tanzania's lowlands to the southeast. Nairobi is situated near the Rift Valley, which is constantly being formed as tectonic plates separate; hence, small earthquakes and tremors periodically rock the city.

Devolution gave rise to the Nairobi County Government, which is essential to the county's growth. The County Assembly and Executive are established under Articles 6, 174, and 176 (1) of the 2010 Kenyan Constitution. Nairobi is one of the 47 counties created by the Kenyan constitution's first schedule. According to Article 187 (2, b), it still has the constitutional obligation to carry out the fourteen tasks, even those delegated to other authorities. It served as the only organ for carrying out all duties that were formalized starting in 2013 to enhance service delivery to Nairobi residents. The county government has an established functional organization that is directed by various statute legislation to enable the proper execution of its tasks.

Nairobi County's economic significance is noticeable. Its convenient location is ideal for business, tourism, housing, and other social activities. Its physical, social, and economic characteristics offer excellent potential for socioeconomic growth for everyone. Nairobi is a transportation and communication hub with two international airports. The first is Jomo Kenyatta

International Airport (JKIA), the largest airport in East and Central Africa and the center of substantial regional aviation activity. Its significance as an aviation hub makes it a trailblazer for other small airports. Wilson Airport is the second airport in the county. The majority of road transport journeys begin and end in the city. Nairobi has three gazetted forests: Karura, Ngong Forest, and the Nairobi Arboretum. The largest of the three is the Karura forest, which covers 1,041 hectares in northern Nairobi. Nairobi is also known for being a center of diplomacy, a haven of education, a hotbed of physical infrastructure development, a political and judicial capital, a trendsetter in regional development, and a tourism hotspot. Until 2022, when Nakuru became a city, Nairobi was the only city in the world with a national park.

The implications of Nairobi's location and size on its markets are profound. Firstly, Kenya's economic center, Nairobi, hosts many markets catering to diverse needs and preferences. These markets range from traditional open-air markets to modern shopping malls and specialized trade centers. The concentration of markets within a relatively small area reflects the dense urban fabric of Nairobi and the high demand for goods and services generated by its large population and vibrant economy.

Moreover, Nairobi's strategic location as a regional trade hub amplifies the significance of its markets. Many of Nairobi's markets serve the local population and attract traders and consumers from neighboring counties and countries. The city's accessibility via various transportation modes facilitates the flow of goods and people, further boosting market activity and trade volumes.

Furthermore, Nairobi County's compact size necessitates efficient land use and spatial planning, including the allocation and management of market spaces. The limited land area available for

markets means optimizing existing market infrastructure and exploring innovative market models becomes imperative. Additionally, the challenges of congestion, infrastructure limitations, and land scarcity in Nairobi underscore the importance of strategic planning and sustainable management practices to ensure the resilience and functionality of its markets.

2.3 Population Size and Density.

Nairobi County is home to an estimated 4.4 million people, about equal in number to men and women, and 245 intersex individuals, according to the 2019 Kenyan census (KNBS, 2019). The World Bank reported in 2018 that slums and informal settlements were home to almost 60% of Kenya's urban population (World Bank, 2018). Nairobi and Kenya's population growth trends are comparable, indicating that Nairobi County's population growth rate has doubled compared to the country's percentage rise in population. Based on KNBS data from 2019, the expected population of Nairobi in 2020 was 4,397,073. Females make up the majority of the population (2,204,376), followed by men (2,192,452) and intersex people (245). Nairobi's population in 1950 was 137,456 people (KNBS, 2019). The average growth rate for intercessors is 3.8%. Nairobi is rapidly expanding, covering 696 square kilometers (269 square miles). The size of this area and the total number of individuals result in a current population density of around 4,850 persons per square kilometer.

English and Swahili are the two main languages spoken in Nairobi. The city is home to one of the largest slums in the world, and 22% of the people in Nairobi live in poverty (Nairobi County, 2022). The population size and density of Nairobi County have profound implications for its markets, shaping their dynamics, characteristics, and significance within the urban landscape. Nairobi County, home to more than 4 million people, is one of Kenya's most densely populated

regions. As such, it faces tremendous demographic pressure, which substantially impacts the growth and operation of its markets.

Firstly, Nairobi's large population translates into substantial consumer demand, driving market activity across various sectors. The diverse and dynamic population composition, comprising residents from different socioeconomic backgrounds, ethnicities, and cultural preferences, creates a rich market environment characterized by various goods and services catering to diverse tastes and needs. This population diversity fosters vibrant marketplaces where traders can tap into niche markets and serve specific consumer segments, contributing to market specialization and differentiation.

Nairobi County's high population density increases competition for space, particularly in urban areas where markets are often located. Land scarcity and high property prices pose challenges for establishing and expanding market infrastructure, leading to the development of innovative market models such as informal street markets, pop-up markets, and mobile markets. These flexible and adaptive market arrangements enable traders to reach consumers in densely populated neighborhoods with limited formal market spaces, ensuring market accessibility and inclusivity.

The population density also influences the spatial distribution and organization of markets within Nairobi County. In densely populated areas, markets tend to cluster around transportation nodes, residential neighborhoods, and commercial centers, where they can efficiently serve large numbers of consumers and benefit from high foot traffic. This clustering effect fosters the emergence of markets in counties or trading hubs, characterized by a concentration of market stalls, shops, and informal vendors, creating vibrant economic nodes within the urban fabric.

Nairobi County's population density amplifies the challenges of congestion, overcrowding, and infrastructure strain, directly impacting market operations and accessibility. Traffic congestion and limited parking spaces can deter consumers from visiting markets located in congested areas, affecting market footfall and sales volumes. Similarly, inadequate infrastructure, such as roads, drainage systems, and sanitation facilities, can hinder market development and pose health and safety risks for traders and consumers.

2.4 Physiographical Background.

This section provides a brief description of the County's physical and geographical features, as well as its biological and climatic conditions.

2.4.1 Physical and Topographic Features

Nairobi County boasts a rugged topography, a unique blend of beauty and challenge, with altitudes ranging from 1,483 to 1,994 meters above sea level (Kimayu et al. 2017). The County's geography is a sight to behold, pleasantly rolling in the east, but as one approaches the city boundaries, the terrain transforms into precipitous valleys. To the north lies the Karura forest, a testament to nature's artistry with its valleys boasting sharp sides. The Karen-Langata area is embraced to the east by Nairobi National Park and to the south by Ngong Forest on plains. One of the County's most striking natural features is several streams with steeply-sided valleys, a lush green carpet of vegetation (Nairobi County, 2022). The County's three principal rivers, the Nairobi, Ngong, and Kabuthi Rivers, are unfortunately marred by the presence of open sewers and industrial waste, leading to high pollution. The two primary water reservoirs in the County, Jamhuri Dam and Nairobi Dam, are located along the Ngong River. The two primary soil types found in various areas of the County are the red and black cotton soils. The Nairobi Arboretum, a

serene oasis, is nestled in the county's central area, between Ngong Forest to the south and Karura Forest to the north. The three forests, a testament to the County's commitment to conservation, occupy a total of 23.19 km² (UNEP, 2014).

2.4.2 Ecological and Climatic Conditions

Nairobi County is primarily a terrestrial area, supporting a vast network of biodiversity habitats. It is home to over 100 animal species, 527 bird species, and several plant species (UNEP, 2014). Although it has some permanent rivers, the aquatic habitats are primarily harmed by pollution from various sources. Efforts are undertaken to guarantee that the Nairobi River Basin is sustainable and clean. Because of its high elevation, the County enjoys a somewhat cold climate (Nairobi County, 2022). The temperature might be as high as 29°C or as low as 10°C. Its rainfall pattern is bimodal. The short rainy season, which lasts from October to December, has a mean rainfall of 638 mm, while the long rainy season, which lasts from March to May, has an average rainfall of 899 mm. 786.5 mm of rain falls on average per year (Kimayu et al., 2017).

Ecological conditions, including the availability of natural resources, shape the supply and affordability of products in the markets. Climate conditions, on the other hand, influence agricultural productivity, market stability, and consumer behavior. Furthermore, the interconnection between ecological and climatic conditions emphasizes the need for sustainable management strategies in major markets. Moreover, transportation networks may be disrupted by extreme weather conditions like droughts or floods, which could cause supply chain problems and unstable markets.

Nairobi County's ecological and climatic conditions significantly affect its markets, shaping the types of goods available and consumer demand patterns. Situated just south of the equator,

Nairobi experiences a relatively stable tropical climate characterized by distinct wet and dry seasons. This favorable climate supports agricultural productivity, leading to the availability of a diverse range of fresh produce in the markets throughout the year. Additionally, Nairobi's elevation of around 1,795 meters (5,889 feet) above sea level moderates temperatures, making the city conducive for outdoor market activities. However, the region's susceptibility to periodic droughts and floods can disrupt agricultural supply chains, impacting market availability and prices. Moreover, Nairobi's ecological diversity, including nearby wildlife reserves and natural habitats, influences market dynamics by fostering tourism-related markets for crafts, souvenirs, and cultural artifacts. Understanding and adapting to Nairobi's ecological and climatic conditions are essential for market stakeholders to ensure resilience, sustainability, and responsiveness to changing environmental factors.

2.5 Physical Infrastructure

Physical infrastructure is vital in developing and managing urban areas like Nairobi County in Kenya. As the country's capital city, Nairobi is a significant center for trade and culture in East Africa. With rapid urbanization and population growth, the need for reliable and high-quality infrastructure becomes increasingly essential for sustainable progress. Infrastructure serves as the fundamental basis for the growth of any region. Nairobi County offers various infrastructural amenities, including roads, railways, airports, ports, telecommunications, and financial and educational institutions. However, the current road network in Nairobi County needs to meet present and future demands, leading to severe congestion during peak hours. By 2023, the number of registered vehicles in Nairobi is expected to reach 1.2 million, contributing to the overall global count of 3.5 million vehicles in the country (Nairobi County, 2022).

Transportation infrastructure is an essential constituent of urban expansion, enabling the efficient movement of people and goods. In Nairobi County, the transportation system consists of road networks, railways, and airports, collectively contributing to the city's connectivity and economic productivity. However, there are a number of issues with Nairobi's current transportation system, including bad road conditions, insufficient public transit, and traffic congestion (Gachanja, 2012). A number of efforts have been put in place by the county administration to address these problems. The Nairobi Metropolitan Area Transport Authority (NAMATA), which manages development and planning for transportation, is one noteworthy initiative. Nairobi Expressway, a 27-kilometer elevated expressway, is also being built with the intention of enhancing connectivity and easing traffic in the city (Abdullahi et al., 2020).

The development and well-being of any urban area depend on having access to clean, dependable water. Nairobi County has severe problems with its water supply, including poor infrastructure, low water availability, and non-revenue water (water lost to leaks and unauthorized connections). Due to these obstacles, the majority of the population has restricted access to clean water (Kiburi et al., 2018). The Nairobi City Water and Sewerage Company (NCWSC) has been working on a number of initiatives to solve these problems and upgrade the infrastructure for water supply. This covers building more water treatment facilities, renovating current facilities, and growing water distribution systems. Furthermore, the government has partnered with international organizations to enhance water management practices and promote efficient water use (UN-Habitat, 2016).

Reliable and affordable energy is crucial for economic activities, household needs, and social services. In Nairobi County, the energy infrastructure comprises electricity generation transmission and distribution systems. However, the county faces challenges related to

inadequate power supply, high energy costs, and limited access to electricity in some areas (Voda et al., 2019). The government has implemented several initiatives to improve the energy infrastructure. One notable project is the Last Mile Connectivity Program, which aims to increase access to electricity by extending the electricity grid to underserved areas.

Furthermore, making investments in renewable energy sources, such as solar and wind power, promote energy mix diversity and sustainability (Pueyo, 2018). There is no central water tower in Nairobi County; instead, most of the water is pumped to the city from the Tana Basin over about 50 kilometers. Nairobi County population primarily obtain their water from the Sasumua Dam located in Nyandarua, Kikuyu Springs, Ruiru Dam, and the Thika and Ngethu water works (Nairobi County, 2022). The Nairobi River runs continuously, however the water in it is dangerous to drink. Reservoir siltation, a result of deforestation in the catchment areas, puts this bulk water source in danger and renders it unpredictable during dry times. The supply problem is made worse by the distribution system's poor state, which accounts for around 50% of losses due to leakage, unauthorized connections, and certain customers' inefficient and wasteful water consumption (KNBS, 2019).

The majority of people in the county (61.5%) dispose of their waste mostly using flush toilets (APHRC, 2017). On the other hand, 32.1 percent of people utilize pit latrines (KNBS, 2019), and 4.8 percent don't have a way to dispose of their waste. In terms of garbage collection, local community groups collect rubbish in a comparable percentage of communities as do commercial companies, which handle 36.1% of the communities' garbage (APHRC, 2017).

Furthermore, the availability of water and sanitation amenities in markets promotes a clean and attractive environment. Customers are more likely to visit markets that prioritize cleanliness and

hygiene, which, in turn, contributes to increased sales and revenue for market vendors. According to a survey conducted by Nairobi County (2022), customers preferred to shop in markets with adequate water and sanitation facilities, which gave them confidence in the significance and safety of the goods vended.

Moreover, market water and sanitation facilities enhance customers' overall shopping experience. Clean toilets and hand-washing stations increase customer satisfaction and promote a positive market image. According to a study by Kimani-Murage et al. (2015), customers were willing to spend more time and money in markets that provided adequate water and sanitation facilities.

The physical infrastructure of Nairobi County has a significant impact on the efficiency and dynamism of its marketplaces. As the economic hub of Kenya, Nairobi boasts a network of roads, highways, and railways that facilitate the movement of goods and people, connecting markets within the county and beyond. Modern transportation infrastructure, including airports and cargo terminals, enhances market accessibility and enables traders to access a broader range of suppliers and markets regionally and internationally. Additionally, Nairobi's urban infrastructure, such as market buildings, storage facilities, and utilities, provides essential support for market operations, ensuring the availability of quality products, sanitation, and safety standards. However, challenges such as traffic congestion, inadequate storage capacity, and infrastructure maintenance issues can impede market efficiency and competitiveness, highlighting the need for continuous investment and improvement in Nairobi's physical infrastructure to support vibrant and resilient market ecosystems.

2.6 The Economy of the City

Kenya's economic center, Nairobi, which is part of Nairobi County, is vital to the growth of the nation's economy. Nairobi County has several markets essential to the city's economic expansion. These marketplaces serve as vital hubs for trade in various goods and services. Prominent marketplaces like Gikomba, Kariokor, and Wakulima draw domestic and foreign traders, making a substantial financial contribution to the country. These marketplaces give business owners, independent retailers, and craftspeople a place to display and market their wares, generating jobs and promoting economic empowerment. Moreover, these marketplaces play a crucial role in providing affordable goods to low-income consumers, thereby contributing to social welfare and fostering community cohesion.

The economy of Nairobi County and these markets are not just interlinked, but they have a symbiotic relationship, with each entity relying on the other for growth and sustainability. These markets are not just catalysts of economic activity in the city, but they are the lifeblood of the economy, attracting consumers from various socio-economic backgrounds. This influx of customers stimulates demand, leading to increased production and trade. As a result, the money made from these marketplaces is not just a support, but a driving force for the general economic growth of the city. The state of the city's economy, therefore, has a significant impact on how well the major markets are doing. A strong and stable economy is not just beneficial, but it is crucial for market investment, attracting new traders, and promoting the growth of existing businesses. Additionally, the availability of a well-functioning infrastructure, such as transportation networks and financial institutions, is not just a support, but a necessity for the efficient operation of the major markets.

These markets in Nairobi County significantly contribute to the local economy through various channels. Firstly, these markets generate employment opportunities for a significant population, with an estimated (number of jobs) created. Many individuals, particularly those from low-income backgrounds, rely on the markets for their livelihoods. The markets provide jobs in direct trading activities and ancillary services such as transportation packaging and security. Secondly, the significant markets act as a source of government revenue through taxation. The county receives income from the traders at these markets since they are required to pay taxes and fees. This money may be used to fund the construction of infrastructure, the delivery of basic services, and investments in a range of industries, all of which promote economic expansion.

CHAPTER THREE: LITERATURE REVIEW

3.1 Introduction

The chapter covers the current state of selected markets in the study area, the sources and types of OSR realized from urban markets, the legal framework on OSR management, the extent to which own-source revenues are being used in the provision and maintenance of markets in the study area, a framework for the effective provision and maintenance of markets using own-source revenue, a theoretical framework, and a conceptual model.

3.2 Urban Infrastructure

As to the McKinsey Global Institute (2013), the link between infrastructure and economics is crucial in advancing sustainable development and equitable growth. Social and economic factors are considered while conceptualizing infrastructure (Enimola, 2011). These aspects are interconnected. Education, information, health care, health services, water and electricity, and other social welfare services are all included in the subsector of social infrastructure. According to Enimola (2011), infrastructure is a public good that generates positive externalities for output. Differentially, infrastructure can foster economic development and ignite growth. The underdeveloped and underperforming infrastructure poses serious obstacles to Kenya's economic expansion. It makes it more challenging to accomplish the nation's Vision 2030 and the MDGs. The nation requires many different types of infrastructure, and present investment levels in this area are well short of what is needed.

Jerome (2012) contended that the economic pillar of Vision 2030 dictates that dependable and adequate infrastructure is essential for economic success. Without a doubt, the MTP 2008–2012

and Kenya Vision 2030 both emphasize the importance of infrastructure in long-term development initiatives (Government of Kenya, 2016). According to UN-Habitat (2011) and McKinsey Global Institute (2013), infrastructure is a means of ensuring the supply of goods and services that promote prosperity and growth and improve the quality of life, including social well-being, the eradication of poverty, citizen health and safety, and environmental quality. Infrastructure is not an end in itself. Most economists believe (Gramlich, 2004) that infrastructure influences behavior in terms of where people, activities, and enterprises are situated or willing to be located and that achieving high productivity rates is difficult without good infrastructure.

Thus, the effectiveness, dependability, and resilience of critical infrastructure systems impact a multitude of societal dimensions, such as the price of food, consumer goods, and durable goods; the competitiveness of goods and services in the global market; and the population's physical and mental well-being, especially that of the skilled youth who are the cornerstones of a robust economy, safety, and well-being. In order to guarantee the effectiveness and durability of economic growth and enhance citizens' standard of living, devolved administrations must strategically concentrate on a governance framework that tackles infrastructure-related concerns (McKinsey Global Institute, 2013). Public infrastructure spending boosts productivity, creates jobs, and enhances the quality of life, according to Dutta, Nicholas, and Vasilakos (2007). For infrastructure to be functional and efficient, governance is therefore crucial.

Towns and cities are home to vital infrastructure, such as public transportation (buses, taxis, motorcycles, and private cars) and rail systems (suburban, trams, metros). This includes, among other things, terminal amenities that make it easier to change modes and end trips (Dutta et al., 2007). They provide individuals access to marketplaces, making transferring people, products,

and services easier and loading and unloading cargo. In addition, there is housing and green infrastructure, which includes residential, commercial, and industrial spaces, as well as parks like Uhuru Park, arboretums, and biological corridors. In addition to protecting vendors, their goods, and patrons from inclement weather, housing offers storage, display, and weatherproofing.

On the other hand, green infrastructure provides places of leisure and aesthetics. The other critical infrastructure in urban areas is energy systems, including electricity cables, gas infrastructure, generators, and green solutions such as solar panels, wind turbines, etc., serving households, businesses, and industrial production in urban areas (Creutzig et al., 2016) and drinking water and wastewater infrastructure cover from extraction of water, treatment, storage, distribution networks. This is meant for households, business premises, and industrial use. Wastewater treatment and distribution are involved. Urban markets can only operate with this infrastructure; water is used for drinking and washing stalls, among other critical roles.

Communication infrastructure also refers to telecommunication cables, masts, WiMAX, public Wi-Fi, and fiber networks within urban areas (Creutzig et al., 2016). The end users are individuals/households, businesses, and industrial premises. The other critical infrastructure to be found in urban areas is Solid waste infrastructure, which involves solid waste generation at source (household, business premises, or industrial), collection, transportation, treatment, recycling, and in some instances, it is used for energy generation (APHRC, 2017). This is important for urban markets, considering the large amounts of solid waste generated. In demarcated areas, litter is to be put or dropped to ensure the market is clean, thus ensuring hygiene standards are considered.

Lastly, the other essential category of infrastructure found in cities is social infrastructure, which includes schools, hospitals, urban markets, cultural facilities, religious facilities, etc (Jerome, 2012). The provision of these ensures that the livability of the area is improved. All of the above make up the infrastructure system in urban areas, and the system is supposed to work seamlessly to ensure the smooth functioning, growth, and development of an urban market. All of the above play a critical part in the value of life in or of an urban area, the attractiveness of that area, and the competitiveness of the urban area. This can be determined by how sustainable, resilient, and efficient an urban area is.

3.3 Main Dimensions of Managing Urban Infrastructure Systems.

Some of the significant measurements of handling city infrastructure systems include first, a technical dimension, which entails the physical infrastructure layout of roads for vehicles; tracks for trains; cables for electricity and telecommunication; pipes for gas, water, fiber, wastewater; buildings, etc. (Dutta et al., 2007). During the design of urban markets, it is crucial to factor in these fundamentals to ensure the complementarity of services. It also involves the service layer, which covers transportation services for vehicles and trains (will entail route management and timings), energy services for electricity, gas, and distribution to reach end users, water and wastewater services, and communication services (telecommunication, cables). All these are networks, and urban areas are composed of them (McKinsey Global Institute, 2013). These should be done to enhance the usability of urban markets by being user-friendly.

Secondly, establishing and administrating urban infrastructure should consider the economic dimension, which builds on the technical dimension. Public authorities undertake most infrastructural projects for the general public (Jerome, 2012). Their purpose is to spur

development by facilitating the movement of individuals, goods, and commodities from one point to another. Therefore, they are not done per se to recoup the investment, as could be the case with private sector investments. This includes, to a large extent, urban markets. County governments should consider investing in developing urban markets to provide a platform where people can exchange goods and services (Dutta et al., 2007).

Thirdly, there is the jurisdictional dimension, whereby, in some cases, infrastructural projects fall under different jurisdictions, municipalities, or counties. This will call for effective coordination to ensure successful implementation, operation, and maintenance—both cases under consideration fall under Nairobi County (Wambui et al., 2015). Fourthly, the social dimension underscores that infrastructural projects can positively or negatively impact a particular community. Some positive impacts of projects include opening up an area, spurring development, easing the movement of individuals and goods, increasing the value of properties, etc. (Malizia et al., 2020). Negative impacts, on the other hand, may include community disruption/separation/displacement, etc. A market is a public place, and its provision should boost the social well-being of an area to create positive linkages within the community. Urban markets should also encourage residents and visitors to use them, enhancing society's social fabric (Van der Waldt, 2018). There have been cases where markets have been developed in a manner that does not encourage their usage, resulting in them being white elephants.

Lastly, the environmental dimension postulates that urban projects can also positively or negatively impact the environment. Negative impacts include carbon emissions and pollution (noise, dust) during construction. Positive impacts include green infrastructure, such as parks, and the development of green and clean energy, such as solar energy, wind energy, etc. Urban markets should be provided and managed to safeguard the environment (Wambui et al., 2015).

Consideration should be given to green forms of energy, ensuring that the spaces are environmentally friendly by planting trees/greeneries.

3.4 Management Challenges of Urban Infrastructure

Urban infrastructure, specifically urban markets, problems, or challenges, covers all aspects of the infrastructure system, from power, transportation, water, sewerage, airports, railways, seaports, roads, bridges, tourism infrastructure, solid waste management, healthcare, green infrastructure, and communications, etc. These urban infrastructure management challenges fall into the following categories: -

3.4.1 Demographic Challenges

This is caused by rapid population growth in most urban areas. Local authorities and even national governments need help to provide infrastructure at the same pace as population growth. As a result, the government's resources and facilities must be shared by many people (Raghavendra, 2012). Providing these infrastructure services in the face of a growing population has proved to be a big challenge for governments due to limited resources. Part of the solution is ensuring the available infrastructure is well maintained and not allowed to decay. Additionally, the government may prioritize infrastructure development, beginning with projects that will significantly influence the lives of its citizens. Measures should also be implemented to reduce or regulate population increase in metropolitan areas organically or through migration.

