

**ABSTRACT.**

The main aim of this study was examine the proportion of vendors on road reserves, to understand the reasons for traders using roads and unauthorized areas, their impact and the policy interventions that solve the trader-traffic flow land use conflict. The research gives insights into the uniqueness of informal operators and the transformation in the economy and plans that have contributed to their involvement in the informal economy, through analysis of findings, the study area and the body of literature. The study mapped out the location of the informal sector enterprises along road reserves, open spaces and parking areas. Data for the study was collected from two main sources, literature review and actual site visits to the study area. Secondary data was obtained from both published and unpublished materials, library and internet research. Primary data obtained from the field was captured by photography, distribution of questionnaires to key respondents, interviews and observation among other methods and analyzed by the use of quantitative and qualitative data analysis methods including SPSS and the output presented in the form of graphs and pie charts. The study recommends to building of a new market and demolition of structures along road reserves and relocation of vendors. Also the policy recommendations majorly focus on effective policy framework that recognizes the spatiality of the informal sector business activities and provides for guidelines and space that govern and control the operation of the sector.