

# **Transforming the informal economy to enhance productivity, promote better jobs and reduce poverty**

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# Outline



- Fact or hypothesis?
- How to achieve it?
- Any instrument available?

# **The informal is not normal...**

Non-agricultural informal employment:  
82 % South Asia, 66% sub-Saharan  
Africa, 65% East and South-East Asia  
(excluding China), 51% Latin America  
and 10% Eastern Europe and Central  
Asia. (ILO,2013)



**Formalization is a  
means and not an end**



**Economic growth:  
A necessary but not  
sufficient condition**

# Decent Work Strategies for the Informal Economy



**TRANSITION  
TO  
FORMALITY**

- Growth strategies and quality employment generation
- Regulatory environment, including enforcement of ILS & core rights
- Organization, representation and social dialogue
- Equality: gender, ethnicity, race, cast, disability, age
- Entrepreneurship, skills, finance, management, access to markets
- Extension of social protection, social security, social transfers
- Local (rural and urban) development strategies

**INTEGRATED STRATEGY**

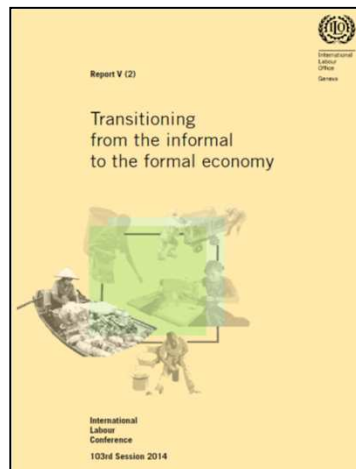
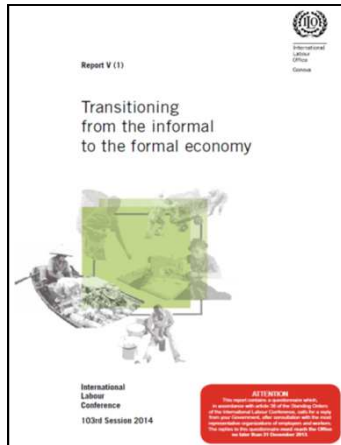
## Main challenges



An integrated approach incorporates a greater degree of:

- Complexity
- Coordination
- Institutional and capacity building efforts
- Consultation and social dialogue

# Standard setting item on the transition from the informal to the formal economy







THANK YOU!