3.4.2 Social-economic Challenges

There are increasing inequalities in the provision of infrastructural services. Infrastructural projects favor upmarket areas instead of those inhabited by poor people. There is, therefore, a

need to ensure inclusive urban service and progressive policies such as providing affordable housing for different groups of citizens and providing access to safe drinking water, especially for people experiencing poverty. Adopting a graduated price, as was advocated in South African places like Cape Town, where high-volume customers may cross-subsidize low-volume users while encouraging high-volume users to limit their use, is one option to handle the issue (Simpson et al., 2019). Governments can also engage poor populations when developing infrastructural projects, especially those implemented in their areas. This will allow them to earn a living.

The second factor is the availability of sufficient mobility to guarantee that everyone has access to jobs and other facilities. Roads and railroad lines can be opened to allow trains to pass. The population growth in metropolitan areas has led to a rise in the number of automobiles. In addition to other difficulties, this has led to traffic bottlenecks, a rise in the need for gasoline, and wasted time in traffic. In addition to wasting time behind the wheel, traffic congestion raises fuel costs and air and noise pollution, reduces traffic safety, and creates additional problems (Enimola, 2011). Therefore, efficient, robust mass rapid transit is needed, an integrated transport system that can support multi-model combinations, and the encouragement of non-motorized transport by provisioning for needed facilities in urban areas.

The government can also provide functional waste and wastewater treatment systems as a foundation for public health. While doing this, the government should ensure that the quality of water that is supplied to residents is good to avoid incidents of diseases such as cholera. Limiting the disposal of sewers as industrial waste into rivers and other bodies of water is one way to achieve this. Involving the community in solid waste problem resolution would promote awareness of the necessity of proper waste management and a clean environment. Waste

reduction, reuse, and recycling strategies, such as the 3RS approach, should also be supported. The government can also put measures in place to guarantee that items are designed and packed to make them simpler to reuse and extend the usage life of products to minimize frequent replacement. According to Guerrero et al. (2013), the county government and the general public must actively participate in solid waste management to function effectively.

3.4.3 Technological Challenges

There is rampant use of outdated technology in developing, implementing, and running infrastructure services, especially in developing countries. The most affected area is solid waste management. The use of open dumping in developing countries is a common phenomenon. This poses serious environmental and health hazards to the residents of the respective urban areas. There is a need to update the technologies used to improve the efficiency and effectiveness of infrastructural services. Improved technology will also significantly reduce the cost of these services, thereby releasing more resources for investing in other projects.

3.4.4 Environmental challenges

This is mainly linked to climate change. Infrastructural services, especially transport corridors, increase surface run-off, and the construction of buildings/housing affects vegetation; the development of big infrastructural projects, in most cases, hurts the environment. There is a need to increase the resilience of urban infrastructure projects to face environmental shocks such as floods. Also, there is a need to provide these services in an environmentally sustainable manner by reducing carbon dioxide emissions, among other measures.

3.4.5 Financial challenges

There is the challenge of limited availability of finances to implement most of these infrastructural projects. This problem is acute in developing countries (Sergi et al., 2019). The problem is even more pronounced for devolved units with even more limited powers to raise OSR or borrow externally to finance their budgets. This has resulted in low levels of investments, particularly in providing infrastructural services such as access roads, loading and offloading zones, solid waste management, clean water, and internet services, among other essential services. There is a need to provide more and better urban infrastructure with limited finances.

Additionally, prioritizing should be encouraged first to make necessary services such as water, markets, mobility, and housing available (Guerrero et al., 2013). Local governments should explore partnerships with private sector players to fund infrastructure development. Other innovative ways, such as the use of green bonds and land-based financing, should be considered.

3.5 Urban Markets

Urban markets uniquely influence towns' social life, culture, and tradition (Zagroba et al., 2020). Markets present themselves differently depending on geography, culture, politics, etc. FAO (2017) states that the physical environment, culture, existing economic policies, and attained degree of development all influence the features of urban marketplaces worldwide. One key element influencing development, the economy, social and political connections, and space organization is the urban dynamic that markets create (Igue, 2010).

Urban markets serve as the primary hub for African cities' population and economic activity due to their unique purpose and importance. They are hubs of potential, and when they operate well, the population's opportunities can develop and proliferate. (Bank for African Development, 2010). Urban markets were established in the heart of contributions, close to administrative offices, places of worship, and train stations in Sub-Saharan Africa during the colonial era. This reflected the desire to create a space in the city center, bringing together a significant city symbol (Pacaud & Filippi, 2001). Thus, it is crucial to consider the geographic distribution and regions of market impact. According to research by Swinburn and Yatta (2006), urban marketplaces have an apparent development dynamic and have a social and economic impact on cities worldwide.

Urban marketplaces provide a wider variety of goods and services that are typically more valuable economically. Produce from farms, apparel, new and used shoes, cutlery, stationery, and a few electronics are among the items sold in the markets (Zagroba et al., 2020). These marketplaces provide various services, such as hair salons, repair work, welding, and tailoring. Since the dawn of urban life, they have fulfilled a unique role by embodying the character and purpose of towns and cities (Zagroba et al., 2020). As such, urban markets have a unique and timeless value. Urban markets form part of public spaces that constitute a city or town. Markets have constituted the town's core and, indeed, the reason many centers have existed for centuries (Roubaud & Torelli, 2013).

In addition, urban markets have long been vital components of towns, cities, and villages. They have served as significant urban growth catalysts and offered long-term solutions to support them (Caramaschi, 2014). Thus, it follows that markets are still important today.

Markets provide a distinctive experience because they allow for in-person buying and selling, access to various fresh produce varieties, and high-quality goods.

Tangires (2005) argued that urban markets have been central to the development of cities by providing shelter for buyers and sellers. According to her, markets are essential for the city's perception of itself and serve as outward symbols of a sound, well-run economy. She notes that markets give visitors a miniature view of the entire city. Visiting any city market will give an impression of how well that city is governed and indicate the quality of life its residents enjoy. Suppose a market is rundown with no clear plan or regulations. In that case, the impression is that the governance structure in that particular city needs to be functional, and its residents have a low quality of life.

While analyzing markets in European cities, according to Costa et al. (2015), urban markets are the engines of sustainable urban development, concepts, models, and inspirations. They argued that markets' social and economic benefits are frequently overlooked despite their ability to attract large crowds and revitalize an area. This investigation will examine whether this claim holds for the case study. In general, markets serve cities and their residents in several ways, including as places for employment and commerce, for the purchase and sale of food, cattle, and other items, as well as for festivals, social events, and public gatherings.

3.5.1 Types of urban markets

There are different types of markets in urban areas: retail markets, Weekly markets, shopping malls and complexes, neighborhood shops, street markets, and open-air markets. Urban markets can be defined according to several characteristics shown in Table 3.1 below:

Table 3.1: Types of urban markets defined as per their characteristics.

Type of Characteristic	Attributes
Physical & Spatial	<ul style="list-style-type: none"> • Undifferentiated open sales, spaces operated by individual hawkers, peddlers, showing the simplest and most rudimentary form • Street or roadside market • Open-air markets • Covered markets (most common in urban areas) • Small-scale retail shops associated with urban market areas
Type of commodity traded	<ul style="list-style-type: none"> • Horticultural produce (fresh fruits, vegetables, and flowers) • Freshly slaughtered meat • Fresh and dried fish, dry food, including grains • Cooked food (street food) • Household, non-perishable consumer goods such as utensils • Cloth clothing and • Heterogeneous market (trading in a wide range of goods)
By time of operation	<ul style="list-style-type: none"> • Weekly or seasonal markets (periodic markets) • Markets operate every day permanently, whether from a fixed building or a mobile stall. • Buildings or areas specializing as markets on a particular
Type of ownership & Operation	<ul style="list-style-type: none"> • By urban municipality or rural local authorities • By government or parastatal organizations • By private enterprise • By religious or charitable foundations

Source: (Adopted from Tracey, 1995)

The above characteristics of markets will guide this research during the evaluation of the markets, which will be reviewed as part of this study. In particular, the study will be keen to use the above characterization in selecting markets to be evaluated.

3.5.2 Benefits of Urban Markets

Urban markets have many benefits for both residents and city authorities. Pine and Gilmore (1999) postulated that the physical interaction of consumers/customers and traders is critical as it creates memories. These memories serve as experiences that connect the people of cities, and in the process, they become part of the process of transforming the city. They further argue that these interactions can be done through consumer participation and connection or environmental relationships; for instance, people will go to a particular market to get certain goods known to be provided in that market. These kinds of visits will build memories for them, and this will form part of their city experience. The nature of the buying and selling process fosters a degree of socializing that does not occur in a typical supermarket, converting markets into a mere exchange of products and services into a source of communal life.

The development of urban markets offers many benefits to the urban area in general. For instance, markets offer crucial linkages between urban and rural economies, provide opportunities for economic growth, bring people from different backgrounds together, offer a platform for active public interaction, and can also be a justification for investing in downtown areas and neighborhoods. Caramaschi (2014) noted that markets have a stirring impact on the city, affecting tourism, logistics, real estate, and retail development. They also spark the revitalization of cities, foster community, and improve public health.

Furthermore, markets play an essential role in urban settings by serving as hubs for interaction, closeness, identity, innovation, and variety. According to Caramaschi (2014), urban markets are essential to the sustainable development of cities because they are a significant supplier of food products in urban areas and guarantee low carbon emissions, which includes encouraging the sustainable mobility of both buyers and sellers. Mumford (n.d.) viewed urban markets as the heart and spirit of urban existence, implying rich, energetic relationships. He contended that this experience can only be found on the streets, in cultural centers, theaters, churches, and, most importantly, in markets. This is so because this is where experiences and memories are built, where an enduring image of a city is created, even for the visitors who visit the city for the first time. Kelly, Sen, and Tatari (2020) recognized that markets are among the few public meeting spaces where individuals from diverse ethnic and social backgrounds come together in our politicized and separated cities.

The informal relationship formed between traders and consumers or customers leads to the parties involved becoming interested in each other's well-being. As these links strengthen, so does social capital, resulting in fewer cultural, religious, demographic, economic, and other distinctions. This encourages empathy and shared understanding among the city's citizens. According to Roubaud and Torelli (2013), markets are inclusive spaces that unite all of the community's members in one place where barriers are broken down, marginalized citizens are empowered, and differences are embraced. Most crucially, unlike shopping malls, they claim that the market is a public venue where no one can be barred from entering.

Costa et al. (2015) express that metropolitan business sectors present substantial open doors and advantages. They can assume a fundamental part for the maintainable improvement for renewal of a city and its areas by advancing and upgrading position creation, business, business venture,

and traveler reconciliation; the travel industry, essentially connected with gastronomy and culinary customs; nearby (retail)commerce, its deal and related framework, they draw in individuals and increment the footfall in an area; well-being way of life, new and sound produce and advancing innovative dieting propensities; rejuvenation of public space, structures and social cooperation, opening a market or its upgrade can move and revamp public space which can be utilized for collaborations, neighborhood related exercises like music and film evenings; social and social administrations, mainly showcases situated in unfortunate neighborhoods when they offer food and non-food items at process adjusted to the unassuming financial plans of occupants, supporting good dieting propensities; and a harmless to the ecosystem nearby store network, adding monetary worth and diminishing the ecological effect of creation and utilization.

3.5.3 Functions of Urban Markets

Roubaud and Torelli (2013) posit that marketplaces, as well-functioning public spaces, support multiple essential functions. These functions include fostering social capital by facilitating exchanges among people and cementing social relationships; facilitating the learning of social skills and attributes through observation and imitation; fostering a more democratic way of life by encouraging the sharing of perspectives and observations; and humanizing all participants. Furthermore, Tracey (1995) identified additional roles for urban markets, such as creating venues for the exchange of goods and services, particularly the sale of produce from rural areas, giving customers easy access to a large variety of produce, and serving as a vital source of diversity for town center retail establishments. They give rise to the chance to enhance food hygiene.

Urban markets may also foster cultural issues in a city, thereby preserving the city's history and memory. Even the market building might be a valuable space for creative expression or a nexus

for the arts. Regarding a city's livability, markets play an essential role in fostering the city's social, environmental, and economic well-being. Markets also provide a platform for economic opportunities due to low entry costs. This will encourage community members to participate, thereby offering employment opportunities. This is critical and relevant to the study area due to the high number of residents who are subsisting and teetering on the brink of poverty.

3.5.4 Challenges facing Urban Markets

Despite the benefits highlighted above, urban markets continue to face a myriad of challenges across the world, including in Kenya. As per Roubaud and Torelli (2013), the most widely recognized problems distressing urban business sectors incorporate shoppers leaning toward options, for example, general stores, which purchasers see as less expensive, helpful, and offering better offices; change of taste and inclinations from outside business sectors to those that have an indoor component that can, in any case, draw in clients when the weather conditions is poor; town arranging choices which do not focus on arrangement of business sectors. This will incorporate anticipating markets outside the downtown area where walkers should venture out significant distances to get to, deterring their utilization and absence of pitiful speculation from the neighborhood specialists answerable for running business sectors. Numerous nearby specialists need to perceive the essential worth of business sectors as a lively piece of the local area and the gradualness of the market business in adjusting to changes.

The challenges facing urban markets worldwide and in the study area can be classified as follows:

Table 3.2: Characterization of challenges facing urban markets.

Nature of Challenge	Manifestation of the Challenges
Physical	<ul style="list-style-type: none"> • Insufficient sales space, particularly temporary spaces at peak periods and during peak seasons, leading to produce/goods being sold in the open with consequent spoilage. • The presence of poorly designed and constructed sheds • A general lack of building maintenance • Insufficient circulation space and traffic management measures lead to vehicular and pedestrian congestion. • Lack of parking provision and areas of unloading • Poor conditions of roads and paving • Inadequate drainage and severe flood problems lead to losses and potential health problems. • Inadequate site security and overnight storage facilities • Inadequate hygienic provisions for meat, poultry, and fish handling, including a lack of refrigeration facilities.
Social and Managerial problems	<ul style="list-style-type: none"> • Difficulties in enforcing the market by-laws and regulations An inefficient use of market sales space with low sales volume per trader/low rents • High demand or places in the market, reflecting either uncontrolled use of space or relatively substantial profit margins. • A market management system where there is no clear relationship between revenues and costs and, consequently, the market is underfunded.

Source: (Adopted from Tracey, 1995)

This research evaluated the selected markets to establish whether the above issues manifest in them and propose recommendations that will help sort them out. The suggested solutions would

prioritize financing urban infrastructure provision and upkeep through OSR. Establishing new markets or the upkeep of current ones within the research region must guarantee the enforcement of hygienic regulations and revenue-collection initiatives (Tracey, 1995). This will ensure order is maintained within and outside the market by ensuring that only licensed traders are allowed in and around the market premises.

3.5.5 Factors to be Considered when Providing of Urban Markets

Urban market development, planning, and upkeep are significant tasks that require caution to be completed. As such, several factors need to be considered to direct their provision. According to Tracey (1995), creating a framework is essential to comprehensively manage markets or similar initiatives. Such a structure will be centered around lessening crop terminations through sped-up and better-taking care of in an upgraded market with ensured security, diminishing clogs through superior market access, further developing in general economic situations prompting tremendous expense reserve funds for market tasks, tending to unhygienic circumstances, offering public bathrooms, giving satisfactory market cleaning, and tending to vital garbage removal works on; resolving the issue of polluted food coming about because of deficient clearing and seepage, particularly during the stormy seasons, bringing about fewer instances of illnesses and outbreaks; and improving conveniences and aesthetics benefits.

Kelly, Sen, and Tatari (2020) propose several fundamental principles that can be considered to achieve the above. This includes providing for a wide variety of types of urban markets in the city as part of a market system, i.e., for food and non-food products; organizing diverse partners and stakeholders who can collaborate and act together to achieve shared policy objectives; measuring the value of markets and understand how they function – they should be optimally located; have a distribution network that prioritizes and supports healthy, affordable and safe

food and other goods produced within the area of concern; local government to invest in its market facilities and its management skills of market operators; city authorities to help diverse types of vendors start and grow their business, and by recognizing that urban markets are public spaces that welcome different kinds of people and maintain crucial cultural heritage.

3.6 The sources and types of OSR realized from urban markets.

Property taxes and company licenses were the conventional means by which local Authorities in Kenya were granted local-level own-source income authority following independence. However, this authority declined due to centralized changes implemented in the 1980s and lax property rate enforcement. As a result, the local authority became indebted and needed help paying for pledges made regarding expenditures, including wages. The county government then inherited the range of revenue services available to the former local authorities, several staff members, and systems previously employed in revenue collection functions. This transition occurred after power was devolved to the 47 counties through the revised constitution in 2010 (and subsequent county elections in 2013). However, this transfer of power was challenging. Counties also acquired large debts, inefficiencies, and subpar administrative procedures, which posed significant hurdles in their revenue collection functions (Cheeseman et al., 2016).

Fjeldstad and Heggstad (2012) identified their own source revenue, which includes various licenses, taxes, and fees (Bahl & Bird, 2008) and transfers from the central or regional levels, which usually take the form of grants and revenue sharing (Bahl et al., 2003) as the crucial sources of current revenue for local government authorities in Africa. Own-source revenue barely makes up 12–13% of the county governments' overall funding, and their reliance on transfers from the federal government is increasing. This has raised concerns that own-source

income needs to match the size, pace, and composition of the economy's expanding activities at the national level and the growing tax and fee base.

Urban regions often depend on property taxes, business licenses, market fees, and various user charges as their primary sources of income. They can provide stable income if effectively managed, but almost all have inherent limitations. For instance, the main drawbacks of property tax are unclear ownership titles, inadequate means of collection, insufficient capacity to apply precise assessment standards, and lack of political support for enforcement. Due to complex procedures, business licenses can be expensive to comply with, may not accurately reflect financial capability, give rise to rent-seeking, and are often poorly monitored with little income generated. User fees may enable more efficient use of public sector resources. However, they also require assistance with flaws such as insufficient constraints on income users, poor methods for collection and billing, subpar services, and steadfast payment opposition. However, experience also suggests areas that could be improved. These include rationalizing approaches to property valuation and improving attitudes; streamlining the business permit system to make it more simple, transparent, and valuable, for example, by introducing single business license systems; and increasing user fee compliance, for example, by sharing private water taps in informal settlements (Fjeldstad & Heggstad, 2012).

The bases for OSR mobilization in Kenya include the Kenyan Constitution of 2010, the Public Finance Management (PFM) Act of 2012, the County Government Act of 2012, and the Urban Areas and Cities Act of 2011 (Development et al., 2018). These rights to increase revenue have been granted to counties so they may better plan and carry out their agendas by clearly understanding their financial status. Except for Nairobi County, which averages about 45.3% of the overall county budget, other nationwide studies place OSR's contribution at 12–13% (World

Bank, 2018). Development Initiatives (2018) identified a low desire to pay due to deliberate tax evasion and resistance on the part of taxpayers as one of the challenges. They discovered that this is brought on by "dissatisfaction with the quality-of-service provision at the county level and public administration." The alternative consists of onerous collection tactics and various county government-imposed levies and taxes. In order to increase the amount of OSR that Nairobi County collects, more work has to be done to provide services to the community and integrate service delivery with revenue collecting. People will be more inclined to pay because they can see how their taxes are used.

Kenyan counties generally get financing from five sources, the first of which is an equal share of at least 15% of the most recent audited income generated nationwide. Articles 202 and 203 (2) of Kenya's Constitution (2010) impact this. Second, Article 202 (2) of Kenya's 2010 Constitution provides additional unconditional and conditional grants from the national government's revenue allotment. Third, under Article 204 of the Kenyan Constitution (2010), the equalization fund is funded with 0.5% of national income received. Fourth, counties can get grants and loans. Fifth, and relevant to this study, counties can generate their own source income (OSR) to pay their expenditure objectives.

3.7 Legal Framework regulating OSR Management

Understanding the policy and legal framework is not just essential, but it is also a testament to your crucial role in comprehending the OSR collecting system. This framework serves as the bedrock for the local revenue structure and design for every subnational government. The National Treasury acknowledges that the need to build a clear revenue policy and legal framework is one of the major obstacles to the mobilization and sustainability of OSR for county

governments, including Nairobi (Mutua & Wamalwa, 2017). Many counties, including Nairobi, have utilized the County Finance Act as their main piece of legislation to allow for revenue collection—levying taxes, charging fees, and implementing other revenue-raising measures—to close this imbalance. This deviates from what the law stipulates since county finance legislation is meant to permit the modification of tax rates, giving rise to legal conflicts within a county administration (Gakuru et al., 2014).

According to CRA and the National Treasury, the county government needs a sufficient legal framework to influence the imposition of taxes and fees and their waiver or modification by Article 201(1) of the constitution. Specifically, Nairobi was said to be still using the rules passed down from the former local authority, meaning that most of its revenue legislation had remained the same. However, the potential benefits of updating these laws are significant. We already discussed the case-in-point law on property rates. For instance, Nairobi's 1982-prepared value roll still has to be updated. Property assessments are meant to be performed every ten years, with additional and supplemental assessments conducted as needed. The County Assembly is debating or needs to revise laws on several different income streams, including trading licenses and entertainment tax legislation (Mutua & Wamalwa, 2017).

Kimario (2014) asserts that framework policies play a crucial role in bolstering the stability of local revenue collection by reinforcing and involving local government in project participation, leading to local government income stability. According to Jean and others (2010), fiscal decentralization increases local government authorities' ability to collect money since it houses a range of enterprises. This facilitates the collection of taxes such as local service taxes, hotel taxes, market dues, and tourist license fees. The local government's revised policy improves revenue collection by giving it fiscal revenue power, an essential tool for local government

accountability. In addition to helping local governments estimate and manage their budgetary priorities, this approach helps to lessen fiscal imbalance. Consequently, the decentralization program has raised public financing by decreasing tax evasion, increasing investment in local structures, and improving community services (Isufaj, 2014).

The 2010 Kenyan Constitution, a document of utmost importance for our understanding, states that county governments are supposed to have financial autonomy in two respects: they should be allowed to determine their own priorities and sources of income, and they should be able to obtain sufficient funding from both national revenue transfers and their own sources (Kangu, 2015). Article 175 (b) of the 2010 constitution states that county governments in Kenya must have "reliable sources of revenues" to function as efficient government agencies and service providers. The financing sources for county governments are shown below. The Kenyan Constitution of 2010 provides for equitable shares of at least 15% of the most recent audited national revenue raised; additional grants, both unconditional and conditional, from the national government's share of revenue are outlined in Article 202(2), and an equalization fund is established based on 5% of the national revenue raised (Article 204); Local revenue in the form of taxes, charges, loans, and grants.

The county entitlement stems from the fact that this money belongs partially to the national government, which is responsible for all significant tax revenue sources. The National Policy to Support the Enhancement of County Governments' Own Source Income (2018) includes taxes, user fees, and licenses as income streams for county OSR-raising efforts.

County governments have the authority to tax and levy using a variety of legal and policy mechanisms. According to GoK (2010), Article 175(b) emphasizes the need for counties to have

stable sources of revenue. Articles 209 (3) and 210 empower counties to collect certain taxes (property, entertainment, and any other levy or tax allowed by a parliamentary act). Article 175 (a) emphasizes the importance of counties' reliable revenue streams. The importance of these articles in this research is that they provide the Nairobi County government the authority to levy different taxes, which are critical sources of OSR, to ensure that their operations function smoothly. Additionally, this provides Nairobi County with consistent cash streams.

According to GoK (2013), the Public Finance Administration Act of 2012, a parliamentary act, provides for public and county governments' proper administration of public finances. Article 104(1) establishes the county treasury, which is responsible for monitoring, evaluating, and overseeing the administration of public money. Article 104(1) (b) mandates the development of county budgets. Article 104(1)(d) describes how counties might mobilize resources to meet fiscal needs. The relevance of these articles in this study is that they allow the Nairobi County government to effectively manage public finances by both national and county governments, thereby facilitating the smooth operation of county government activities and providing good services to market users. This also allows the county treasurer to supervise, evaluate, and monitor how public money is administered. Finally, the paper discusses how counties may prepare budgets and deploy resources to meet fiscal needs. This provides adequate funds for the Nairobi County administration's tasks.

