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## **The Challenging Role of Street Vendors: The Untapped Resource in the Informal Economy**

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Street vending is pervasive across the globe while the magnitude of its impact on the society is imperative especially in developing countries in the context of the informal economy. Street vending is an unexplored phenomenon in the Sri Lankan business context where only a handful of studies are available and there are many aspects yet to be explored. Accordingly, the study was conducted to evaluate the challenging role of street vendors as an untapped resource in the informal economy within the context of Sri Lanka. The qualitative approach was adopted to explore the phenomenon and street vendors who are operated in two main provinces namely, Western and Southern, in Sri Lanka were selected for the data collection purpose. The in-depth interviews were employed as a data collection tool. Accordingly, 120 street vendors comprising 60 male and 60 female vendors were selected and interviewed. The peculiar features of street vending in Sri Lanka were evaluated. The role of street vendors was evaluated in terms of key aspects; ascertaining the motives behind the selection of street vending as an occupation, recognizing the key challenges confronted by them and appraising the empowerment of street vendors for poverty reduction. Among the motives behind the selection of street vending as an occupation, the positive attitudes and mind-set, the lack of employment opportunities, the lack of skills for formal types of occupations, ability to enjoy freedom and intention to enjoy profitability were identified as key motives. The main challenges faced by street vendors were disclosed as the lack of financing, less support from banks, lack of infrastructure, less support from the government, instable conditions and insecurity. Based on the views of street vendors and scholar literature on poverty, a new conceptual model was developed indicating the worth of empowering street vendors in applying micro-entrepreneurship approach as an effective tool for poverty reduction.

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