According to the GoK (2013), the County Government Act affects Chapter 11 of the Constitution. It grants the county government authority, duties, and responsibilities in service delivery and other related reasons. Article 120 (1) requires counties to create a tariff and pricing strategy to govern the application of taxes and levies. Part V (III) emphasizes the importance of citizen engagement in policy design and implementation at the county level. Article 88 grants all

residents the ability to petition the county government on any matter within its scope. Part X, Article 98, calls for civil education to empower and enlighten individuals and for ongoing and systematic contact between citizens and governments. Part XI Article 102 establishes planning and development facilitation principles such as equality in resource allocation, providing a foundation for combining planning, budgeting, funding, program execution, and performance evaluation.

According to GoK (2013), the Bill (Revenue et al.) seeks to establish a legislative framework governing how counties impose, vary, or waive taxes, fees, levies, and other charges. These articles are essential in this research because they give the Nairobi County government the authority to levy different taxes, which are key sources of OSR, to ensure that their operations function smoothly. Additionally, this provides Nairobi County with consistent cash streams.

According to GoK (2012), Articles 3(b) and (c) of Part III of the law address the administration and governance of cities and urban regions, as well as the engagement of local inhabitants in the process. Part III, Article 2(d) institutionalizes residents' active engagement in urban planning and city affairs. Article 22(1) (a) allows the public to participate in county annual budget estimates. The publications in question are relevant to this study because they inform the Nairobi County administration about the management and governance of cities and urban regions and people's participation in such governance. The articles also formalize people's active participation in the city's administration and affairs. Finally, the page includes information on citizen engagement in county yearly budget forecasts.

Nairobi County Tax Waivers Administration Act of 2013, Nairobi County Revenue Act of 2015, Nairobi County Early Childhood Education Act of 2017, Nairobi County Dog Control and

Welfare Act No. 87 of 2017, Nairobi County Cultural Heritage Act No. 7 of 2017, Nairobi County Betting & Gaming Act of 2014, Nairobi County Alcoholic Drinks and Licensing Act of 2014, Nairobi County Outdoor Advertising and Signage Control And Regulation Act of 2018, and Nairobi County Transport Act of 2020 are some of the specific laws that support revenue collection in Nairobi County.

3.8 Extent to which Own Source Revenues are being used in the Provision and Maintenance of Markets

The government is crucial in providing various services, including security, justice, and services for individuals and businesses. Efficient service delivery is necessary to foster citizen-centered administration and provide high-quality public services (Robbin, 2002). According to Kauzya (2007), revenue distribution in local governments is necessary to improve social services. For instance, in [specific locality], an increase in revenue collection led to establishing [specific social service]. The amount collected and provided to social services is critical in developing the relevant government bodies.

Oduor et al. (2009) concentrated on the motivations for revenue collection; the findings, which are directly relevant to your field of work, emphasized the varied revenue collections and the associated improvements in social services. It is vital to highlight that local governments, an area of your expertise, are responsible for collecting and allocating the funds entrusted to them. The general public, including the policymakers and practitioners you work with, must respond to the issue of what they pay. The satisfaction of gathered income, a key metric in your research, must be measured by the amount to which social services are given based on what comes from local governments and what goes to the national government. Governments, including the

policymakers and practitioners you work with, are accountable for satisfying people's needs and resolving issues (Chauke, 2016).

According to Hegarty and Maggi (2009), increasing government income, a topic of expertise, is linked to developing effective methods and plans for collecting public resources. These are based on the efficacy, efficiency, and honesty with which public resources are collected, areas where your work is crucial. The allocation should be based on the most effective way to provide social services, a key consideration in your research. The provider, including the policymakers and practitioners you work with, should prioritize delivering education, health, and water services effectively. Walton (2013) stated that local government financing, a topic of expertise, helps to subsidize specific services for low-income individuals, even though re-distribution is widely seen as the central government's primary responsibility. To boost performance, regulatory functions such as building and development control and consumer protection must be financed in areas where your work is essential.

According to Oduor et al. (2009), most local governments have specific tasks, such as [specific tasks], to collect taxes and provide services to inhabitants. Citizens, on the other hand, require a longer time to pay the tax due to discontent with how LGAs use collected resources. The reality is realized by collecting funds to strengthen social services. The public expects education, health, and water services to be supplied for the price they pay the government. Various country-specific and cross-country studies investigate the role of local government in delivering social services and how this impacts the population.

Khemani (2009) surveyed local government accountability for health services in Nigeria using a descriptive survey research approach. The study discovered that the local government in Nigeria

has two duties in enhancing health care: providing services such as health posts in villages and paying staff wages. Aside from such obligations, the study stated that local governments in Nigeria were restricted from paying for health care owing to a lack of funding.

Madialo (2012) used descriptive research, which in this context refers to [specific definition or explanation]. In this research, a questionnaire was given to respondents on a census basis to investigate the relationship between funding urban infrastructure projects and economic growth in Kenya. The regression analysis demonstrated a favorable correlation between infrastructure financing and economic expansion.

Research on revenue generation in Nigerian local government was carried out by Ijeoma (2010). A descriptive survey research approach was used in the study. The results demonstrated that local government officials prioritized offering social services to the general populace. Expectations of the public for social services, including [specific social services], have increased. However, the public wanted social services to be accessible, and the local government wanted to make improvements since enough income was generated (Ally, 2014). This endeavor demonstrated that money generation, as opposed to other means, improved social services. As a result, expanding local revenue streams and enhancing social services accessible are related.

Mwangi (2010) researched how funding urban infrastructure projects affects Kenya's economic growth. The study used a census survey and descriptive statistics like mean and standard deviation to demonstrate the relationship between urban infrastructure financing and economic development. According to the regression analysis, urban infrastructure initiatives significantly impact Kenya's economic growth.

Mbufu (2013) investigated how tax collection affected local governments' service provision. The study used a descriptive survey research approach. The results demonstrated that more local revenue collection results in higher service delivery. The study concluded that there is a clear correlation between revenue collection and service enhancement in local government. This only indicates a strong correlation between municipal revenue success, which in this context refers to [specific definition or explanation], and community service delivery.

In the instance of Mwanza County Councils, Thika (2014) studied the impact of internal revenue collecting efficiency on service delivery effectiveness. A descriptive case study design was used in the investigation. The study discovered that among the barriers to effective revenue mobilization in these County councils were the need for more skilled staff and the ability to draw in and keep competent employees. The study found that even the few available individuals were insufficiently educated in effective budgeting and financial management systems. These councils were intended to be a tool for local [specific type of tax] and rate collection. To improve the revenue sources for the councils, the available personnel are required to be able to communicate ideas and carry out initiatives and programs.

Majiwa (2014) examined taxpayers' records in Nairobi County to investigate the factors contributing to tax efficiency in Kenya. According to the research, social services were expected in exchange for the money gathered from the general population. The realization of this expectation was seen in the building of dispensaries and health facilities that could be utilized to offer healthcare services, as well as in the way that health services were delivered and the amount of revenue allotted to them.

In Embu County, Kenya, Gatima (2017) studied the variables that affected revenue-collecting efficiency. The research design used in the study was descriptive. The best revenue collection in the County was shown to be substantially positively impacted by personnel qualifications, abilities, and training. The study discovered that the quantity of revenues collected and their management were impacted by employees' knowledge of tax rules and structures, tax administration abilities, and their capacity to analyze revenue returns. According to the study, the revenue collectors and administrators could properly ascertain the actual tax rates, due amounts, and penalties accumulated in arrears because of the mentioned skills and knowledge they had acquired via training.

Wayua (2017) researched how environmental factors affect Kitui County's income collection. A descriptive case study design was used in the investigation. According to the report, the County's best efforts to collect money were hampered by a lack of personnel competencies regarding talents, training, and skills. According to the research, the County should provide staff training and refresher courses more often. The employees who participated in the training confirmed that it was helpful and applicable to their field. According to the survey, most of the employees who had undergone training had learned how to read financial invoices and were knowledgeable about the income regulations. According to the study, staff members' ability to charge taxes correctly prevented them from overcharging or undercharging dealers.

Salisu (2017) studied the collection of local government income to support local development at Ghana's Wa Municipal Assembly. The study used a descriptive research strategy. According to the survey, utilizing unqualified tax collectors was one of the municipality's significant revenue collection difficulties. These unqualified individuals should have provided accurate revenue

figures to the assembly rather than conspiring with taxpayers to avoid paying the necessary sums. This impacted the assembly's progress.

Kimunge (2020) investigated income streams that enhance earnings in Kenyan counties. The study used exploratory analysis to identify which income streams maximize revenue in counties. According to the report, property taxes, business permits, and parking charges are essential sources of revenue for counties. Furthermore, the study found that eight to twelve income sources enhance revenue for counties. Finally, the research concluded that enhanced revenue-collecting tactics focused on a small number of productive revenues, increased revenue forecasts, and improved the County's business climate.

Didik et al. (2020) investigated the impact of local taxes, regional retribution, and other legitimate county-owned source revenues on county income generation. The study used dependent and independent variables. The study discovered that local taxes affect the County's source revenues; regional retribution influences the County's own-source revenues and other lawful counties' own-source revenues influence the County's source revenues. Additionally, the study discovered that local taxes, regional retribution, and other legitimate County income considerably impacted the County's source revenues in studied locations.

Sagoe and Tingum (2021) investigated the flypaper effect of intergovernmental transfers and incentives to boost local governments' own-source income collection in Ghana's central region. The study used panel data analysis with fixed and random effects. The study found that central government transfers contribute more to local government spending than local governments' own earnings. Furthermore, the study discovered that the resources granted to local governments may

be counterproductive in encouraging them to increase their local income, as seen by the flypaper effect.

Mwombeki (2021) investigated the impact of the dimensions of the agency's capacity on the performance of Tanzanian government agencies in terms of producing their own source income. The study used an explanatory case study style together with survey methodologies. The study found that planning and development, human resources, and infrastructural capability had a substantial and favorable impact on an agency's ability to generate resource income. Furthermore, the study revealed that the essential capacities that significantly and positively impact the agency's effectiveness in creating its own resources are planning and development capacity, human resource capacity, and infrastructural capacity.

Firstyanto and Nuswantara (2021) researched the mobilization of local self-generated revenue in East Java. The study employed a multiple linear regression analysis research approach. The study found that the extent of fiscal decentralization impacts local own-source income mobilization. At the same time, the degree of local own-source income mobilization is unaffected by the kind of government administration or the regional leading sector.

Jepkoech (2021) investigated operational factors and revenue collection effectiveness in the County Government of Nandi, Kenya. The study used a descriptive survey research approach. The study found that all four revenue drivers, namely staff competency, automation, internal control, and public awareness, had a favorable and significant impact on revenue collection. Furthermore, the research suggested that staff workers should be supplied with the appropriate skills and automation, allowing counties to become acquainted with new ways to provide services to people efficiently.

Munyua, Muchina, and Ombaka (2021) investigated county governments' revenue sources and the performance of women-owned microenterprises in Kenya. The study used a positivist paradigm design. The study found a weak positive correlation between the County's own-source income micro-enterprise viewpoint and performance. In addition, there was a positive and substantial association between the County's own-source revenues—fiscal perspective—and performance.

Kang'ethe et al. (2022) researched the winding path to increased own-source revenue. In quest of "hela endelevu" in Embu County, Kenya. The study used a descriptive survey research approach. The study discovered that multiple changes had been implemented to improve revenue collection in response to tactics implemented by the County Government, such as the construction of a web-based revenue collection system, the procurement of more cars, and the harmonization of various financial legislation.

3.9 Theoretical Framework

This section delves into the theories that helped shape this study. Cooper (2011) defines a theory as a set of connected ideas that may be used in analysis, descriptions, and prepositions to explain or foresee an event. In this study, we shall follow the benefit-received and resource-based perspective theories. These theories will demonstrate the link identified in the literature research and their practical application in understanding the function of own source revenue in the supply and management of urban infrastructure in Nairobi County.

3.9.1 Benefit Received Theory

Erik Lindahl developed the Benefit Received Theory in Sweden in 1939. This theory, based on the principle of proportionality, suggests that citizens should contribute to tax collection in proportion to the benefits they receive from the government. It emphasizes a balanced and reasonable approach, ensuring that those who can pay taxes can gain from the rights and protections the state grants its citizens. Importantly, the theory does not imply that the state grants unique or commensurate benefits to any particular property or person. Instead, it underscores the direct benefits of a system where urban infrastructures are managed and maintained using the taxes and other revenues the government obtains from its people. In urban markets, all traders, and in some cases, customers, are obligated to pay taxes/levies for using the markets. These taxes/levies are used to provide and maintain services in the respective markets, benefiting the market users directly. The study endorses this theory as it supports the central premise of this study, which is that the OSR generated by a specific market should be channeled back to provide services in that market, thereby directly benefiting the market users.

This theory is not without its challenges. If the state maintains a particular link between the advantages dispensed and the benefits derived, it may lead to tax inequities and violate the fundamental concept of taxation. This is because those in poverty will have to pay the highest taxes, as they receive the most from the state's services. If we get more from poor people, it violates the notion of fairness (Mutua, 2016). However, this theory is highly relevant to the problem of this study. In Nairobi, the Nairobi City County government has a significant impact on achieving social development goals, which are geared to simplify government operations and facilitation through improving urban infrastructures such as urban markets, education, hospitals, and water and sanitation services while building up a quality transport and communication

networks to enhance equal distribution of social welfare to The Nairobi County government's capacity to produce additional income is determined by its ability to provide essential services to urban residents. As a result, the Nairobi County administration should ensure that urban residents receive better social services, which would inspire them to pay more taxes.

3.9.2 Theory of Maximum Social Advantage

Hugh Dalton, a British economist, proposed the notion of maximum social benefit in 2011. When utilized correctly, this idea can provide enormous benefits to the Nairobi County administration. It implies that the state should collect revenue and spend it in order to maximize the welfare of the people. When the state imposes taxes, some disutility is generated; conversely, when the state spends money, utility increases. As a result, the state should adjust revenue and expenditures to maximize utility surplus while minimizing disutility. According to the notion, the government is responsible for collecting revenues and ensuring that those monies are used efficiently to increase people's welfare by providing higher-quality social and public services.

The hypothesis makes the following assumptions: According to the Principle of Maximum Social Advantage, public funding leads to economic well-being only when public expenditure and taxation are carried out to the point where the benefits derived from the MU (Marginal Utility) of expenditure equals the Marginal Disutility or the sacrifice imposed by taxation. This philosophy holds that all taxes are acquired by self-sacrifice. Furthermore, the idea argues that the government relies solely on taxation for public revenue. The theory also assumes that the government's budget is neither deficit nor surplus. It should only have a balanced budget, and public expenditures should be subject to the marginal utility rule of declining returns, resulting in a decreasing Marginal Social Benefit. Additionally, taxes should be imposed to boost the

Marginal Social Sacrifice. The theory emphasizes the vital relevance of effective use of government finances, since it is founded on the assumption that government expenditures are used effectively to generate societal marginal benefits.

This approach applies directly to the Nairobi County administration, which is responsible for income collection and social development. The government's efforts are aimed at simplifying operations and facilitating social development by improving urban infrastructures such as urban markets, education, hospitals, and water and sanitation services, as well as establishing high-quality transportation and communication networks to improve the equitable distribution of social welfare to local residents. Nairobi County residents are more encouraged and motivated to pay taxes when the county administration provides vital services with the funds received. As a result, the Nairobi County government should guarantee that it delivers better social services to urban residents, who would then be driven to pay more taxes.

3.9.3 The Decentralization Theory

Oates (1972) proposed a compelling idea: public assistance should be managed by the local authority controlling the underlying geographical area, thereby incorporating the benefits and costs of such a system. This argument is beneficial for several reasons: first, local state-run services are more attuned to the needs of residents; second, local governance is more responsive to the people for whom the services are intended, thereby promoting economic responsibility and efficiency, mainly if service funding is also decentralized; third, unnecessary layers of jurisdiction are eliminated, and fourth, jurisdictional competition and development are enhanced.

Andrew and Shah (2006) suggest that an ideal decentralized framework ensures a degree and mix of public administrations that are predictable with people's preferences while encouraging the

efficient arrangement of such administrations. This notion is linked to the issue of this concentration since the Nairobi County government and citizens collaborate; there should be a link between administration delivery and revenue collection. The collected funds should be used to achieve social development goals, such as working on government projects and further developing metropolitan foundations such as metropolitan business sectors, education, clinics, and water and sanitation administrations, as well as developing a quality vehicle and correspondence organizations to improve the equitable distribution of social government assistance to neighborhood residents.

3.9.4 New Institutional Economics Framework

Andrew and Shah's (2006) approach is a significant addition to the area since it allows for the examination of fiscal systems and local empowerment and the comparison of local governance processes. It helps to establish several government systems and clarifies local government tasks within a larger framework of local administration. The ultimate objective is to ensure that people's interests, as major stakeholders, are met. Citizens, for their part, must meet their commitments by paying taxes and levies and requesting their fair share of services. One approach to implement this concept is through what Andrew and Shah call network mechanism governance.

To mediate between the various stakeholders, local governments must adopt an accountability framework on how they go about their affairs to focus on service delivery consistent with citizen preferences. This will involve tackling social ills such as corruption, waste, and inefficiencies that permeate public governance, resulting in a lack of provision of services or delivery of quality services. The citizen-centered governance framework suggested by Andrew and Shah is

based on the following distinguishing features: first, citizen empowerment through a rights-based approach. This also refers to direct democracy provisions such as periodic elections, town halls, and citizen charters, among other platforms—second, bottom-up accountability for results. Here, we emphasize the crucial role of residents in demanding services from their governments, making them feel the importance of their participation. The government, in turn, plays a vital role in addressing these expectations by ensuring that residents' needs are addressed. Some methods used include lobbying political authorities, petitioning, and organizing citizen barazas on development problems. Third, people, as citizens and customers of public services, evaluate government execution as a facilitator of provider organization. This paradigm stresses and advocates for improving people's roles as significant stakeholders and maximizing the advantages of development activities. At the same time, it provides an incentive and punishment mechanism for government agents to carry out their mandate.

3.10 Conceptual Model and Framework

The conceptual framework for studying the role of own-source revenue in providing and managing markets in Nairobi County encompasses multiple interrelated components. The independent variables in this framework are the provision and management of urban infrastructure and sources of own-source revenue. Urban infrastructure encompasses physical systems and facilities essential for urban life, including transportation networks, utilities, and social amenities. The provision of urban infrastructure involves the planning, developing, and maintaining these systems to meet the needs of urban residents and businesses. The management of urban infrastructure entails the efficient allocation of resources, effective delivery of services, and maintenance of infrastructure assets to ensure their functionality, reliability, and sustainability. Sources of own-source revenue encompass the various revenue streams that

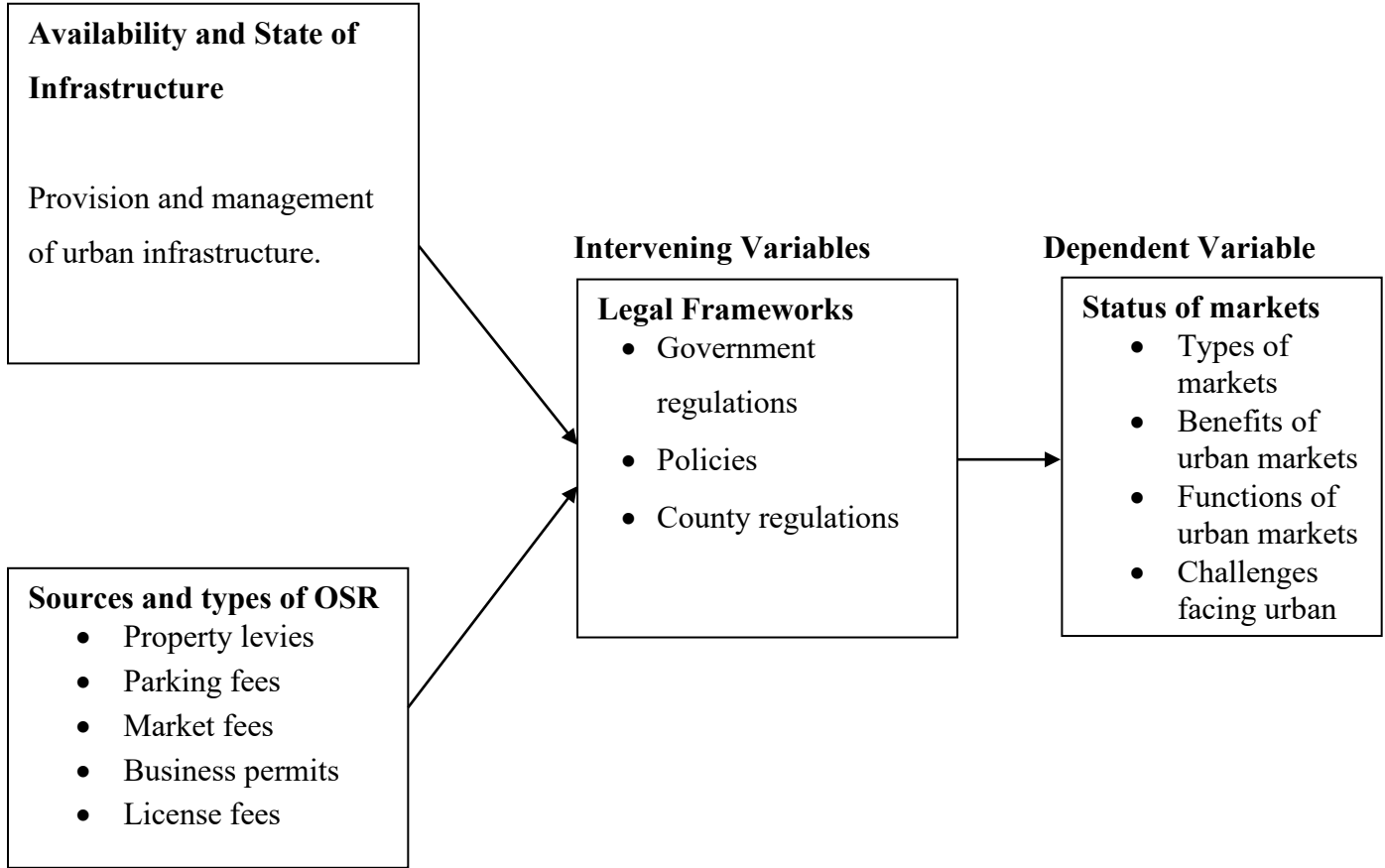
markets generate, such as taxes, fees, licenses, and user charges, contributing to their financial sustainability and autonomy. These independent variables provide insights into the current state and financial viability of markets within Nairobi County, offering a basis for assessing their capacity to provide essential urban infrastructure and services.

The dependent variable in this conceptual framework is the status of markets which refers to their physical infrastructure, organizational structure, and operational characteristics, including size, location, accessibility, and market dynamics. By examining the relationship between the status of markets, sources of own-source revenue, and the provision and management of urban infrastructure, this framework aims to assess the impact of market dynamics and financial resources on the quality and accessibility of urban services in Nairobi County.

The intervening variable in this conceptual framework is legal frameworks governing markets and own-source revenue. Legal frameworks encompass regulations, policies, and institutional arrangements that govern the establishment, operation, and governance of markets and the collection and utilization of own-source revenue generated by markets. These lawful structures are significant in forming market elements, income age components, and the arrangement of metropolitan foundations. By examining the influence of legal frameworks on the relationship between markets, own-source revenue, and urban infrastructure, this framework seeks to identify barriers, opportunities, and best practices for enhancing the effectiveness, transparency, and accountability of market governance and revenue management in Nairobi County. Overall, this conceptual framework provides a systematic approach for analyzing the complex interplay between markets, own-source revenue, legal frameworks, and urban infrastructure, contributing to evidence-based policy formulation and decision-making for sustainable urban development in Nairobi County.

Figure 3.1: Conceptual Framework

Independent Variables



Source: (Author, 2024)

CHAPTER FOUR: STUDY METHODS

4.1 Introduction

This chapter describes the research methodologies used by the study to reach results and make suggestions. They consist of research design, target population, sample frame and sample size, sampling procedures, data sources, a unit of analysis and unit of observation, data collection methods, research instruments, data reliability and validity, ethical considerations, and data analysis and presentation.

4.2 Research Design

The study adopted a cross-sectional descriptive survey to collect quantitative data and qualitative information from respondents in Nairobi County. The cross-sectional descriptive research design allows a researcher to compare many different variables simultaneously and establish any links between the variables that pertain to the research problem. The data for this research was obtained by such methods as structured questionnaires (for traders, property owners, and consumers), semi-structured questionnaires (county staff, market management), interview schedules (for expert opinion - County revenue officers, leaders of markets), observations, and photography. The respondents of this study were traders, property owners, consumers, policymakers and implementers (government, Nairobi County), Market Management and traders' representatives, and professional groups. The research design helps the researcher determine the role of OSR in providing and managing urban markets. The end game was to get relevant information regarding the research problem and draw meaningful conclusions from the collected information. To achieve this, the research was done systematically, using the procedure

to attain the above objectives and test the assumptions adopted. In general, the research process is guided by a research methodology, which is shown in Table 4.3 below:

Table 4.3: Methods and Materials applied to the study.

Objective	Data needs	Collection Methods/Tools
To assess the current state of selected markets in Nairobi County, Kenya	Secondary data on urban markets Primary data from county officials, business owners of the selected markets and customers.	Literature Review Field investigations – interviews, questionnaires and observations
To establish the types and amount of own resource revenue realized from urban markets in Nairobi County, Kenya.	Primary data from the business owners of the selected markets.	Field investigations – interviews, questionnaires and observations
To examine the legal framework regulating own resource revenue management in Nairobi County, Kenya.	Primary data from the business owners of the selected markets and county officials.	Field investigations – interviews, questionnaires and observations

Source: (Author, 2024)

4.3 Target Population

Borg and Gall (1983) define a target population as all members of an actual or hypothetical group of people, events, or objects to which the researcher intends to generalize the study results.

The target demographic was traders/stall owners, clients in the markets, market managers, and suppliers in all the urban marketplaces in Nairobi's Eastlands.

4.4 Sample Frame and Sample Size

According to Saunders et al. (2009), a sampling frame is a list or gadget researchers used to identify the population of interest.

It is a set of criteria that a researcher might use to draw a sample from the population. The sample frame for this study was drawn from urban markets in Nairobi's Eastlands area. In particular, the study benefits from a selected list of markets based on the criterion of the market characteristics such as type of commodity traded (e.g., metal goods, meat products, tourist artefacts, fresh products); time of operation; type of ownership and operation; and physical and spatial characteristics. Based on this criterion, the following markets have been identified: Kamukunji Jua Kali Traders Market -for metal goods; Burma market – for meat products; Kariokor – for tourist artefacts, including beads, sandals, jewelry, and bags; and Wakulima market – fresh products.

Sample size, as defined by Creswell (2013), is a crucial part of the total population of individuals selected to participate in the study. According to Mugenda and Mugenda (2003), a sample size ranging from 10 – 30 percent is considered adequate for a homogenous population. However, the exact population of each of the selected markets is unknown. As a result, the researcher depends on the known dependability of Andrew Fisher's method to determine a suitable sample size

representative of the target population (Jung, 2014). This formula, known for its accuracy, is particularly useful for determining a sample size for an unknown population. The formula is as follows:

$$\text{Sample size} = \frac{(z\text{-score})^2 \times \text{standard deviation} \times (1 - \text{standard deviation})}{(\text{Confidence interval})^2}$$

Where;

The confidence level is 95%,

Standard deviation is 0.5

Confidence interval (margin of error) of plus or minus 5%.

Therefore, the sample size is calculated as follows:

$$= (1.96)^2 \times 5 \times (0.5)/(0.5)^2$$

$$= 3.8416 \times 0.25/0.0025$$

$$= 0.9604/0.0025$$

$$= 384.16$$

$$\text{Sample size} = 385$$

The distribution of the data among the different respondents is based on the perceived size of the markets and researcher's preference. The sample size is distributed as shown in table 4.4 below.

Table 4.4: Distribution of Sample Size

Category	Sample Distribution	Total sample
Traders & Property owners	Kamukunji – 69 Kariokor - 45 Burma – 45 Wakulima - 45	204
Policy Makers & Implementers	Nairobi County – 7 Traders Associations - 4	11
Customers	Kamukunji – 60 Kariokor - 35 Burma – 35 Wakulima - 40	170
Total		385

Source: Author, 2023

4.5 Sampling procedures

According to Mugenda and Mugenda (2003), the sampling procedure is part of the research plan that indicates how cases will be selected for observation. Multiple sampling is a statistical technique employed in research methodology that involves taking multiple samples from a population of interest to enhance the reliability and accuracy of study findings. In the context of researching the role of own-source revenue in providing and managing markets in Nairobi County, multiple sampling involves selecting samples from different market locations within the county. This method allows researchers to capture diverse perspectives, experiences, and market dynamics across various urban and peri-urban areas. For instance, data on revenue generation mechanisms, governance structures, infrastructure conditions, and service delivery challenges within Nairobi's market ecosystem can be collected. Furthermore, multiple sampling enables researchers to identify common trends, variations, and disparities across different market types, sizes, and locations. This facilitates nuanced analysis and informed policy recommendations for enhancing market efficiency, inclusivity, and sustainability in Nairobi County.

As Rukwaro (2016) explains, sampling aims to lower the cost of gathering data from the total population. In this study, we employed purposive sampling, a method that relies on the researcher's judgment to select respondents who best meet the study's purpose. This approach is particularly valuable in qualitative research methodologies, where we seek to obtain in-depth insights or perspectives from individuals with relevant experiences or expertise related to the research topic. According to Jackson (2011), stratified sampling is another important technique that considers the different subgroups in the population. We used stratified random sampling to ensure that particular subgroups within the population are sufficiently represented in the sample. Using this approach, the population is divided into discrete strata according to specific attributes

or factors (such as age, gender, economic level, or geography), and random samples are chosen from each stratum. Subjects are selected to represent the sub-groups in the sample (Taherdoost, 2016). When administering questionnaires, we adopted a skip pattern whereby five stalls/properties are skipped to cover a wider area and avoid overlapping respondents.

4.6 Data sources

The study uses the following data resources.

4.6.1 Secondary data sources

Research was conducted by reviewing relevant literature such as books, journals, papers and reports related to the topic. Secondary data sources were used to analyze OSR data and identify urban marketplaces relevant to the study.

4.6.2 Primary data sources

This was obtained from the field through the administration of questionnaires (structured and semi-structured), interview schedules, observations, and photography. The respondents are traders, property owners, consumers, Nairobi County, and Nairobi Metropolitan Services. Accurate data is essential to gaining a better and complete understanding of the dynamic nature of the phenomenon under study.

4.7 Unit of Analysis and Unit of Observation

As emphasized by Mugenda and Mugenda (2003), the unit of analysis holds a pivotal role in research, serving as the entity about or in which a researcher gathers information. In our study, the unit of analysis is the urban markets in Nairobi's Eastlands, specifically Kamukunji, Burma,

Kariokor, and Wakulima markets. This choice of unit of analysis is crucial as it allows us to delve into the unique dynamics of these markets.

4.8. Data collection methods

The study used the following data collection methods.

4.8.1 Survey method

The survey technique collects desired information on characteristics of interest from groups of people in an orderly and systematic manner, utilizing well-defined ideas, methodologies, and processes. The survey involves interviewing the respondents to gather the required data for any study and on phenomena that cannot be directly observed (Mugenda & Mugenda, 2003). The research uses a questionnaire to collect data in the survey. The survey enabled the researcher to get data that cannot be directly observed, like feelings, facts, opinions, attitudes, beliefs, and characters of the respondents.

4.6.2 Observation

Observation is the process of acquiring information by monitoring behavior and events or noting physical qualities in their natural environment. Observations might be overt or hidden, direct or indirect. Direct observation involves observing interactions, events, or behaviors as they occur. Indirect observation involves viewing the outcomes of interactions, processes, or behaviors. Observation demands the researcher record what she or he sees in a sample of persons or items.

4.6.3 Key Informant Interviews

According to Mugenda and Mugenda (2003), a critical informant interview is a unique form of interview in which the respondents fully participate in the study area. The researcher involved the respondents to gain in-depth information on the subject matter of study. The researcher involves the respondent through face-to-face interviews. The researcher employs the use of crucial informants in order to elicit information that is useful in supplementing survey and observation methods of data collection. Key informant interviews are conducted with informed and critical resourceful individuals in the urban community who have valuable insights and resourceful specialized knowledge on the topic of study.

4.9 Data collection instruments

The researcher used the following research instruments to collect data.

4.9.1 Questionnaire

The questionnaire is a research instrument consisting of questions and other prompting issues to gather information from respondents (Mugenda & Mugenda, 2003)—the questionnaire measures separate variables with questions aggregated into an index or scale. Questionnaires are typically made up of close-ended questions with specific response categories. Questionnaires enabled the researcher to gather information from the desired sample in selected areas. Questionnaires were sharply limited because respondents must be able to read and respond to questions. The researcher assisted those who could not read to understand the questions. The close-ended questions enable the researcher to administer without elaborating on the questions. Questionnaires allow the researcher to decide the sample size and questions to be asked. This

will be the primary method of obtaining data from the field. They are used to capture quantitative aspects of the study from the respondents.

4.9.2 Observation Checklist

According to Mugenda and Mugenda (2003), an observation checklist is a list of things an observer will look at when observing. Observation checklists give an observer a structure and framework for observation and serve as a contract of understanding with the teacher. The researcher uses a structured observation checklist to record the information observed. An observation checklist based on the characteristics regarding physical and social conditions of markets. This method is used to assess the current status of the markets in terms of the state of available facilities, availability of facilities, and congestion issues, among other attributes.

4.9.3 Interview Guide

The critical informant interview guide is a research instrument administered to respective key informants (Mugenda & Mugenda, 2003). The critical informant interview guide has open-ended questions for the key informants used to gather information. It enables the key informants to fill the information gaps a researcher may have identified during the field survey and observations. Finally, the critical informant interview guide helps the researcher gather neutral information on the study topic one-on-one with selected people, such as the management of the markets, leaders of the trader associations, and experts at NCC, to collect expert opinions regarding the research problem. The semi-structured interview schedule is conducted on a face-to-face basis, allowing the researcher to seek new information and assess the phenomenon from a different perspective.

4.10 Validity and Reliability of Data

According to Mugenda and Mugenda (2003), validity is an indicator of whether variables seem reasonable and relevant. For this study, the researcher ensures that when developing the research instruments, limitations are eliminated by using words and concepts that enhance clarity and are easy to understand. The researcher also submits the instruments to the research supervisors for their review and advice on whether they can achieve the required information. To ensure instrument practicability, the researcher visits the various markets for orientation on the management system. Finally, a thorough review of the instrument by the researcher's supervisors ensures that all aspects to be studied are captured to enrich the instruments.

A reliable instrument elicited consistent results when availed to the population with related characteristics at different times. In the study, data gathered using the prospected questionnaires during the pre-testing stage was entered in the statistical package for statistical sciences (SPSS) to compute a Cronbach alpha value. An alpha value of 0.7 onwards obtained from the pre-testing satisfied that a particular instrument was reliable (Bryan, 2014). This was essential in establishing the extent to which the contents of the instruments were consistent in eliciting the same responses every time the instrument was administered. Modifications were made to the questionnaires and others, and eliminating other statements enhanced the reliability.

4.11 Ethical considerations

The researcher observes all ethical research practices throughout the study. Permission to conduct research within the study area is requested from the relevant authorities. The researcher shall inform all participants of the research's purpose and produce an introductory letter from the University of Nairobi. The respondents are informed that the information they provide shall be

kept confidential and that their identities will not be revealed in association with the information they provide. No respondent should be coerced to give information; thus, all information is given willingly. The researcher also informs the respondents about the type of data sought for the research and that they have an option of not participating in the research. Finally, the researcher ensures respondents that the study's findings are purely for academic research only.

4.12 Data Analysis and Presentation

According to Mugenda and Mugenda (2003), data analysis involves critically examining the coded data and making inferences. Also, data analysis is the process of summarizing and putting the collected data together so that the researcher can meaningfully organize, categorize, and synthesize it from the data-collecting tools. Data analysis was done using a combination of qualitative and quantitative approaches. Data from interviews was analyzed using the thematic analysis method, which groups responses from different participants based on recurring themes. Grouped data is then analyzed by reviewing repetitive patterns. Data from the questionnaires was analyzed using SPSS and Ms. Excel. Before analyzing, data is coded using the SPSS tool. This involved identifying, classifying, and assigning a numeric character or symbol to the data. Quantitative data was presented using text, tables, charts, and graphs. The study results were tabulated or diagrammed in pie charts for easy presentation and use. A detailed narrative explanation of tabulated data was included.

CHAPTER FIVE: DATA ANALYSIS AND PRESENTATION

5.1. Introduction

This chapter presents the analysis, discussions, and findings on the role of own source revenue in providing and managing urban infrastructure in Nairobi County, Kenya, as guided by the following research objectives: to assess the current state of selected markets; to establish the types and amount of own resource revenue realized from urban markets; to examine the legal framework regulating own resource revenue management; to determine the extent to which own source revenues are being used in the provision and maintenance of markets; and to establish the signification of own resource revenue in the provision and maintenance of markets.

The scholar dispatched 385 research questionnaires to the respondents. An impressive 365 questionnaires were filled out and returned to the scholar, resulting in a high response rate of 94.8%. This rate, deemed sufficient for the study, is in line with the recommendation of Mugenda and Mugenda (2008) that more than 80% response from respondents is an excellent response rate. This high response rate underscores the willingness of the respondents to share details and information about the role of their source revenue in the provision and management of urban infrastructure in Nairobi County, Kenya. The results are displayed in Table 5.5 below.

Table 5.5: Response Rate

Response	Frequency	Percentage	Cumulative Percent
Returned	365	94.8	94.8
Unreturned	20	5.2	100
Total	385	100	

Source: Author (2024)

5.2 Background Information

This section represents the background information of the respondents of the study.

5.2.1 Age of the Respondents

The questionnaires asked the respondents to indicate their age. This was necessary because it may affect their opinion on how Nairobi County can improve the use of its source revenue in the provision and management of urban infrastructure. Age can be used as a proxy for experience.

Table 5.6: Age of the Respondents

	Frequency	Percent	Cumulative Percent
Less than 20	16	4.4	4.4
21-30	80	21.9	26.3
31-40	107	29.3	55.6
41-50	116	31.8	87.4

51 and above	46	12.6	100
Total	365	100	

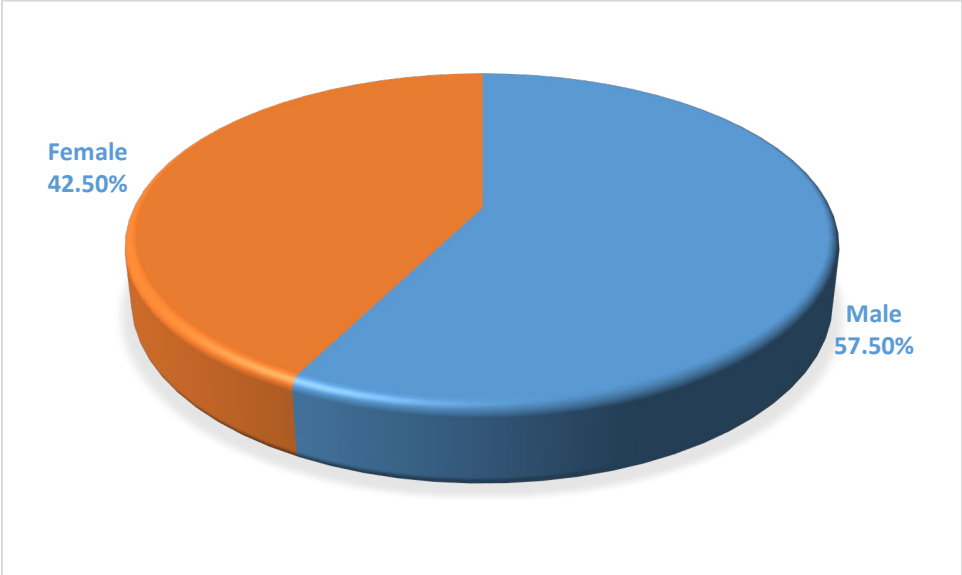
Source: (Author, 2024)

Table 5.6 shows the age of the respondents: 31.8 percent were between 41 and 50, 29.3 percent were between 31 and 40, 21.9 percent were between 21 and 30, 12.6 percent were 51 years and above, and 4.4 percent were less than 20. The study found that the majority of the respondents were between 41 and 50, which implies that this age bracket was actively involved in market activities.

5.2.2 Gender of the Respondents

The questionnaires asked the respondents to indicate their gender. It was necessary to indicate their gender; a person's gender can significantly affect their way of thinking, thus majorly affecting the results of a study. Males and females may have differing opinions on how Nairobi County can improve the use of its own source revenue in providing and managing urban infrastructure. The analyzed results are shown in Figure 5.2 below.

Figure 5.2: Gender of the Respondents



Source: (Author, 2024)

Figure 5.2 above presents the gender of the respondents; the study found that the majority of the respondents (57.5%) were male, and 42.5% were female. This implies that the majority of the respondents who used the markets were men. This holds significant implications for understanding and addressing gender disparities in market participation, resource access, and decision-making processes. It helps to identify disparities in market access, economic opportunities, and decision-making power between men and women. This information underscores the importance of targeted interventions to encourage ladies' empowerment and gender parity in market ecosystems; academicians, decision-makers, and organizations working in this field have a responsibility to fulfill.

5.2.3 Education Level of the Respondents

The level of education plays a crucial role in an individual's ability to analyze issues that affect them directly or indirectly effectively. This is particularly evident in the formulation and implementation of good policies, which have been instrumental in ensuring the adequate provision and management of urban infrastructure in Nairobi County. The correlation between a good education level and the ability to analyze and identify market challenges in Nairobi County is significant. Furthermore, a good education fosters courage, enabling individuals to respond confidently to interview questions.

The respondents' level of education was investigated to see if it affects how Nairobi County may better use its own source revenue in the development and management of urban infrastructure.

The results analyzed are shown in Table 5.7 below.

Table 5.7: Education Level of the Respondents

	Frequency	Percentage	Cumulative Percentage
University level	31	8.4	8.4
College level	87	23.8	32.2
Secondary level	109	29.9	62.1
Primary level	138	37.9	100
Total	365	100	

Source: (Author, 2024)

The study's key finding is that the majority of respondents, 138 (37.9%), have primary education. This is a significant insight, as it indicates that a large portion of the market users have education qualifications below the secondary school level. Additionally, the findings reveal that 29.9% of the respondents were secondary school-level holders, 23.8% were college-level graduates, and 8.4% were university-level education holders.

The high percentage of primary education holders among the respondents is a significant finding. It suggests that a large proportion of the market users have education qualifications that may influence their understanding, capacity for engagement, and perceptions of the research findings. This, in turn, can have implications for policy formulation, program design, and stakeholder engagement strategies. Recognizing and addressing these implications can strengthen the relevance, rigor, and impact of the study outcomes in promoting inclusive and sustainable urban development in Nairobi County.

5.2.4 Number of Years in the Market

The researcher requested that the participants (traders/stall owners) specify their years in the market. This was necessary because it may affect their opinion on how Nairobi County can improve the use of its own source revenue in the provision and management of urban infrastructure. The findings are presented in Table 5.8 below.

Table 5.8: Number of Years in the Market

	Frequency	Percentage	Cumulative Percentage
1 - 5	63	25.3	25.3
6 - 10	77	30.9	56.2
11 - 15	72	28.9	85.1
Above 16	37	14.9	100
Total	249	100	

Source: (Author, 2024)

The study established that the highest proportion of the respondents, 30.9%, had been in the market between 6 and 10 years, the second highest proportion, 28.9%, between 11 and 15 years, 25% between 1 and 5 years, and 14.9% above 16 years. This implies that the majority of the market users have been in these markets for a long period of time and thus have higher chances of giving reliable information.

5.2.5 Traders/Stall Owners Monthly Income

The participants (traders/stall owners) were asked to indicate their monthly income from their market(s) businesses. The results are tabulated in Table 5.9 below.

Table 5.9: Traders/Stall Owners Monthly Income

	Frequency	Percent	Cumulative Percentage
1-10,000	31	12.4	12.4
10,001-20,000	141	56.6	69
20,001-30,000	54	21.7	90.7
Above 30,001	23	9.3	100
Total	249	100	

Source: (Author, 2024)

The results displayed in Table 5.9 above demonstrate that 56.6% of the respondents (traders/stall owners) make a monthly income of between 10,001 - 20,000 Kenya shillings monthly, 21.7% make between 20,001 - 30,000 Kenyan shillings, 12.4% make between 1 - 10,000 Kenyan shillings and 9.3% make above 30,001 Kenya shillings. From the result, the majority (more than 50%) of the traders/stall owners make more than 10,000 Kenya shillings a month.

The researcher further asked the respondents whether they owned the stalls/shops they operated from. The results in Table 5.10 below show that the majority of respondents, 51.6%, rented/leased the places they were doing their business from, 38.2% of the respondents self-owned the places, and 10.2% were employed. The results note that most stalls/shops were rented/leased.

Table 5.10: Ownership of the stall/shop

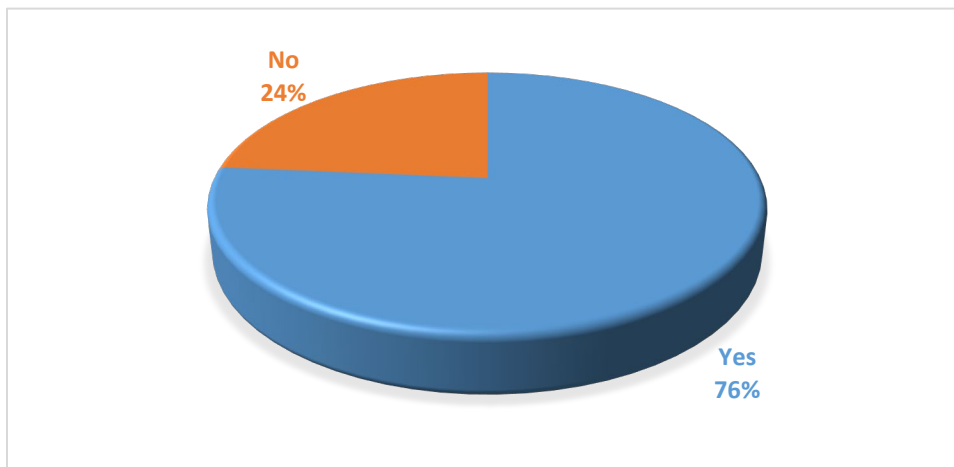
	Frequency	Percentage	Cumulative Percentage
Self-owned	94	38.2	38.2
Rented/leased	127	51.6	98.8
Employed	25	10.2	100
Total	246	98.8	

Source: (Author, 2024)

5.2.6 First Time in the Market

The researcher asked respondents (buyers/customers) whether this was their first time in the market. The responses are shown in Figure 5.3 below.

Figure 5.3: First Time in the Market



Source: (Author, 2024)

The study found that 76% of the respondents (buyers/customers) had been to the market more than once, while only 24% had been there for the first time. This implies that the majority of the market users have been to these markets more than once and thus have a higher chance of giving reliable information.

5.2.7 Number of years buyers/customers frequented the market(s)

The study further asked respondents (buyers/customers) who indicated yes to the years they had come to the market. They needed to indicate the number of years they have frequented the market because it may have a bearing on their opinion on how Nairobi County can improve the use of its own source revenue in the provision and management of urban infrastructure. The results are shown in Table 5.11 below.

Table 5.11: Number of years buyers/customers visited the market

	Frequency	Percentage	Cumulative Percentage
1 – 5	56	48.4	48.4
6 - 10	24	20.6	69
11 - 15	13	11.2	80.2
Above 16	23	19.8	100
Total	116	100	100

Source: (Author, 2024)

The findings in Table 5.11 above indicate that the majority of the respondents (48.4%) had frequented the market between 1 – 5 years, 20.6% had frequented the market between 6 – 10 years, 19.8% above 16 years while 11.2% between 11 – 15 years. This implies that most buyers/customers had frequented the market for not more than ten years and thus higher chances of giving reliable information.

5.2.8 Type of Goods Customer Normally Buy from the Market

The respondents were asked to identify the type of goods that they normally buy from the study markets. The results are shown in Table 5.7 below.

Table 5.12: Type of Goods Customer Normally Buy from the Market

	Frequency	Percentage	Cumulative Percentage
Household items	63	54.3	54.3
For business	53	45.7	100
Total	116	41.8	100

Source: (Author, 2024)

The study found that 54.3% of the respondents (customers) normally shopped for household items, while 45.7% went to buy goods for business.

The study further inquired how often the customers/buyers frequented the market to buy goods. The results are shown in Table 5.13 below.

Table 5.13: Visits to the market

	Frequency	Percent	Cumulative Percentage
Daily	33	28.4	28.4
Weekly	38	32.7	61.1
Monthly	24	20.6	81.7
Quarterly	21	18.3	100
Total	116	42.2	100

Source: (Author, 2024)

The study established that 32.7% of respondents visited the markets weekly to buy items, 28.4% visited the markets daily to shop, 20.6% visited monthly, and 18.3% did it quarterly. It can be noted that the majority frequented the markets daily and weekly to buy items for household use and business.

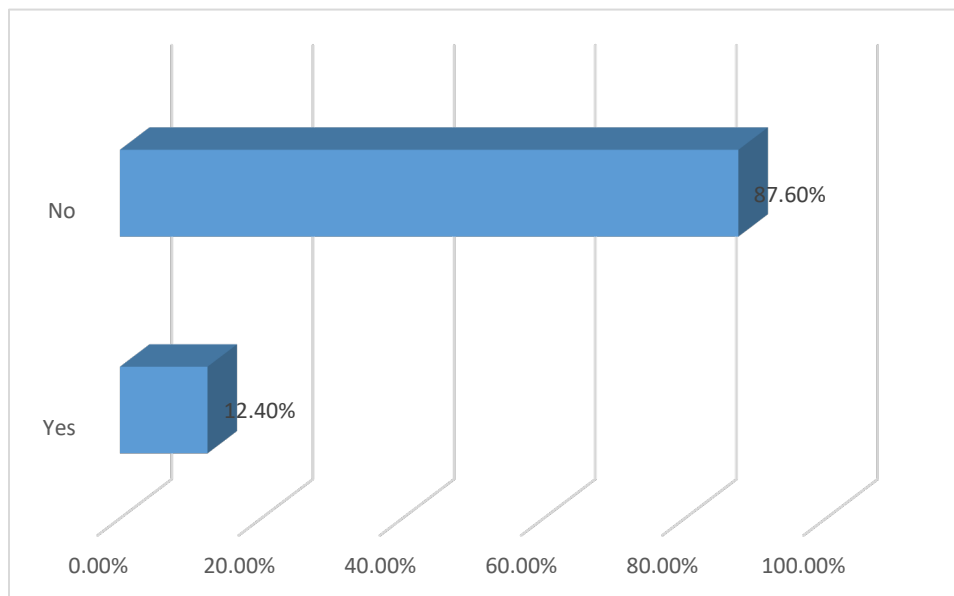
5.3 Current State of Selected Markets

The study's first objective sought to assess the current state of the selected markets from traders and customers. This section discusses the findings from the respondents. The study sought from the respondents (traders) to describe the current situations of these markets. The results from the respondents indicate that the markets have several challenges, such as congestion, poor infrastructure, a lack of proper waste management systems, limited parking space, poor sanitation, and occasional conflicts between vendors.

5.3.1 Stalls Acquisition

The study asked the respondents (traders) whether it was easy for them to acquire stalls in the markets. The results are shown in Figure 5.4 below.

Figure 5.4: Stalls Acquisition



Source: (Author, 2024)

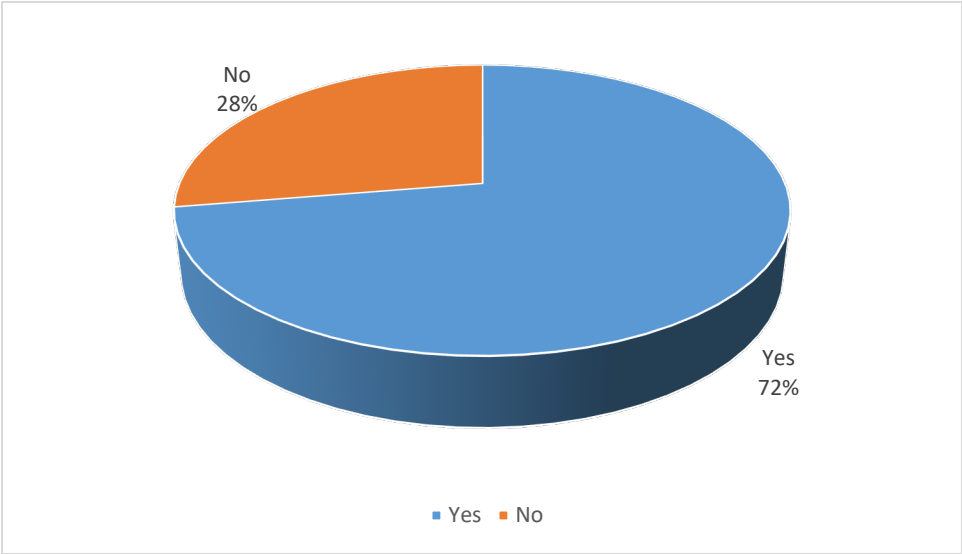
The results indicate that the majority of the respondents, 87.60%, noted that it is not easy to acquire/get a stall, while 12.40% noted that it is easy. Obtaining stalls in these markets is a challenging task. One of the primary challenges entrepreneurs face is the limited availability of stalls. The demand for stalls far exceeds the supply, leading to a highly competitive environment. The high demand can be attributed to the potential profitability of operating in these markets as they attract a large customer base. Another significant challenge is the bureaucratic process involved in obtaining a stall. Entrepreneurs must navigate various government agencies and departments to acquire the necessary licenses and permits. This process can be time-consuming

and complex, often discouraging potential business owners from pursuing their entrepreneurial dreams.

5.3.2 Market Accessibility

The study sought to understand whether traders and buyers had easy market access. The results are presented in Figure 5.5 below.

Figure 5.5: Market Accessibility



Source: (Author, 2024)

The findings indicate that the majority of the respondents (traders and buyers), 78%, noted that it is easy to access the market, while 28% noted that it is not easy to access the market. Accessing these markets as customers is relatively easy due to various transportation modes, strategic market locations, improved infrastructure, and well-designed market layouts. However, challenges such as traffic congestion and limited parking spaces must be addressed to enhance accessibility further.

5.3.3. Provision of Security in the Markets

The study asked the respondents (traders) to provide an overview of the market security and safety situation. According to the traders, these markets' security and safety situation poses significant challenges to traders and customers. Criminals often target these markets due to the high volume of people and valuable goods due to the lack of proper access control mechanisms allowing anyone to enter without proper scrutiny, leading to cases of theft and vandalism. Cases of arson have also been reported in some markets, especially Kamukunji.

The study further asked the participants (traders) to indicate who provides market security. They gave the following responses, as revealed in Table 5.14;

Table 5.14: Provision of Security in the Markets

	Frequency	Percentage	Cumulative Percentage
Self	80	32.5	32.5
County government	96	39.0	71.5
Market Management	70	28.5	100
Total	246	100	

Source: (Author, 2024)

The results displayed in Table 4.14 demonstrate that 39% of the respondents noted that the County Government provided security in markets, 32.5% noted that traders provided security for

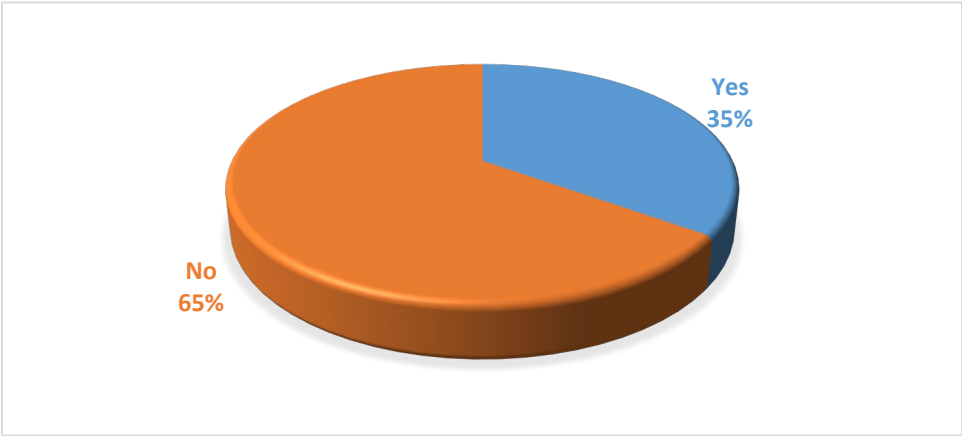
themselves, and 28.5% noted that it is the markets' management's responsibility to provide security in the markets.

The participants (traders/stall owners) were asked to indicate how to market security and safety status influence business activities. Many noted that these markets' current security and safety status significantly impacts businesses. High crime rates, inadequate security measures, and the associated business constraints hinder growth and development, leading to subdued earnings.

5.3.4 Availability of storage facilities in the markets

The study sought information on whether the markets have in place in storage facilities. The results are presented in Figure 5.5 below.

Figure 5.6: Availability of storage facilities in the markets



Source: (Author, 2024)

The findings in Figure 5.6 above show that 65% of the respondents (traders) indicated that there are no storage facilities in markets, and 35% noted that there are storage facilities in the markets.

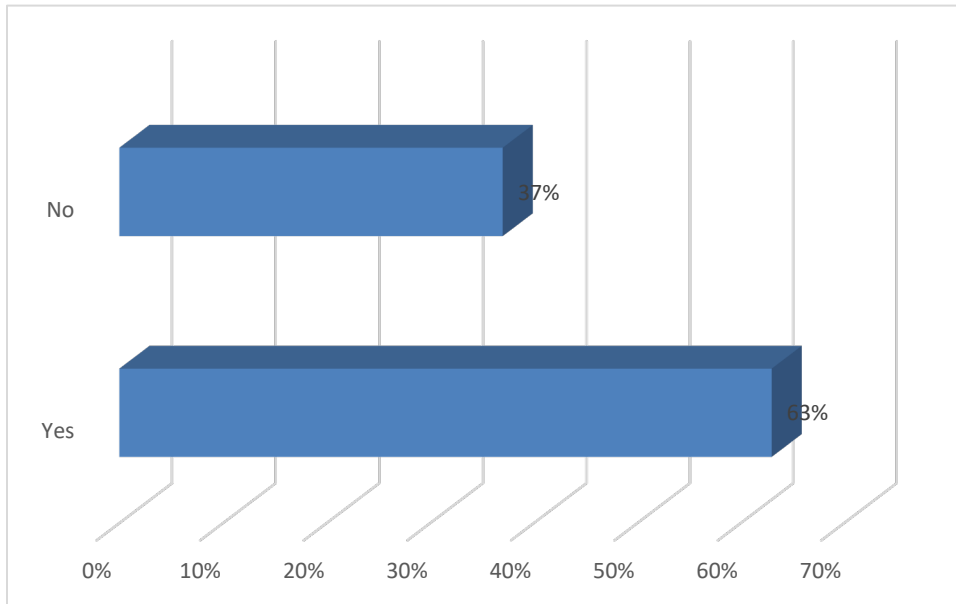
The findings show that more than 60% of the traders struggle with the lack of storage infrastructure as they store their wares within their stalls, with others buying merchandise they are sure to sell within the day. The challenge of storage is more pronounced in a market like Wakulima, which handles fresh produce—the lack of storage facilities leads to wastage as food rots if not sold in a timely manner.

5.3.5 Social Amenities

The study asked the respondents (traders) to highlight the status of the social amenities in their markets. From their responses, it can be noted that the markets have public toilets available in terms of sanitation facilities. However, the cleanliness and maintenance of these facilities vary significantly. Some are well-maintained and hygienic, while others suffer from poor maintenance, unpleasant odors, and inadequate cleaning services.

The study further sought to determine whether the markets had enough amenities (toilets, seating areas, etc.). The responses are indicated in Figure 5.7 below.

Figure 5.7: Adequate Amenities



Source: (Author, 2024)

The findings of the study established that the majority of respondents (63%) agreed that there are adequate amenities, while 37% indicated that they are not adequate. Those who felt that social amenities are inadequate suggested that improving social amenities in these markets is vital to creating a conducive environment for traders and customers.

5.3.6 Markets' Solid and Liquid Waste status

The study sought to know the markets' solid and liquid waste status. The study identified the need for immediate action to improve the markets' solid and liquid waste management. The respondents highlighted the need for more current collection and disposal systems for solid waste. To address this, it is crucial to enhance the existing waste collection infrastructure to handle the daily waste. This will prevent the accumulation of solid waste in the markets, which is currently causing environmental pollution and health hazards. Additionally, it is essential to

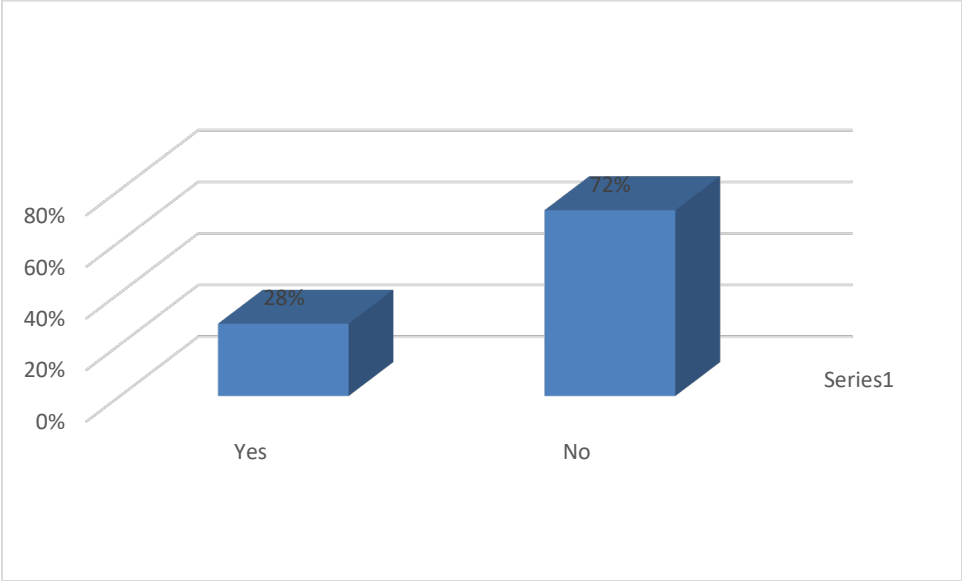
discourage improper disposal practices such as burning or dumping waste in open spaces, which are further exacerbating the problem.

It's not just solid waste that's a concern, but liquid waste management is also a pressing issue in these markets. Liquid waste, primarily wastewater from market stalls, food processing units, and public toilets, is a significant problem. The lack of proper drainage systems in these markets leads to the discharge of untreated wastewater into nearby rivers and streams. The wastewater, filled with harmful chemicals, pathogens, and other pollutants, contaminates water sources and harms aquatic life. The resulting foul smell and unhygienic conditions are detrimental to the market's atmosphere and the health of those who frequent it.

5.3.7 The markets' Streetlights

The study sought to determine whether there are streetlights in the markets. This was necessary because streetlights enhance the security of the markets. The results are presented in Figure 5.8 below.

Figure 5.8: The markets' Streetlights



Source: (Author, 2024)

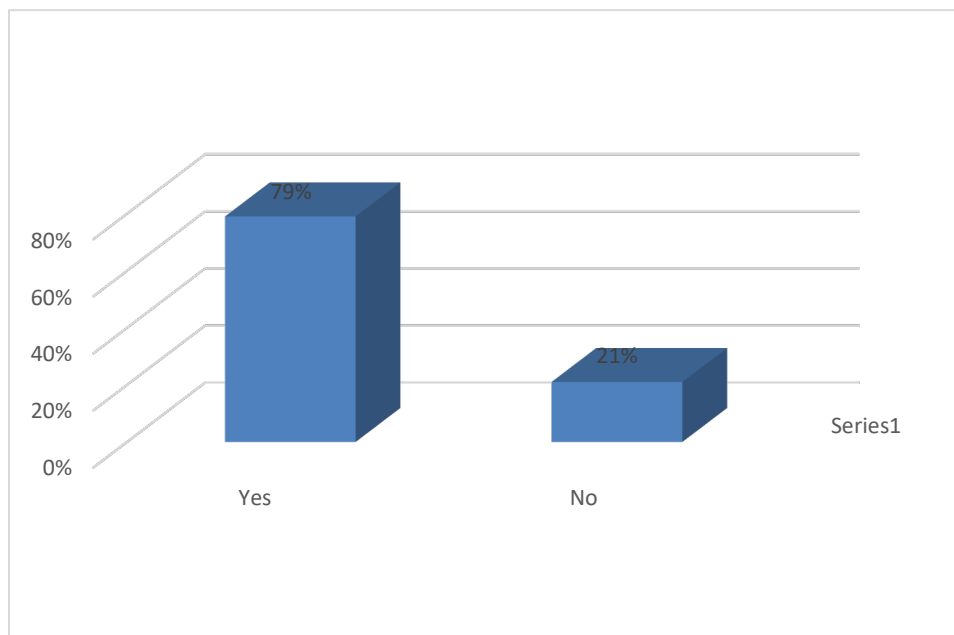
According to the findings in Figure 5.8 above, 72% of the participants noted that there are no streetlights in the markets, while 28% mentioned that there are streetlights in the markets.

A well-lit environment attracts more customers, leading to increased sales and revenue. The respondents further noted that more efficient street lighting is needed in these markets. The authorities must prioritize installing and maintaining streetlights in these markets to ensure a conducive and prosperous business environment. Streetlights enhance safety, reduce crime rates, shape customer behavior, and improve business performance. Adequate lighting creates a sense of security, attracting more customers and promoting business activities.

5.3.8 Loading and Offloading Facilities in the Markets

The respondents were asked to describe the loading and offloading facilities in the markets and whether loading and offloading the goods is accessible. The results are shown below in Figure 5.9.

Figure 5.9: Loading and Offloading Facilities in the Markets



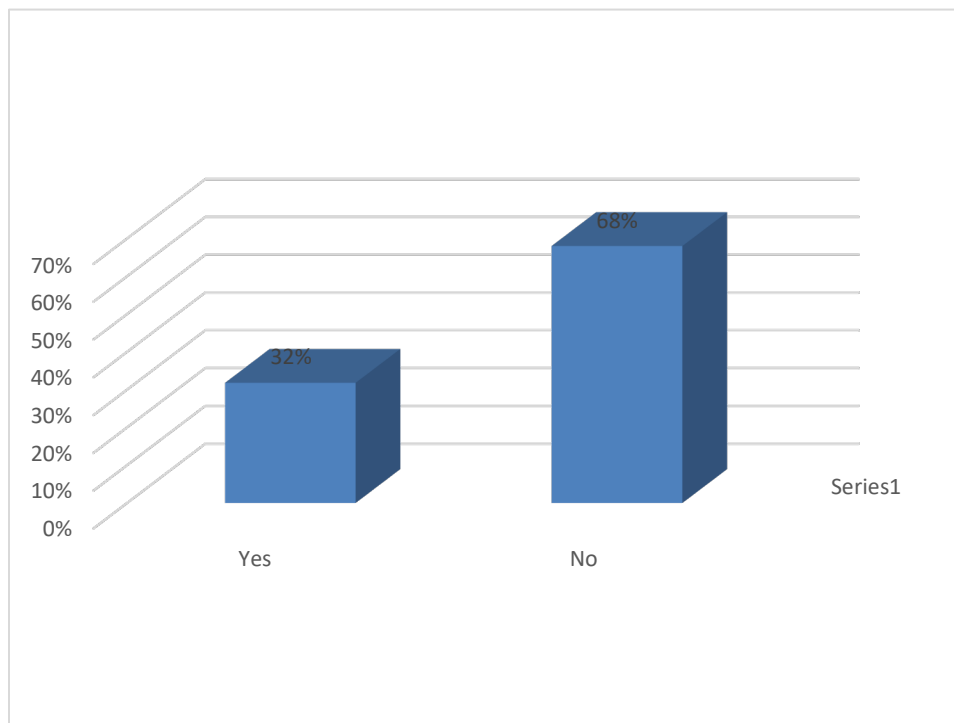
Source: (Author, 2024)

The outcome in Figure 5.9 above shows that 79% of the respondents (traders) noted that there are loading and offloading facilities in the markets and that it is easy to load and offload. 21% indicated that it is not easy to load and offload. Loading and offloading facilities face congestion, inadequate infrastructure, and limited accessibility. The efficient functioning of loading and offloading facilities in these markets is essential to ensure the timely delivery and availability of goods.

5.3.9 Enough Parking Provision in the Markets

The study sought to determine whether there are enough parking provisions in the markets. The outcomes are presented in Figure 5.10 below.

Figure 5.10: Enough Parking Provision in the Markets



Source: (Author, 2024)

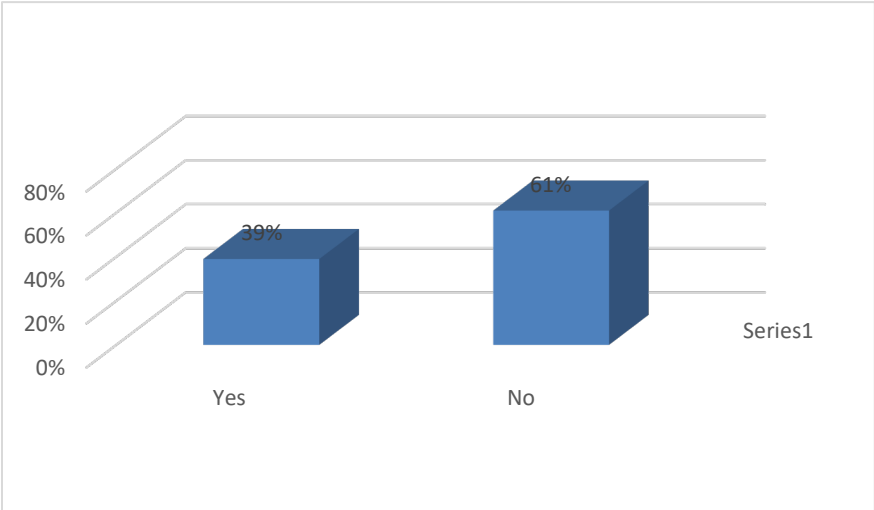
From the study results, 68% of the respondents (traders) noted that there are not enough parking provisions in the markets, while 32% noted that there are enough parking provisions in the markets. According to the respondents, parking is critical in promoting business growth. Adequate parking infrastructure attracts customers, increases footfall, enhances the shopping experience, and reduces traffic congestion. Government initiatives and favorable parking policies should play a significant role in encouraging private investments in parking facilities. Therefore,

these markets need to prioritize developing and maintaining efficient parking systems to support business activities and stimulate economic growth.

5.3.10 Customers Feeling Secure in the Markets

The study sought to understand whether the respondents felt secure in the markets. The results in Figure 5.11 below show that 61% of the respondents (customers/buyers) do not feel secure while in the markets, and only 39% noted that they feel secure while in the markets. They also noted that customer safety in these markets is a critical concern that requires continuous attention and improvement. These markets often face various security challenges that pose risks to customer safety. Some of the standard safety concerns include theft, harassment, pickpocketing, and physical assault. These incidents can harm customers' well-being and may deter them from visiting these markets in the future. While various measures have been implemented to address security challenges, there is still a need for further enhancements.

Figure 5.11: Customers Feeling Secure in the Markets

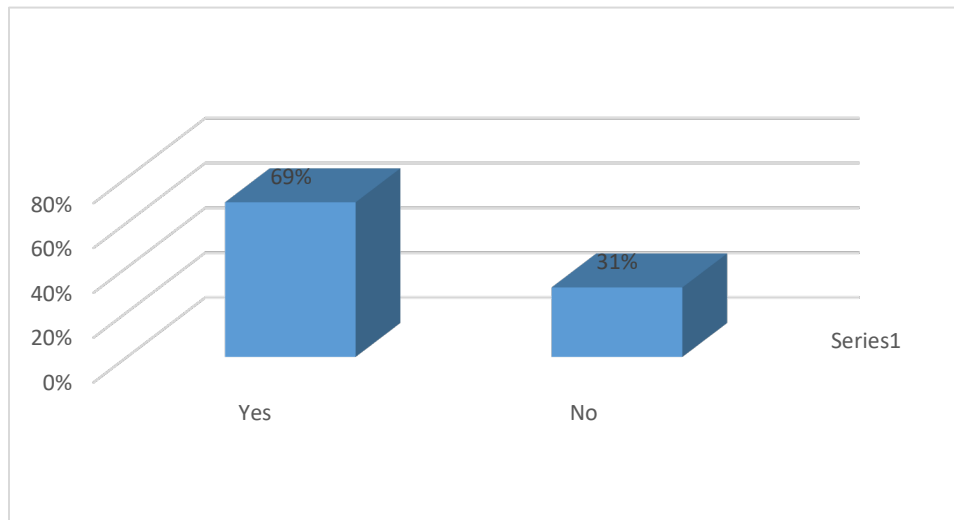


Source: (Author, 2024)

5.3.11 Easy to Move around (navigate) the Markets.

The study asked respondents (customers/buyers) whether moving around (navigating) the markets is accessible. The results are shown in Figure 5.12 below.

Figure 5.12: Easy to Move around (navigate) the Markets



Source: (Author, 2024)

The study found that 69% of the respondents (customers/buyers) indicated that it is easy to move/navigate around the market, while 31% noted that it is not easy to move/navigate around the market. It is not easy to navigate the markets due to a massive influx of customers and narrow walkways. The physical infrastructure of the markets, including walkways, could be more disorderly, and there needs to be clearer signage to guide customers and visitors/tourists.

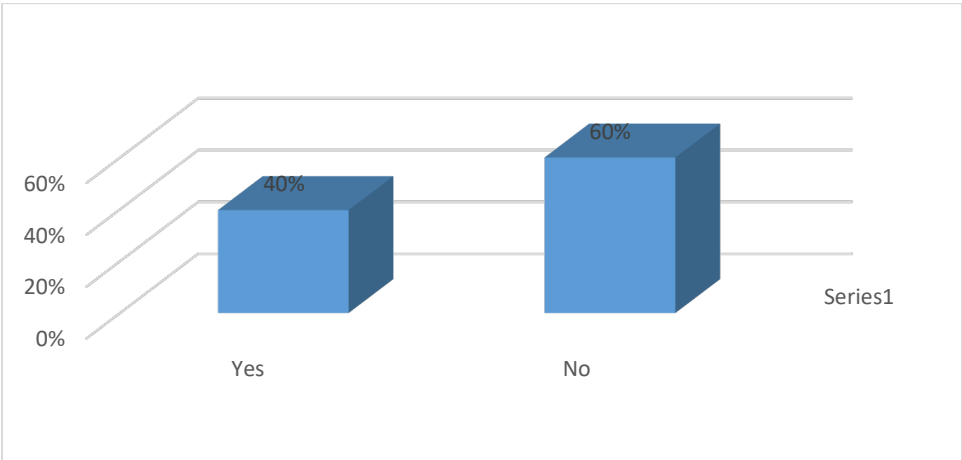
Continuous efforts and innovation are necessary to address the evolving needs of shoppers and further improve the ease of navigation within these markets. Navigating these markets can become relatively more accessible with various initiatives to enhance accessibility and

organization. The improvements in infrastructure market organization signage and crowd management strategies will collectively contribute to a more seamless shopping experience.

5.3.12: Parking in or around the Markets

The study asked the respondents (customers/buyers) to indicate whether it is easy to find parking in or around the markets. The results are shown in Figure 5.13 below.

Figure 5.13: Parking in or around the Markets



Source: (Author, 2024)

The study established that the highest percentage of the respondents (customers/buyers), 60%, noted that it is not easy to find parking in or around the markets, while 40% noted that it is easy to find parking in or around the markets.

These markets attract an influx of traders, buyers, and suppliers, and it takes work to access parking in and out of these markets. Unfortunately, the existing parking spaces are insufficient to accommodate the high demand. To exacerbate the parking issue, the lack of legal parking spaces has created illegal parking practices around significant markets. People

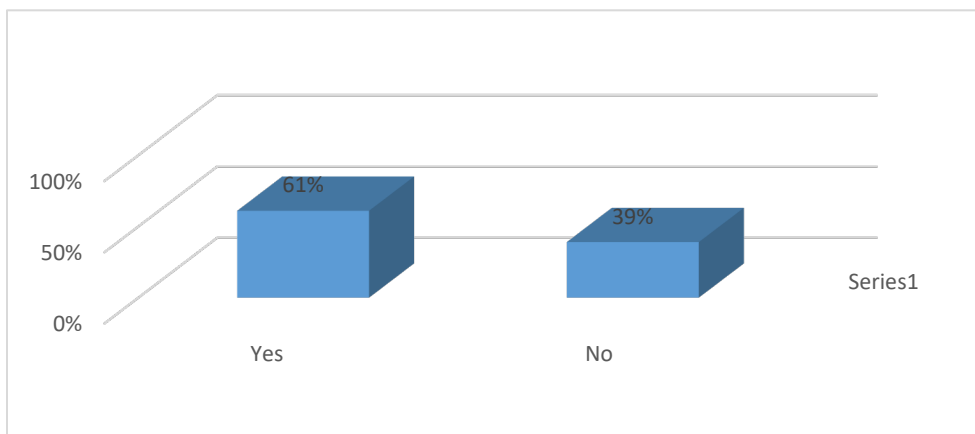
often park their cars on the side of the road, which impedes traffic and inconveniences other road users. This haphazard parking worsens the traffic situation and poses safety hazards. Additionally, touts take advantage of the parking problem by extorting money from motorists to secure parking spaces. This illegal practice further contributes to the chaotic parking situation in Nairobi County’s major markets.

The high demand for parking combined with inadequate infrastructure has resulted in congestion, traffic jams, and safety concerns. While efforts have been made to promote public transportation, more comprehensive solutions are needed to address motorists’ parking challenges in Nairobi County’s major markets.

5.3.13: Access to Toilets within the Markets

Furthermore, the study sought to know whether it is easy to access toilets within the markets. The results are shown in Figure 5.14 below.

Figure 5.14: Access to Toilets within the Markets



Source: (Author, 2024)

The findings in Figure 5.14 above show that the majority of the respondents (customers/buyers), 61%, indicated that it is easy to access toilets in the markets, while 39% noted that accessing toilets in the markets is challenging.

The respondents (customers) noted that the condition of toilets in these markets is a matter of concern, and they need to be more comfortable using them. The poor cleanliness, functionality, and accessibility of these facilities pose significant health risks and hinder the overall well-being of market visitors. To address this issue, the county government and relevant stakeholders must prioritize regular cleaning maintenance and the provision of necessary supplies. Additionally, efforts should be made to ensure that market toilets are fully functional and accessible to all individuals regardless of their abilities.

The study inquired from the participants (customers) about the status of solid and liquid waste in the markets. According to the respondents, insufficient waste segregation, inefficient collection systems, and the lack of treatment facilities contribute to environmental degradation and health risks.

The respondents (customers) were further asked to explain the effect of solid and liquid waste management on their shopping experience. The results show that they are more likely to visit and spend less time in the sections where solid and liquid wastes are not clean and well-maintained to avoid infections. On the other hand, sections with poor waste management practices, more so during rains and very dry seasons, are likely to drive away potential customers, leading to reduced sales and economic losses for market vendors.

5.4 Sources, Types and Amount of Revenue Realized from Urban Markets

The second goal of the study was to establish the types and amount of own resource revenue realized from urban markets in Nairobi County. This section discusses the findings from the respondents.

5.4.1 Type of Revenue Paid to the County by Traders

The study inquired from the respondents the type of revenue that they pay to Nairobi County. From the results presented in Table 5.15 below, Business Licenses and Levies were the highest paid revenues by the traders to the county at 100% each, Market due fees revenue to the county was 87%, property taxes were at 41%, and parking fees were the least paid revenue at 23%. This implies that traders in Kamukunji, Kariokor, Burma, and Wakulima markets pay business licenses, levies, market due fees, property taxes, and parking fees for using county government facilities and services.

Table 5.15: Type of Revenue Paid to the County by Traders

	Percent
Property taxes	41
Parking fees	23
Business Licenses	100
Levies	100
Market due fees	87

Source: (Author, 2024)

5.4.2 Revenues Payment Period to the County Government

The study asked the respondents (traders) how often they made revenue payments to the county government. The results are shown in Table 5.16 below.

Table 5.16: Revenues Payment Period to the County Government

	Percent
Daily	85
Weekly	44
Monthly	74
Quarterly	23
Yearly	30

Source: (Author, 2024)

From Table 5.16 above, 85% of the respondents (traders) paid their revenue daily to the County Government, 74% made theirs monthly, 44% weekly, 30% yearly, and 23% quarterly. This implies that most payments to the county government are made daily and monthly.

5.4.3 Revenue Payments to the County Government

The respondents were further asked how they paid revenues to the county government. The respondents (traders) had different ways of making revenue payments to Nairobi County. The results are shown in Table 5.17 below.

Table 5.17: Revenue Payments to the County Government

	Percent
Mobile transfer	83
Bank	32
Cash	90

Source: (Author, 2024)

From Table 5.17 above, cash payment was the highest way for the respondents (traders) to make revenue payments to Nairobi County at 90 percent. 83% of the respondents used mobile transfer, and 32% used the bank.

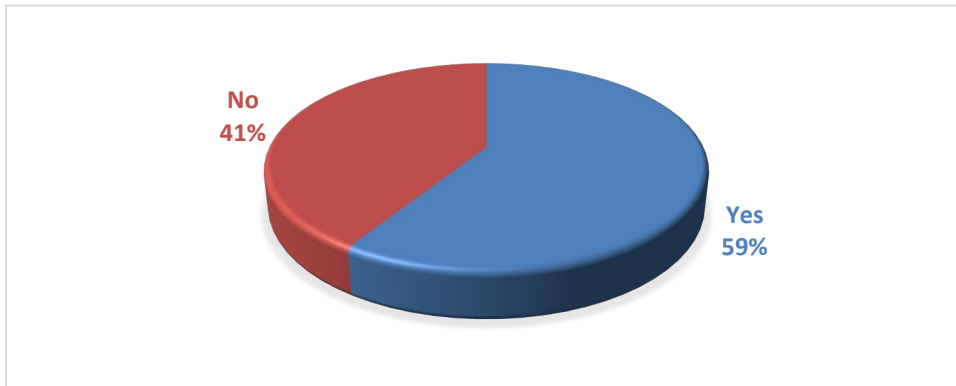
5.5 Legal Framework regulating OSR Management

The third objective of this study was to examine the legal framework regulating own resource revenue management in Nairobi County.

5.5.1 Regulations Governing Revenue Collection in the Market

The participants (traders) were asked whether they knew the Nairobi County regulations governing market revenue collection. The results are presented in Figure 5.15 below.

Figure 5.15: Regulations Governing Revenue Collection in the Market



Source: (Author, 2024)

The study established that 59% of the respondents (traders) knew the Nairobi County regulations governing market revenue collection, while 41% did not. Those aware of the regulations governing revenue collections in the markets noted that the Nairobi County Finance Act of 2013 market management committees and the digital revenue collection system are some of the key regulations in place. These regulations ensure compliance, transparency, and accountability in revenue collections, benefiting the county government and market traders. This act provides the legal framework for revenue collection in the county, including markets. According to Section 16 of the act, market traders must obtain a valid market trading license from the county government. Contraventions of this regulation may lead to fines or the closure of businesses.

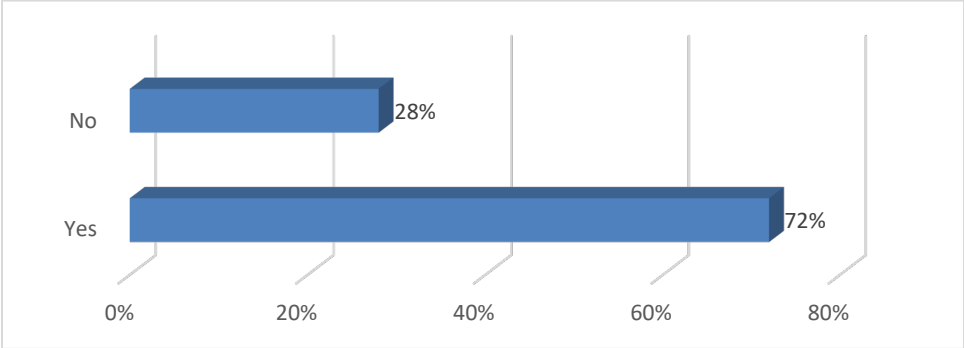
The county government has also established market management committees responsible for revenue collection and market operations. These committees ensure that all traders pay their dues and fees promptly. They also enforce regulations related to market cleanliness, safety, and adherence to trading hours. The committees work closely with the county revenue department to ensure adequate revenue collection. Furthermore, the county government has implemented a

digital revenue collection system for the market. Traders are required to register with the system and make their payments electronically. This system enhances transparency and accountability in revenue collection, minimizing the chances of corruption and revenue leakage.

5.5.2 Easy to Make Payments to the County

The study set to inquire whether the current regulations make it easier for the traders to make payments to the county. The results are presented in Figure 5.16 below.

Figure 5.16: Easy to Make Payments to the County



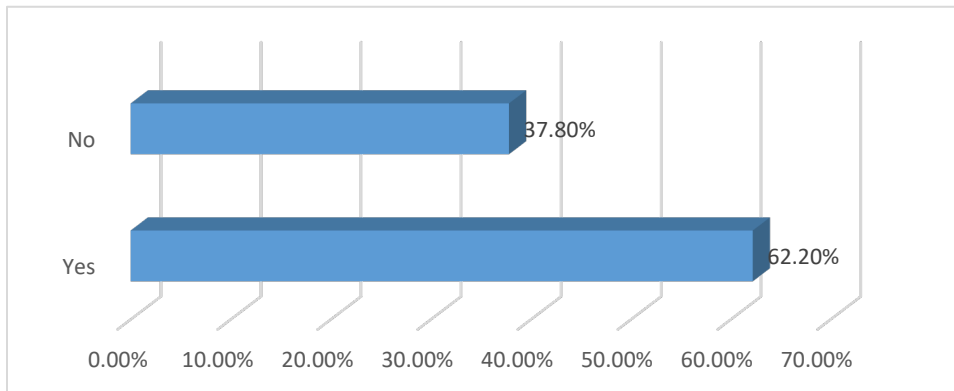
Source: (Author, 2024)

The study found that 72% of the respondents noted that the current regulations make making payments to the county easier for them. In comparison, only 28% of them noted that the current regulations need to be simplified to make payments to the county easy. They also noted that there is a need to advance the regulations on revenue collections by enhancing transparency and accountability, strengthening legal frameworks, investing in capacity building, and engaging the traders in formulating these regulations, hence creating a more efficient and effective revenue collection system.

5.5.3 Mapping Exercise to match Revenue Streams for Appropriate Legislative Source/Authority

The study asked the participants whether the county had undertaken a mapping exercise to match revenue streams to the appropriate legislative source/authority. The results are presented in Figure 5.17 below.

Figure 4.17: Mapping exercise to match revenue streams



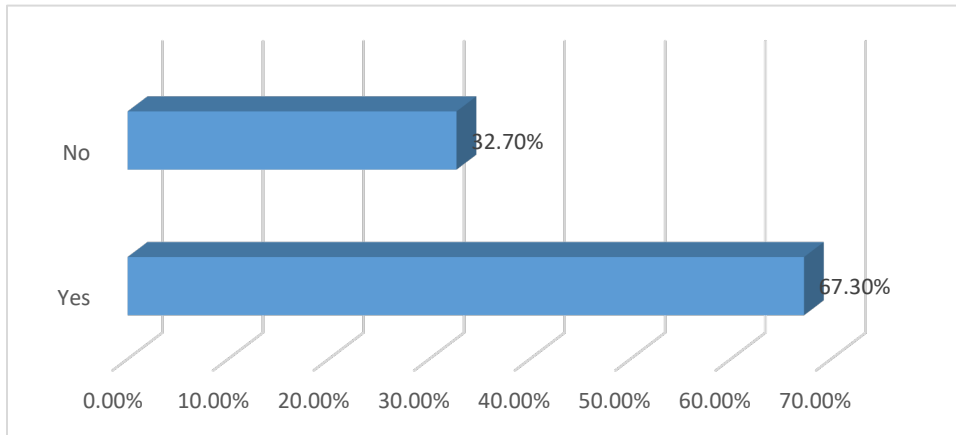
Source: (Author, 2024)

According to the study's findings, 62.2% of the respondents noted that the county had yet to undertake any mapping exercise to match revenue streams to the appropriate legislative source/authority, while 37.8% noted that they had undertaken a mapping exercise.

5.5.4 Revenue Streams where there is no/insufficient/inappropriate Legal Authority

The study further inquired from the participants (traders) if they had identified revenue streams where there is no/insufficient/inappropriate legal authority for the revenue stream. The results are shown in Figure 4.18 below.

Figure 4.18: Revenue Streams where there is no/insufficient/inappropriate Legal Authority



Source: (Author, 2024)

According to the results in Figure 4.18 above, the majority of the participants (traders), 67.3%, have not identified any revenue streams where there is no legal authority for the revenue stream. One of the main challenges is the need for more precise and comprehensive legislation explicitly outlining the legal framework for market revenue collection. Without a proper legal basis, the revenue streams may be subject to legal disputes, hindering the efficient collection and allocation of funds. The insufficiency of legal authority for revenue streams from markets in Nairobi County has significant implications for the county government and the traders. From the government's perspective, the lack of proper legal backing limits the ability to enforce revenue collection effectively. This, in turn, affects the county's financial stability and ability to provide essential services and infrastructure development.

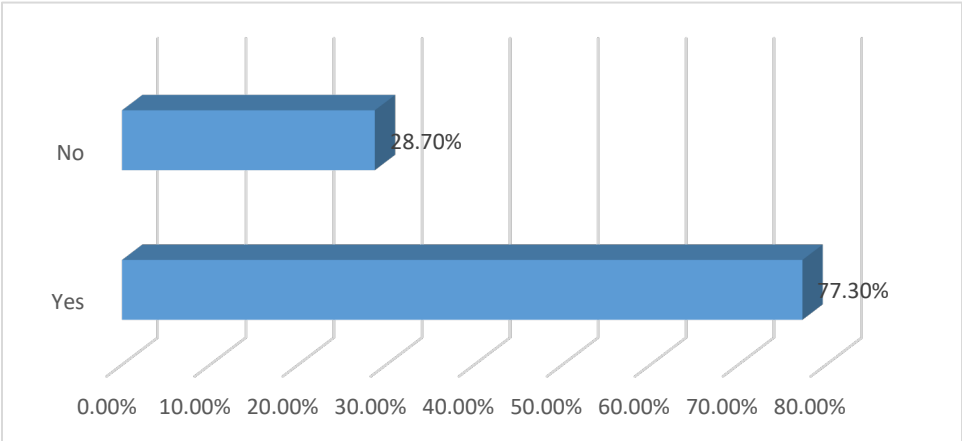
On the other hand, traders operating in these markets face uncertainty and potential exploitation due to the lack of clear legal frameworks. Without adequate legal protection, traders may be

subject to arbitrary fee increases, harassment, or unfair treatment. This undermines their trust in the county government and hampers their businesses' growth and sustainability.

5.5.5 Legal Frameworks governing Revenue Collection

The study sought to understand whether the respondents (buyers) know if legal frameworks governing revenue collection within the county are available for them. The results are presented in Figure 5.19 below.

Figure 4.19: Legal Frameworks governing Revenue Collection



Source: (Author, 2024)

According to the study results, 77.3% of the participants noted that there are no legal frameworks governing revenue collection within the county, with only 28.7% indicating the availability of legal frameworks for them. Those noted that no legal frameworks governing revenue collection within the county are available for customers indicated that improving legal frameworks for customers in these markets is vital for ensuring fair and secure transactions. By enhancing consumer education, strengthening consumer protection laws, and establishing effective

complaint resolution mechanisms, customers can be empowered to exercise their rights effectively.

The study asked the respondents to describe how the identified gaps or weaknesses affect market buyers. The respondents indicated that significant gaps in the law affect customers in these markets, such as a lack of consumer protection laws, inadequate food safety regulations, and absence of price regulation mechanisms, leaving customers vulnerable to exploitation of health risks and financial burdens.

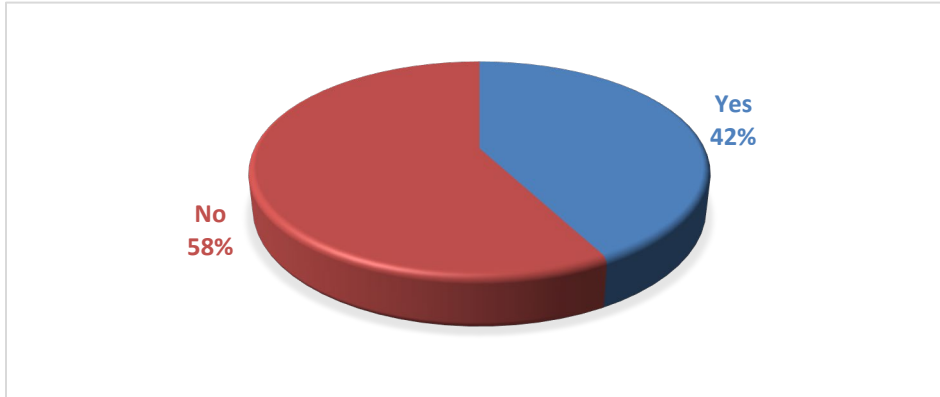
5.6 Use of Own Source Revenues in the Provision and Maintenance of Markets

Own source revenues play a significant role in the provision and maintenance of markets. These revenues are generated from various sources, including market fees and levies collected from traders operating in the markets. The study sought to determine the extent to which own source revenues are being used in the provision and maintenance of markets in the Nairobi County.

5.6.1 Improvement and Maintenance of Infrastructure in the Markets

The study sought to determine whether the participants (traders) know whether the county government uses their revenues to improve and maintain market infrastructure. The results are presented in Figure 5.20 below, which shows that the majority of the participants, 58%, noted that the county government is not using the revenues collected from them to improve and maintain infrastructure in the markets, with 42% noting that the county government is using the revenues to improve and maintain the infrastructure in the markets.

Figure 5.20: Improvement and Maintenance of Infrastructure in the Markets



Source: (Author, 2024)

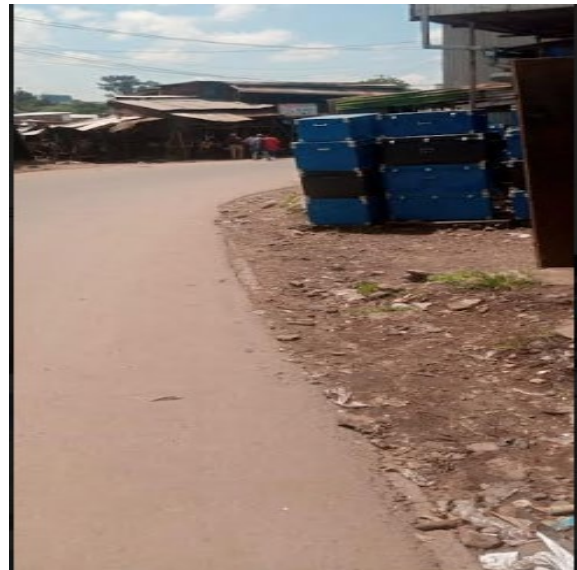
According to most respondents (58%), these markets pose significant challenges that hinder their optimal functioning. Inadequate market spaces, poor waste management systems, and lacking basic amenities affect these markets' safety, cleanliness, and overall efficiency. However, by investing in infrastructural improvements such as expanding market spaces, implementing effective waste management systems, and providing basic amenities, Nairobi County can enhance the functionality and efficiency of its major markets, contributing to the economic growth and development of the county.

The following pictures vividly depict the current state of the markets under study, highlighting the urgent need for improvements.



Picture 1 Solid Waste Management Issue in Kamukunji Market, Source: (Camera photo 2024)

The above picture shows solid waste dumped in the middle of road along Kamukunji Market.



Picture 2 Roads around Kamukunji Market, Source: (Camera photo 2024)

The pictures show that the road network around Kamukunji Market is in good condition, although it lacks markings and signs for users. Improvements are needed for better traffic flow and safety.



Picture 3 Street lights in Kamukunji Market, Source: (Camera photo 2024)

From the pictures, street lighting around Kamukunji Market is poor, with numerous non-functional lights and inadequate coverage. This results in dimly lit areas, raising safety concerns for vendors and shoppers during evening hours. The lack of proper maintenance exacerbates the situation, necessitating urgent municipal intervention.



Picture 4 Toilet in Kamukunji Market, Source: (Camera photo 2024)

As the picture above shows, the public toilet in Kamukunji Market is in poor condition. It is poorly cleaned, has insufficient maintenance, and lacks basic supplies, contributing to an unpleasant and unhygienic environment for users.



Picture 5 Liquid Waste Disposal System in Kamukunji Market, Source: (Camera photo 2024)

The pictures above show that there is a poor liquid waste disposal system around Kamukunji Market.

The pictures above show that the physical amenities in Kamukunji Market need to be improved to meet current demand and be in good condition. The market has no parking, equipped stalls, water, health facilities, waiting sheds and benches, firefighting equipment, and clear labeling to guide customers.



Picture 6 Liquid and Solid Waste Disposal in Kariokor Market, Source: (Camera photo 2024)

As per the pictures above, the state of liquid and solid waste disposal in the Kariokor Market requires improvement. The market needs more adequate waste management infrastructure issues, leading to improper disposal practices. Liquid waste management is also problematic, with insufficient drainage systems causing water stagnation and pollution. These conditions pose health risks to vendors and customers, highlighting the need for enhanced waste management strategies, regular waste collection, and better sanitation facilities to improve the market's hygiene and environmental standards.



Picture 7 Parking spaces in Kariokor Market, Source: (Camera photo 2024)



Picture 8 High mast lighting in Kariokor Market, Source: (Camera photo 2024)

The pictures above represent the available physical amenities in Kariokor Market, which need to be improved to meet current demand and be in good condition. The market does not have equipped stalls, strategic toilets, water, health facilities, waiting sheds and benches, firefighting equipment, or clear labeling to guide customers.



Picture 9 Parking at Wakulima Market, Source: (Camera photo 2024)



Picture 10 Open air Wakulima Market, Source: (Camera photo 2024)



Picture 11 State of Solid waste management in Wakulima Market, Source: (Camera photo 2024)

The pictures of Wakulima Market above show that the market lacks almost all the physical amenities, and the ones available are in deplorable condition.



Picture 12 State of liquid waste management in Burma Market, Source: (Camera photo 2024)

The pictures above show the state of liquid waste management in Burma Market, which is challenging due to inadequate drainage and waste disposal systems, leading to frequent waterlogging conditions.



Picture 13 State of Solid Waste Management in Burma Market, Source: (Camera photo 2024)

The pictures above show that solid waste management in Burma Market, Nairobi, is in poor condition due to inadequate waste collection, which results in environmental pollution.



Picture 14 State of Parking in Burma Market, Source: (Camera photo 2024)

As per the pictures above, Burma Market faces significant challenges due to limited space and high demand. As a bustling commercial hub, finding parking spots is often tricky, leading to congestion and illegal parking. Organized parking management needs to be improved, causing inconvenience to both shoppers and traders.



Picture 15 State of Street lighting in Burma Market, Source: (Camera photo 2024)

The pictures above show that Burma has inadequate street lighting, with many areas experiencing unreliable or non-existent illumination. Insufficient infrastructure and maintenance contribute to safety concerns, hindering pedestrian and vehicular traffic, especially during nighttime.



Picture 16 State of Public Toilet in Burma Market, Source: (Camera photo 2024)

The pictures above show the state of this toilet, which depicts poor sanitation, inadequate facilities, and maintenance issues that fall short of acceptable standards. These issues pose health risks and discomfort to users.



Picture 17 State of Water in Burma Market, Source: (Camera photo 2024)

The pictures show the availability of water tanks in Burma Market, which indicates a recognition of water needs within the market. This reflects efforts to address water scarcity and storage challenges faced by traders.



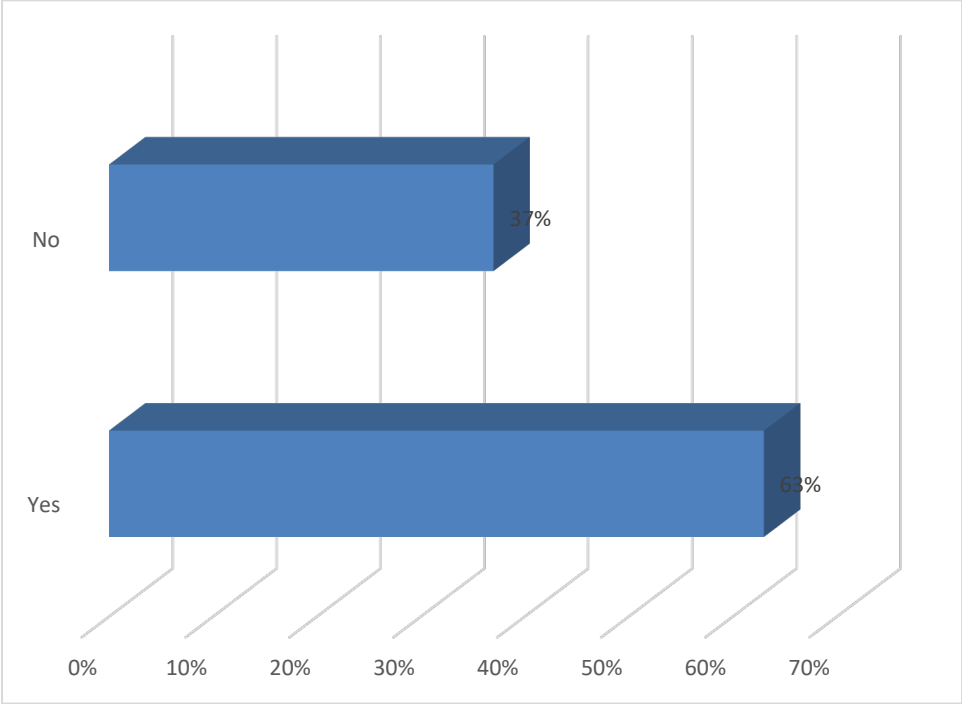
Picture 18 State of Security in Burma Market, Source: (Camera photo 2024)

The availability of CCTV cameras in the Burma Market reflects a growing emphasis on security and surveillance measures. With an increasing focus on crime prevention and public safety, CCTV cameras serve as a deterrent to illicit activities and enhance monitoring capabilities.

5.6.2 Projects carried out by the County Government

The study sought to know whether the respondents were aware of any projects carried out by the county government within the market in the last five years. The result is shown in Figure 5.21 below, indicating that the majority of the respondents (traders), 63%, mentioned that they are aware of the projects carried out by the county government within the market in the last five years, with only 37% not aware of any projects.

Figure 5.21: Projects carried out by the County Government

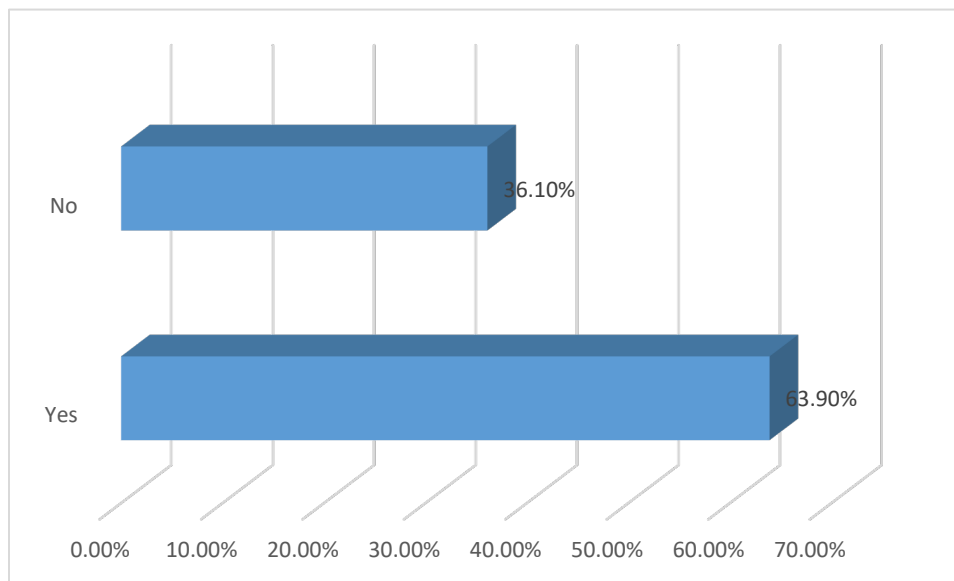


Source: (Author, 2024)

5.6.3 Periodic Market Maintenance

The study further asked the participants (traders) whether the county government conducts periodic market maintenance.

Figure 5.22: Periodic Market Maintenance



Source: (Author, 2024)

The study established that 63.9% of the respondents indicated that the county government carries out periodic maintenance in the markets, while 36.1% indicated no period maintenance. Those who noted the presence of periodic maintenance further indicated that these markets serve as essential hubs for economic activities. Proper maintenance of these markets is vital for ensuring a conducive business environment and attracting local and international traders and customers.

The study requested the respondents (traders) to indicate how the county's developing and maintaining the markets benefits them. According to the results, the respondents (traders) noted

that the primary benefit of a well-developed and maintained market is the availability of increased market opportunities for traders. The country's market development allows traders to access a broader range of products and services, increasing their profit potential. Developing and maintaining a market contributes to improved market efficiency, benefiting traders in several ways. Traders benefit from efficient markets, allowing them to make informed decisions based on reliable price information. Active participation in developing and maintaining the county's market can enhance a trader's credibility. Traders who contribute to the growth and stability of the market are seen as valuable participants, and their opinions and actions carry weight. Engaging in market development activities such as providing feedback, participating in market research, or serving on advisory boards can help traders establish themselves as industry experts and gain peer recognition.

5.6.5 Services Received from the County Government

The study further inquired from the participants (traders) whether the services they received from the county government were equivalent to what they paid. The results in Table 5.18 below show that 75.1% of the respondents (traders) indicated that the services they receive from the county government differ from what they pay. Only 24.9% of the respondents were satisfied with the services they received from the county government. The majority argued that the services provided by county governments do not match the kind of payments they make to the county government since most of the services they offer, such as roads, toilets, security, cleaning, etc., are not satisfying. Also, they are mistreated by the county officers who often destroy their goods. County governments must ensure services align with traders' needs and justify payments. By doing so, county governments can foster a favorable trading environment and support the growth and development of local businesses.

Table 5.18: Services Received from the County Government

	Frequency	Percent
Yes	62	24.9
No	187	75.1
Total	249	100

Source: (Author, 2024)

The study sought to find out from the participants (buyers) how market development and maintenance benefit them. From the findings, the respondents noted that the county's development and maintenance of the market directly benefit them in multiple ways. It promotes healthy competition, enhances consumer choice, facilitates competitive pricing, and ensures consumer protection. By understanding the significance of market development and maintenance, buyers can make informed decisions, enjoy better value for their money, and have a positive purchasing experience. The county must continue investing in market development and maintenance to foster a favorable environment for buyers and businesses.

The participants (customers) were asked to mention the effects of lack of development and maintenance in the markets. Their responses noted that lack of market development and maintenance has significant implications, such as customers' ability to access markets and engage in economic activities. Inadequate regulatory systems and weak enforcement mechanisms can expose customers to risks such as fraud, misinformation, and unfair trade practices. Inefficient monitoring and enforcement mechanisms can allow unethical practices to

go unchecked, putting customers at a higher risk of exploitation. The county government must recognize the importance of market development and maintenance in fostering a fair, efficient, and trustworthy market environment to benefit customers and the economy.

The study further asked the participants (customers) whether the county government should use a percentage of revenues collected from the markets to provide services in the market generating those revenues. According to the respondents, the primary purpose of collecting market revenues is to cover the costs associated with their development and maintenance. They all agreed that the county government should use a percentage of revenues collected from the markets to provide services such as cleaning and sanitation, security measures, infrastructure development, maintenance, and general repairs. For instance, funds can be directed towards improving roads and path walks, parking spaces, putting enough litter pins, and installing amenities such as digital signage and street lighting to attract more customers. Own source revenue collected by Nairobi County from the study markets, which includes taxes, fees, fines, licenses, and others, plays a significant role in these markets since they require financial resources for their establishment maintenance and ongoing operations.

What is your role as market leaders in this study area?

In an interview, the respondents (Market Managers) were asked about their role as market leaders. They noted that they are tasked with the responsibility of making sure that there is provision of services and maintenance in these markets, where they ensure that there is order in the market, the market is clean, and revenue is collected from traders, namely, rent from stalls (Ksh. 2000 per stall per month) Cess (Ksh 50 per day mainly from open Air Market), Annual Business permit/license fee @ kes 4200 for both Open Air market and rental market, Link

between traders and City Hall (Cess), coordinating solid waste management, security management through committees (private security), link between traders and county management, conflict resolution involving traders and customers.

What is your role in making sure that there is provision of services and maintenance in the market?

The market managers do monthly reports to the director of markets detailing urgent needs such as garbage collection status, provision of brooms, and unclogging of drainages. File reports to the director of Markets detailing what priority projects need to be undertaken at the market. They coordinate with relevant departments to ensure services and maintenance are done per the market's needs. They also ensure rules are adhered to by traders and customers and file reports to the county on the markets' needs.

What is your relationship with the county government?

The relationship between market managers and the county government is currently smooth, and as managers, we try to ensure that it remains so.

Does the county government involve you in the projects they implement in the market?

Market managers are involved in some, but most of the time, they are not involved in the budgeting process; they are required to implement county directives. They are involved through the reports they file to the director of markets. Sometimes, the market managers are involved, and other times, they are not. A case in point is a project to repaint Burma market, about which the manager was not informed. Most projects are allocated based on interests, and the market manager's office and traders are not involved.

If involved, are the projects being implemented having a positive impact in the market?

Projects being implemented positively impact the market since all projects implemented are in the traders' best interest—for instance, the provision of paved parking was done in the 2020/21 financial year in Kariokor Market. The construction of modern kiosks (59) led to more traders getting a place to operate and the county generating more revenues at Burma market. For example, in the Burma market, a borehole was built in 2020, which helped the market to have a source of water, which was not previously the case. Security light provision improved security at the markets. Providing garbage collection points (2 skips) has led to better solid waste management. CCTV was installed in 2021 by NMS, and although it is yet to be maintained, it helps manage the security situation in these markets.

How can you explain the current state of infrastructure in the market?

The current state of infrastructure in these markets is not enough, as these infrastructures were built in colonial times; the population was not as high then as it is now. Some markets like Wakulima need parking areas. They only have one toilet, which is not enough, and the sewer line, which is okay. Those with parking spaces are not enough to accommodate traders, supplies, and customers. These markets are small and must be expanded to address current demand. The current population of traders is very high, with 3000 traders in Burma Market against 378 stalls. The congestion at the markets resulted in 12 traders sharing one stall, contrary to the initial plan. Most of these stalls are dilapidated, requiring renovations like paintwork and replacement iron sheets. The sewer system is overstretched, and the county has never done significant repairs or renovations at the rental market.

No services are provided at the Kariokor Open Air Market. The county argues it is located in a parking area and should be demolished. However, they collect daily cess from the traders. The Kariokor market is in the middle of major roads, making it difficult for traders and customers to access. There are no footbridges or slip roads to make access to the market easy.

Are there enough social amenities in market? If not, why?

On the issue of whether there are enough social amenities in the market, the interview noted that markets like Kariokor and Wakulima need social amenities. The markets were initially constructed for a smaller population than they are currently. The current population is like five times the original population. The markets serve approximately 10,000 people daily. Burma market has two modern ablution blocks, though no waiting areas exist. The respondents further noted that storage facilities are scarce in these markets, like in Burma; if meat is not sold quickly, it goes to waste. On solid waste management issues, respondents noted that it is at least collected daily. In Kariokor, solid waste collection is not commensurate with generation. It takes about two weeks before collection is done. This leads to the heaping of the solid waste near the gate area.

Are there modern facilities in the market such as storage facilities?

Modern facilities like storage structures remain limited in these markets. While basic storage facilities are in place, they often do not meet the demand and modern standards for efficiency and capacity. Many traders still rely on traditional methods for storing their goods, which can affect the quality and longevity of perishable items. Initiatives have been taken to upgrade these markets, but significant investment and development are needed to fully initialize the plans to put in place modern facilities with enhanced operational capabilities.

Discuss the situation of solid and liquid waste management in the market.

Solid and liquid waste management presents significant challenges despite efforts by the county government to improve waste management systems; these markets often need more infrastructure and waste collection services. They still use the old sewer line, which is now overstretched. Solid waste collection is not commensurate with generation. It takes about two weeks before collection is done. Piles of uncollected garbage blocked drainage systems, and poor sanitation are common issues, leading to health hazards and environmental pollution. High daily waste volumes and limited resources for proper disposal exacerbate the situation.

Is the County government using the revenues collected from this market to provide infrastructure? If yes, please give specific examples of the projects provided in the last 5 years.

The Nairobi County government has used some of the market revenues to fund various infrastructure projects to improve market conditions. Specific examples include Kariokor Market, which received KSh 100 million for refurbishments such as installing new stalls and enhancing sanitation facilities, parking areas 20/21 FY – completed, leather processing facility 20/21 FY – Complete, the renovation of the Wakulima Market, where approximately KSh 300 million was allocated for upgrading facilities, including improved roofing and enhanced waste management systems. Similarly, Kariokor Market received KSh 100 million for refurbishments such as installing new stalls and enhancing sanitation facilities. In Kamukunji, KSh spent 150 million on constructing modern stalls and improving security features. These projects have seen varying degrees of completion, with some fully operational and others still ongoing, reflecting the country's commitment to utilizing market revenues for infrastructural improvements.

Have the infrastructure projects implemented by the county in your market met the adequacy threshold from your analysis?

The infrastructure projects implemented by the Nairobi County government in markets such as access roads (pathways), streetlights, quality of stalls, storage facilities, solid and liquid waste management, security provision, labeling/signage, parking, and toilets have partially met the adequacy threshold but still fall short in several areas. Issues like inadequate waste management systems, insufficient storage facilities, and incomplete projects continue to hinder the overall effectiveness of these markets.

Are the services you receive from County government proportional to the revenues generated from the market? Explain your answer.

The services do not match the revenue generated from these markets. For instance, Wakulima Market generates between 11 – 15m monthly from cess. The money is remitted to the county account, and the market manager said that the services they receive are proportional to the revenues they generate. The Burma market generates between 3-4m monthly, majorly from cess/rent. The market manager said the county has tried to implement some projects, but more can be done, especially if they are on board in budgeting. The manager indicated that the Kariokor market is not generating enough money to sustain itself without cash injection from the county. The manager mentioned that there is a need to revise the amount of money charged for renting out the stalls from the current 2k per month to like 4k per month to enable sufficient revenue generation, thus helping the market sustain itself.

The respondents (market managers) recommended that:

1. The county needs to renovate stalls or upgrade the market by doing a storey building to accommodate more traders;
2. Install lighting within the market. This can translate into more revenue as the market will be running for 24 hours;
3. Deploy county security to the market instead of the current state where traders hire their security; and equip county offices/ renovate existing county offices – they currently do not have light. Also, provide a holding area for criminals/petty offenders as they await processing.
4. Sort out the congestion issue by redeveloping the market - do a storey building.
5. Install modern facilities at the market, significantly cooling facilities since the market handles fresh produce. Currently, a lot is going to waste.
6. Provision of parking for traders and customers – this will be done in the remodeled facility as there is no space at the moment to do so.
7. Add more toilet facilities commensurate with current population needs. The county should involve stakeholders in the development of the market and the budgeting process.
8. Security should be provided by the county inspectorate instead of the current state where traders have organized themselves and hired private security. County security will also help regulate the product coming into the market and be accountable to the manager.
9. The county should pick up the market cleaning—traders are currently doing this.

CHAPTER SIX: SUMMARY, CONCLUSION AND RECOMMENDATION

6.1. Introduction

This section presents an overview of the major study results, conclusions, and recommendations.

6.2 Summary of the findings

6.2.1 Current State of Selected Markets

The markets have a number of problems, such as traffic jams, inadequate waste management systems, inadequate infrastructure, and a shortage of parking spaces, unsanitary conditions, and sporadic disputes amongst merchants. It is challenging to get stalls at these marketplaces. Obtaining stalls in these markets is a challenging task. The demand for stalls far exceeds the supply, leading to a highly competitive environment. The high demand can be attributed to the potential profitability of operating in these markets as they attract a large customer base. Another significant challenge is the bureaucratic process involved in obtaining a stall. Accessing these markets as customers is relatively easy due to various transportation modes, strategic market locations, improved infrastructure, and well-designed market layouts. However, challenges such as traffic congestion and limited parking spaces must be addressed to enhance accessibility further. These markets' security and safety situation poses significant challenges to traders and customers. Criminals often target these markets due to the high volume of people and valuable goods, vandalism, and arson, lack of proper access control mechanisms allowing anyone to enter without proper scrutiny, lack of adequate fire safety measures, inadequate waste management systems, lack of clean water and improper hygiene practices.

According to the findings, these markets' current security and safety status significantly impacts businesses. High crime rates, inadequate security measures, and the associated business constraints hinder growth and development. Most traders struggle with a lack of storage infrastructure, while others (stall owners) have made efforts to provide secure and efficient storage facilities for their tenants (traders). The markets have public toilets available. However, the cleanliness and maintenance of these facilities vary significantly. Some are well-maintained and hygienic, while others suffer from poor maintenance, unpleasant odors, and inadequate cleaning services. There is an availability of social amenities, though inadequate. Inadequate collection and disposal systems must be improved in solid waste management. In addition to solid waste, liquid waste management is another pressing issue in these markets. Liquid waste primarily consists of wastewater from market stalls, food processing units, and public toilets. The inadequate provision of proper drainage systems in these markets leads to the discharge of untreated wastewater into nearby rivers and streams.

The findings indicate that there needs to be more streetlights to enhance business and security in the markets. Loading and offloading facilities face congestion, inadequate infrastructure, and limited accessibility. More parking provisions in the markets need to be made. Most respondents (customers/buyers) feel they need to be more secure in the markets. It is challenging to navigate the markets due to a massive influx of customers and the narrow walkways. The physical infrastructure of the markets, including widening walkways, is disorderly, and the absence of clear signage. These markets attract an influx of traders, buyers, and suppliers, and it takes work to access parking in and out of these markets. The poor cleanliness, functionality, and accessibility of these facilities pose significant health risks and hinder the overall well-being of market visitors. Results show that patrons are more likely to come and spend less time in areas

where liquid and solid waste are not adequately managed and cleansed to prevent diseases. However, areas with inadequate waste management techniques are more likely to turn off potential consumers throughout the rainy and dry seasons, which would decrease sales and cause financial losses for market sellers.

6.2.2 Sources, Types, and Amount of Revenue Realized from Urban Markets

The study on the role of own-source revenue in providing and managing markets in Nairobi County yielded several significant findings regarding the sources, types, and amounts of revenue generated from urban markets. Firstly, the research identified diverse sources of own-source revenue generated by urban markets, including taxes, fees, licenses, and user charges. These revenue streams contribute to markets' financial sustainability and autonomy, enabling them to fund operational expenses, infrastructure development, and service provision. Secondly, the study revealed various revenue types collected from these markets, ranging from direct payments by market traders to indirect contributions from market-related activities such as advertising, rentals, and concessions. This diversity in revenue types reflects the multifaceted nature of market financing and underscores the importance of adopting a holistic approach to revenue management and financial planning. Lastly, the research findings shed light on the significant revenue realized from these markets, highlighting their economic importance and potential for generating funds for local government budgets. The study emphasized the need for transparent and accountable revenue collection mechanisms, efficient utilization of funds, and equitable distribution of resources to ensure the sustainable development and management of markets in Nairobi County. Overall, the findings provide light on the financial dynamics of urban markets and give actionable recommendations for improving revenue generation, governance, and infrastructure investment in Nairobi's market environment.

6.2.3 Legal Framework Regulating OSR Management

The majority of traders are aware of the Nairobi County regulations governing market revenue collection. Nairobi County Finance Act of 2013, market management committees, and the digital revenue collection system are some of the key regulations in place. According to the findings, traders in these markets face uncertainty and potential exploitation due to the lack of clear legal frameworks. Without adequate legal protection, traders may be subject to arbitrary fee increases, harassment, or unfair treatment. This undermines their trust in the local government and hampers their businesses' growth and sustainability. According to the study results, most buyers noted that no legal frameworks governing revenue collection within the county are available for them. Significant gaps in the law affect customers in these markets, such as a lack of consumer protection laws, inadequate food safety regulations, and the absence of price regulation mechanisms, leaving customers vulnerable to exploitation of health risks and financial burdens.

6.2.4 Use of Own Source Revenues in the Provision and Maintenance of Markets

According to the findings, the county government needs to use the revenues collected from the traders to improve and maintain infrastructure in these markets. These markets pose significant challenges that hinder their optimal functioning. Inadequate market spaces, poor waste management systems, and lacking basic amenities affect these markets' safety, cleanliness, and overall efficiency. For the past five years, Nairobi County has been actively involved in implementing various market projects. These projects aim to improve these markets' infrastructure services and overall environment, benefiting traders and the general public (buyers/customers).

As per the results, the traders have expressed that a well-developed and maintained market opens up a world of opportunities for them. The county's commitment to market development can potentially revolutionize its business prospects. It gives them access to a broader selection of products and services, which boosts their earning potential. The services traders receive from the county government, when aligned with their contributions, can lead to a more satisfying experience. The county's market development and maintenance directly benefit them in multiple ways. It fosters healthy competition, broadens consumer choice, facilitates competitive pricing, and ensures consumer protection. On the other hand, the lack of market development and maintenance can severely limit customers' ability to access markets and engage in economic activities.

Inadequate regulatory systems and weak enforcement mechanisms can expose customers to risks such as fraud, misinformation, and unfair trade practices. Inefficient monitoring and enforcement mechanisms can allow unethical practices to go unchecked, putting customers at a higher risk of exploitation. The county government should use a percentage of revenues collected from the markets to provide services such as cleaning and sanitation, security measures, infrastructure development, maintenance, and general repairs. For instance, funds can be directed towards improving roads and path walks, parking spaces, putting enough litter pins, and installing amenities such as digital signage and street lighting to attract more customers.

6.3 Conclusions

Through comprehensive market assessments, the study identified the diverse characteristics, operational challenges, and infrastructure needs of selected markets in Nairobi County. Findings revealed variations in market size, location, accessibility, and organizational structures,

highlighting the importance of tailored interventions to address specific market contexts. Moreover, the assessment underscored the significance of market status in shaping revenue generation potentials and service delivery capacities, emphasizing the need for targeted interventions to enhance market functionality, inclusivity, and sustainability.

The study identified various revenue sources, including taxes, fees, licenses, and user charges, contributing to the financial sustainability of urban markets in Nairobi County. Analysis revealed diverse revenue types, including direct payments from market traders and indirect contributions from market-related activities such as advertising and rentals. Furthermore, findings indicated substantial revenue generated from urban markets, underscoring their economic significance and potential for financing market operations, infrastructure development, and service provision. These insights highlight the importance of optimizing revenue collection mechanisms, fostering transparency, and promoting efficient resource allocation to maximize the benefits derived from market-generated revenues.

The study examined the legal frameworks governing the management and utilization of own-source revenues in the provision and maintenance of markets in Nairobi County. Findings revealed a complex regulatory landscape comprising national, county, and municipal laws, policies, and institutional arrangements. Analysis highlighted the need for clarity, coherence, and harmonization of legal frameworks to enhance accountability, transparency, and effectiveness in revenue management and governance. Moreover, the study identified gaps, inconsistencies, and enforcement challenges within existing legal frameworks, emphasizing the importance of strengthening regulatory capacities, streamlining procedures, and fostering stakeholder collaboration to improve market governance and revenue management practices.

The use of own-source revenues (OSR) in providing and maintaining markets highlighted the allocation, utilization, and impact of financial resources on market infrastructure and operations. The study identified various expenditure categories funded by OSR, including maintenance and repairs, infrastructure upgrades, sanitation services, security, and administrative costs. Findings revealed varying degrees of efficiency and effectiveness in resource allocation and expenditure management across different market sites. Additionally, the research identified challenges such as budgetary constraints, competing priorities, and inadequate investment in market infrastructure maintenance and upgrades. Conclusions drawn from this objective underscored the importance of optimizing the use of OSR to address critical infrastructure needs, enhance market functionality, and improve the quality of services provided to market stakeholders. Furthermore, the study emphasized the need for strategic planning, stakeholder engagement, and performance monitoring to ensure the sustainable use of financial resources and the long-term viability of markets in Nairobi County.

6.4 Recommendations

Based on the findings of the study on the role of own-source revenue in the provision and management of markets in Nairobi County, several recommendations can be drawn to enhance market functionality, revenue generation, and governance:

1. **Strengthen Market Infrastructure:** Invest in improving market infrastructure, including physical facilities, sanitation systems, and utilities, to enhance market functionality, attractiveness, and safety for traders and consumers. This could involve infrastructure upgrades, maintenance programs, and investments in modern market facilities to accommodate diverse market activities and promote a conducive trading environment.

2. **Enhance Revenue Collection Mechanisms:** Streamline and strengthen revenue collection mechanisms to maximize revenue generation from urban markets. This includes implementing transparent and efficient tax collection systems, enhancing compliance monitoring, and leveraging technology to automate revenue collection processes. Additionally, explore innovative revenue streams such as advertising, sponsorships, and concessions to diversify income sources and reduce dependency on traditional revenue sources.
3. **Improve Market Governance:** Enhance market governance structures and mechanisms to ensure transparency, accountability, and effective market operations management. This involves strengthening market management committees, empowering local market associations, and fostering collaboration between market stakeholders, including traders, local authorities, and community representatives. Furthermore, it provides capacity-building support and training programs for market managers to enhance their leadership, financial management, and governance skills.
4. **Promote Legal and Regulatory Reform:** Review and update existing legal frameworks governing market management, revenue collection, and governance to address gaps, inconsistencies, and enforcement challenges. This includes harmonizing national, county, and municipal laws, policies, and regulations related to market operations, revenue management, and service provision. Additionally, it will streamline licensing procedures, clarify revenue-sharing arrangements, and establish precise accountability mechanisms to improve market governance and regulatory compliance.
5. **Foster Stakeholder Engagement and Participation:** Promote inclusive decision-making processes and stakeholder engagement mechanisms to ensure that the interests and

perspectives of all market stakeholders are considered in policy formulation and implementation. This involves conducting regular stakeholder consultations, establishing feedback mechanisms, and fostering dialogue between market managers, traders, residents, and policymakers to address concerns, identify priorities, and co-create solutions for improving market performance and governance.

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APPENDICES

APPENDIX I: QUESTIONNAIRE FOR RESEONDENTS (STALL OWNERS)

How are you? I am ONWONGA MOKANDU GIDEON, a student at University of Nairobi, pursuing a Master's Degree in URBAN MANAGEMENT. It is towards fulfilling the requirements of the program that I am carrying out a thesis on the role of own source revenue in the provision and management of urban infrastructure in Nairobi County. Specifically, the study looks the role of own source revenue in the provision and management of urban markets in Nairobi County. The findings of this study will be used to recommend appropriate initiatives to aid provision and management of urban infrastructure in Nairobi County which leads to best service deliveries for the urban market users. Every piece of information shared is used for academic purposes. The results of the research are available through the publication of a thesis paper for dissemination of findings.

PART A: BACKGROUND INFORMATION

1. Please indicate your age group, in years, by ticking in the
Less than 20 () 21-30 () 31-40 () 41-50 () 51 and above ()
2. Please indicate your gender by ticking in the appropriate box below

Gender Particulars	Please tick here
Male	
Female	
Others	

3. Please tick the box that best corresponds to your highest level of education achievement.

Level of education	Please tick here
University level	
College level	
Secondary level	
Primary level	
Others	

4. How many years have you been in this market?

Years	Please tick here
1-5	
6-10	
11-15	
Above 16	

5. What is your monthly income?

Monthly Income (KSHs)	Please tick here
1-10,000	
10,001-20,000	
20,001-30,000	
Above 30,001	

6. Do you own the stall/shop you are operating from?

Stall Ownership	Please tick here
Self-owned	
Rented/leased	

Employed	
Others (specify)	

SECTION B: Current State of Selected Markets

7. Generally, how can you describe the situation in the market?

.....
.....

8. Is it easy to acquire/get a stall in this market?

Yes () No ()

9. If yes, please explain the procedure

.....
.....

10. If no, please highlight the reasons

.....
.....

11. Is it easy to access the market (tick appropriately)?

Yes () No ()

12. If yes explain

.....
.....

13. If no, how does this affect your business?

.....
.....

14. How can you describe the security and safety situation in the market?

.....
.....

15. Who is responsible in providing security in the market?

Responsible for security provision	Please tick here
Self	
County government	
Market Management	
Others (specify)	

16. How does the current security and safety status in the market impact/influence business activities in the market?

.....
.....

17. Are there storage facilities in the market (tick appropriately)?

Yes No

18. If yes, do you have access to them

.....
.....

19. If no, explain why you don't have access to them

.....
.....

20. How is the status of social amenities in your market (toilets, seating areas etc)?

.....
.....

21. Are the amenities highlighted above adequate in your estimation?

Yes No

22. If no, explain and suggest what can be done about the situation

.....
.....

23. What is the status of solid waste and liquid waste in your market, explain?

.....
.....

24. Are there streetlights in your market (tick appropriately)?

Yes No

25. If yes, explain how they promote your business

.....
.....

26. If no, explain how this affects your business

.....
.....

27. How can you describe the loading and offloading facilities in the market? Is it easy to load and offload your wares?

Yes No

28. If no, explain how this affects your business

.....
.....

29. In your estimation, is there enough parking provision in the market?

Yes No

30. If yes, explain how they promote your business

.....
.....

31. If no, explain how this affects your business

.....
.....

SECTION C: Sources, Types and Amount of Revenue Realized from Urban Markets.

32. What type of revenue do you pay to the county?

Revenue type	Please tick here	Amount
Property taxes		
Parking fees		

Business Licenses		
Levies		
Market due fees		
Others (specify)		

33. How often do you pay revenues to the County government?

Frequency	Please tick here
Daily	
Weekly	
Monthly	
Quarterly	
Yearly	
Others (Specify?)	

34. How do you pay revenue to the county government?

Mode	Please tick here
Mobile transfer	
Bank	
Cash	
Cheques	
Others (Specify)	

SECTION D: Legal Framework regulating OSR Management

35. Are you aware of the county regulations governing revenue collection in the market?

Yes () No ()

36. If yes, please name them

.....
.....

37. If no, why are you not aware?

.....
.....

38. Do the current regulations make it easier for you to make payments to the county?

Yes () No ()

39. If no, which changes will you recommend?

.....
.....

40. Has your county undertaken a mapping exercise to match revenue streams to the appropriate legislative source/authority?

Yes () No ()

41. Explain your answer in question 40 above

.....
.....

42. Have you identified revenue streams where there is no/insufficient/inappropriate legal authority for the revenue stream?

Yes () No ()

43. Explain your answer in question 42 above.

.....
.....

44. If yes, please describe any gaps or weaknesses in the law that you have identified.

.....
.....

45. How does the gaps or weaknesses identify affect the buyers in the market?

.....
.....

SECTION E: Own Source Revenues are being used in the Provision and Maintenance of Markets

46. Is the county government using revenue collected from you to improve and maintain infrastructure in the urban markets (tick appropriately)?

Yes () No ()

47. Explain your answer in question 46 above

.....
.....

48. Are you aware of any projects carried out by the county government within the market in the last 5 years (tick appropriately)?

Yes () No ()

49. If yes, please share the details

Project Particulars	FY year implemented	Amount per project
1		
2		
3		
4		
5		
6		
7		

50. Does the county government carry out periodic maintenance in your market (tick appropriately)?

Yes No

51. If yes, please share the details below

Project Particulars	FY year implemented	Amount per project
1		
2		
3		
4		
5		
6		
7		

52. How does the county developing and maintaining your market benefit you as a trader?

.....
.....

53. Are the services you receive from County government equivalent to what you pay?

Yes No

54. Explain your answer in question 34 above.

.....
.....

APPENDIX II: QUESTIONNAIRE FOR RESEPDENTS (BUYERS/CUSTOMERS)

How are you? I am ONWONGA MOKANDU GIDEON, a student at University of Nairobi, pursuing a Master's Degree in URBAN MANAGEMENT. It is towards fulfilling the requirements of the program that I am carrying out a thesis on the role of own source revenue in the provision and management of urban infrastructure in Nairobi County. Specifically, the study looks the role of own source revenue in the provision and management of urban markets in Nairobi County. The findings of this study will be used to recommend appropriate initiatives to aid provision and management of urban infrastructure in Nairobi County which leads to best service deliveries for the urban market users. Every piece of information shared is used for academic purposes. The results of the research are available through the publication of a thesis paper for dissemination of findings.

PART A: BACKGROUND INFORMATION

55. Please indicate your age group, in years, by ticking in the

Less than 20 () 21-30 () 31-40 () 41-50 () 51 and above ()

56. please indicate your gender by ticking in the appropriate box below

Gender Particulars	Please tick here
Male	
Female	
Others	

57. Please tick the box that best corresponds to your highest level of education achievement.

Level of education	Please tick here
---------------------------	-------------------------

University level	
College level	
Secondary level	
Primary level	
Others	

58. Is this your first time in the market?

Yes () No ()

59. If No (to 4 above) please indicate the number of years you have come to this market

Years	Please tick here
1-5	
6-10	
11-15	
Above 16	

60. What type of goods do you normally buy from the market?

Type of goods	Please tick here
Household items	
For business	
Others (specify)	

61. How often do you frequent this market?

Frequency	Please tick here
Daily	
Weekly	
Monthly	

Quarterly	
Others (specify)	

SECTION B: Current State of Selected Markets

62. Do you find it easy to access the market?

Yes No

63. If yes, explain

.....
.....

64. if no, why

.....
.....

65. Do you feel secure when you are in the market?

Yes No

66. If yes, explain

.....
.....

67. If no, why

.....
.....

68. Is it easy to move around (navigate) the market?

Yes No

69. If yes, explain

.....
.....

70. If no, why

.....
.....

71. Is it easy to find parking in or around the market?

Yes No

72. If no, why

.....
.....

73. Do you find it easy to access toilets within the market?

Yes No

74. If yes, what are their status and are you comfortable using them?

.....
.....

75. How do you find the status of solid waste and liquid waste in this market, explain

.....
.....

76. How does the state of solid waste and liquid waste in the market impact on your shopping?

.....
.....

SECTION C: Legal Framework regulating OSR Management

77. Are the legal frameworks governing revenue collection within the county available to you?

Yes () No ()

78. If no (to number 23 above), what do you think should be done to change/improve the situation?

.....
.....

SECTION D: Own Source Revenues are being used in the Provision and Maintenance of Markets

79. How does the county developing and maintaining the market benefit you as a buyer?

.....
.....

80. How does lack of developing and maintaining the market benefit you as a buyer?

.....
.....

81. Do you think the county government should use a percentage of revenues collected from the market to provide services in the market generating those revenues? Explain

.....
.....

APPENDIX III: KEY INFORMANT INTERVIEW GUIDE FOR MARKET MANAGERS

How are you? I am ONWONGA MOKANDU GIDEON, a student at University of Nairobi, pursuing a Master's Degree in URBAN MANAGEMENT. It is towards fulfilling the requirements of the program that I am carrying out a thesis on the role of own source revenue in the provision and management of urban infrastructure in Nairobi County. Specifically, the study looks the role of own source revenue in the provision and management of urban markets in Nairobi County. The findings of this study will be used to recommend appropriate initiatives provision and management of urban infrastructure in Nairobi County which leads to best service deliveries for the urban market users. Every piece of information shared is used for academic purposes. The results of the research are available through the publication of a thesis paper for dissemination of findings.

THANK YOU

1. What is your role as market leaders in this study area?
2. What is your role in making sure that there are social amenities in the study area?
3. What is your relationship with the county leaders?
4. Do the county leaders listen to your grievances?
5. How does your grievances are handled, are you as leaders satisfied with the way they are solved?
6. How can you explain the status of the selected urban markets in the study area?
7. Are there social amenities in selected market if not why? Are there modern facilities in the selected markets?
8. Are market infrastructures conducive to conduct your daily business activities?
9. Discuss the situation of solid and liquid waste management in the selected market.

10. Is the County government using the revenue collected from market users to improve and maintain infrastructure in those urban markets?

11. Are the services you receive from County government equivalent to what you pay?

APPENDIX IV: OBSERVATION CHECKLIST

How are you? I am ONWONGA MOKANDU GIDEON, a student at University of Nairobi, pursuing a Master’s Degree in URBAN MANAGEMENT. It is towards fulfilling the requirements of the program that I am carrying out a thesis on the role of own source revenue in the provision and management of urban infrastructure in Nairobi County. Specifically, the study looks the role of own source revenue in the provision and management of urban markets in Nairobi County. The findings of this study will be used to recommend appropriate initiatives provision and management of urban infrastructure in Nairobi County which leads to best service deliveries for the urban market users. Every piece of information shared is used for academic purposes. The results of the research are available through the publication of a thesis paper for dissemination of findings.

Physical Amenities	Please tick here
Paved access roads	
Parking space	
Equipped market stalls	
Strategic toilets in market	
Piped water/Availability of water	
Interval space between stalls	
Health facilities	
County offices stand	
County revenue officers	
County enforcement officers	

Police post	
Solid wastage pins	
Sewage lines	
Waiting shed and benches	
Provision of Streetlights	
Availability of Firefighting equipment	
Clear labelling to guide customers/tourists	

APPENDIX V: THE ADEQUACY THRESHOLD OF THE INFRASTRUCTURE PROJECTS IMPLEMENTED BY THE COUNTY IN THESE MARKET

KARIOKOR MARKET

Project Particular	Quantity/status	Adequacy
Access roads (pathways)	Available	Needs renovations
Streetlights	None within Market	Nil available
Quality of stalls	206 stalls which are in poor state	Needs renovations. Not adequate for current population
Storage facilities	None	Nil available
Solid & liquid waste management	2 toilets, and 1 dumping area for solid waste	Not adequate considering current population.

Security provision	Private	Not adequate
Labeling/signage	Available	Adequate
Parking	Available	Adequate
Toilets	Available	Not adequate
Others (specify)	None	

WAKULIMA MARKET

Project Particular	Quantity/status	Adequacy
Access roads (pathways)	Inadequate	Congested
Streetlights	Okay	Enough
Quality of stalls	8 stalls and 3 block canopies	Needs renovations. Not adequate for current population
Storage facilities	None	Nil available. There is urgent need as market handles fresh produce.
Solid & liquid waste management	Available	Not adequate considering current population.
Security provision	Private	Adequate
Labeling/signage	Not available	Not available

Parking	Not available	Not available
Toilets	1 available	Not adequate
Others (specify)	None	

BURMA MARKET

Project Particular	Quantity/status	Adequacy
Access roads (pathways)	4 gates	Adequate
Streetlights	8 streetlights	Serving purpose, but more needed still.
Quality of stalls	378 stalls inside the market, 96 outside the market.	Needs renovations/repairs, provision of drainage.
Storage facilities	None	Nil available. There is urgent need as market handles meat.
Solid & liquid waste management	Available	Adequate.
Security provision	Private	Not adequate.
Labeling/signage	Not available	Not available
Parking	Available	Not adequate.
Toilets	2 Ablution blocks available	Adequate

Others (specify)	None	
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APPENDIX VI: OBSERVATION CHECKLIST

Wakulima Market

Physical Amenities	Availability (Yes or No)	Current condition
Paved access roads/Paths	Yes	But they are muddy and always congested.
Parking space	Not	Not available
Equipped market stalls	Yes	8 stalls outside the market. The rest are just 3 canopies where traders spread their wares on the ground.
Strategic toilets in market	Yes	1 in the market, not enough for the current population.
Piped water/Availability of water	Yes	Supply can be improved to copy with high demand
Interval space between stalls	Yes	Canopies within market are old and in poor status.
Health facilities	No	Not available
County stand	Yes	Needs some renovations
County revenue officers	Yes	available
County enforcement officers	No	Private security

Police post	No	No holding area
Solid wastage pins	Yes	Solid waste needs to be managed better.
Sewage lines	Yes	Overstretched
Waiting shed and benches	No	Not available
Provision of Streetlights	Yes	But not enough, there is need to provide more.
Availability of Firefighting equipment	No	Not available
labelling to guide customers/tourists	No	Not available
General Cleanliness of the market	No	The market is generally dirty with litter everywhere.
Notice board for posting important communications	No	Not available

Kariokor Market

Physical Amenities	Availability (Yes or No)	Current condition
Paved access roads/Paths	Yes	Only within rental market
Parking space	Yes	Paved and in good condition
Equipped market stalls	Rental Market – yes Open Air Market – No,	Stalls at rental market need to be renovated.

	temporally structures	Stalls at open air market are in poor state and too congested.
Strategic toilets in market	Yes	1 in the open air market 2 in the rental market
Piped water/Availability of water	Yes	Supply can be improved to copy with high demand
Interval space between stalls	No	The stalls at the rental and open air market are congested.
Health facilities	No	Not available
County stand	Yes	Needs some renovations
County revenue officers	Yes	available
County enforcement officers	No	Private security
Police post	No	No holding area
Solid wastage pins	No	Sold waste dumped near the gate
Sewage lines	Yes	Overstretched
Waiting shed and	No	Not available

benches		
Provision of Streetlights	Yes	But not enough, available one is situated outside the market.
Availability of Firefighting equipment	No	Not available
labelling to guide customers/tourists	Yes	But labelling should also be done within the market indicating location for specific products
General Cleanliness of the market	Yes	Rental market is generally clean. Open air market is not well maintained
Notice board for posting important communications	Yes	Available and adequate

Burma Market

Physical Amenities	Availability (Yes or No)	Current condition
Paved access roads/Paths	Yes	But they are narrow and congested.
Parking space	Yes	But not enough.
Equipped market stalls	Yes	They need to be renovated.

Strategic toilets in market	yes	Modern ablution blocks. Adequate.
Piped water/Availability of water	Yes	Adequate – from borehole.
Interval space between stalls	No	Congested
Health facilities	No	Not available
County stand	Yes	Needs some renovations
County revenue officers	Yes	available
County enforcement officers	No	Private security
Police post	No	No holding area
Solid wastage pins	Yes	Adequate
Sewage lines	Yes	Overstretched
Waiting shed and benches	No	Not available
Provision of Streetlights	Yes	8 in number, adequate.
Availability of Firefighting equipment	No	Not available
labelling to guide	No	Not available

customers/tourists		
General Cleanliness of the market	Yes	The market is generally clean.
Notice board for posting important communications	No	Not available

APPENDIX VII: NAIROBI CITY COUNTY AUTHORIZATION LETTER FOR DATA COLLECTION

NAIROBI CITY COUNTY

Telephone 020 344194
Web www.nairobi.go.ke



City Hall
P. O. Box 30075-00100
Nairobi,
KENYA

MARKETS & TRADING SERVICES DEPARTMENT

REF: **NCC/MKT/7/429(2023)**

22ND JUNE 2023

Onwonga Gideon Mokandu
University of Nairobi
P.o. Box 30197
Nairobi

**RE: REQUEST FOR ACADEMIC RESEARCH TO MUTHURWA,
SHAURI MOYO MARKET AND WAKULIMA MARKET**

Above matter refers.

This is to inform you that your request has been granted subject to the following conditions: -

- Abide by the Nairobi City County Laws as regards the County premises;
- Cooperate with the County staff manning the facility;
- Non-interference with the daily operations in the market;
- The county is exempted from any legal responsibility, compensation, loss whatsoever that may occur during the video shooting.
- Furnish the Market Department office with the study report after research.

By a copy of this letter, the market in Charge is detailed to guide you accordingly.

A handwritten signature in blue ink, appearing to read 'JK'.

JOYCE KYENGO
COUNTY DIRECTOR OF MARKETS

Copy to :  Joy Charge – Shauri Moyo Market
In Charge – Wakulima Market