



REFERENCE GUIDE TO THE OUTPUTS OF A RESEARCH ON THE INFORMAL ECONOMY

RNSF 2018d



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Reference Guide to the Outputs of a Research on the Informal Economy

Research, Network and Support Facility

The **Research, Network and Support Facility** is a European Union-funded project to improve knowledge on ways to enhance the livelihoods of people in the Informal Economy and to increase the social inclusion of vulnerable groups. It is implemented by A.R.S. Progetti S.P.A. in a consortium with Lattanzio Advisory S.p.a. and AGRER S.A. N.V.

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This series

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- Volume 1 Reference Guide to the Outputs of a Research on the Informal Economy (RNSF 2018d)
- Volume 2 Defining the Informal Economy (RNSF 2017a)
- Volume 3 Policies on the Informal Economy: A Global Review (RNSF 2018a)
- Volume 4.1 Learning from Experience: Good Practices and Lessons Learnt from 33 projects funded by the EU Programme Investing in People launched in 2009 (RNSF 2016a)
- Volume 4.2 Learning from Experience: Recommendations of other Development Organizations (RNSF 2016b)
- Volume 4.3 Learning from Experience: Good Practices and Lessons Learnt from 15 projects funded by the EU (RNSF 2017c)
- Volume 4.4 Learning from Experience: Good Practices and Lessons Learnt from 15 projects funded by the EU Programme Investing in People launched in 2014 (RNSF 2018b)
- Volume 5 Extending Coverage. Social Protection and the Informal Economy. Experiences and Ideas from Researchers and Practitioners (RNSF 2017b)
- Volume 6 Organizar a los trabajadores de la economía informal: estrategias de fortalecimiento y acción colectiva (RNSF 2018c)

All documents are available on <https://europa.eu/capacity4dev/rnsf-mit>

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Disclaimer

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I OVERVIEW OF RNSF OUTPUTS

1 Map of volumes content

The table below presents the detailed content of each research output so to provide an overview of all the subtopics addressed by RNSF in its research

Table 1. Table of Contents / Summary

<p>Volume 1: Reference Guide to the Outputs of a Research on the Informal Economy (RNSF 2018d)</p> <p>This volume is a summary of main concepts and serves as a guide to navigate the research materials produced.</p> <p>1-General mapping of RNSF outputs 2-Key concepts, dimensions and thematic pillars to tackle informal economy, as identified by this research 3-Synopsis of thematic pillars 4-Mapping of good practices and lessons learned 5-Synopsis of recommendations on formulation and implementation of informal economy initiatives 6- Understanding and describing the specific context of the informal economy 8-Global core indicators for M&E of development initiatives related to the informal economy Annexes</p>
<p>Volume 2: Defining the Informal Economy (RNSF 2017a)</p> <p>Volume 2 is dedicated to significant and practical definitions of the Informal Economy and its dimensions and phenomenology. It is an assessment of the subject, its definitions, contribution to GDP, size, growth and other characteristics (status, gender, industries, etc.). It provides the most recent overview of key concepts and available statistical data related to the Informal Economy for more than 90 countries.</p> <p>This volume also contains:</p> <ul style="list-style-type: none"> -A glossary of terms and concepts related to the informal economy, mainly based on ILO documentation -15 thematic briefs prepared during RNSF implementation and made available in three languages (English, French and Spanish) -Regional overview and trends for Sub-Saharan Africa <p>1.Introduction 2. A brief history of 40 years of conceptualisation and data collection on the informal economy 2.1. Theories and concepts 2.2. Statistical definitions 2.3. Surveys and data collection in a historical perspective 3. Trends and characteristics of the informal economy 3.1. Trends in employment 3.2. Characteristics of the informal economy 3.3. Contribution of the informal economy to GDP References</p>
<p>Volume 3: Policies on the Informal Economy: A Global Review (RNSF 2018a)</p> <p>This volume is an analysis of the main policies and approaches adopted to tackle the informal economy in a development context, with special reference to main actors and players in this field. It</p>

includes an analysis of the policies of key International Institutions. There is special focus on the approaches that the ILO and World Bank developed. The analysis covers Country Assistance Strategy reports and other official documents/programmes of the World Bank and ILO for selected countries of interest. It also includes reports on the practical implementation of the technical support initiatives of CSOs and NGOs.

Introduction

1. Overview of approaches to the informal economy
 - 1.1 Context descriptors: Is there a causal relationship between the informal economy and socio-economic characteristics?
 - 1.2 Empirical versus normative approaches to the informal economy
 - 1.3 Explicit versus implicit focus on the informal economy
 - 1.4 Conclusions
2. General approaches targeting informal economy units and workers
 - 2.1 Taxing informal activities
 - 2.2 Upgrading informal activities within the value chain
 - 2.3 Organising populations dependent on the informal economy
3. Main sectoral approaches of policies designed to tackle the informal economy
 - 3.1 Social protection
 - 3.2 Enhancing technical and vocational skills
 - 3.3 Finance
4. Conclusions

Volume 4.1: Learning from Experience: Good Practices and Lessons Learnt from 33 projects funded by the EU Programme Investing in People launched in 2009 (RNSF 2016a)

This volume provides an analysis of 33 completed EC funded projects that include informal economy and social inclusion actions. The projects were selected under the 2009 EC call for Proposals "Investing in People. Promoting social cohesion, employment and decent work. Support for social inclusion and social protection of workers in the informal economy and of vulnerable groups at community level". The volume includes 17 identified good practices and 10 lessons learned. The analysis is based on materials that DEVCO made available at the beginning of the RNSF project. These include concept notes, project proposals, final narrative reports, interim and final evaluation reports. The good practices and lessons learned are presented within the comprehensive context of the related projects.

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 - 1.1 Summary of Good Practices Identified and Discussed by Main Subject Area
 - 1.2 Summary of Lessons Learned Identified and Discussed by Main Subject Area
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3. Institution and Capacity Strengthening of Informal Economy Support Agencies and Initiatives
4. Linkages between the Formal and Informal Economy: Climbing up the Value Chain
5. Formalising Work in the Informal Economy
6. Occupational Safety and Health (OSH): Implementation in the Informal Economy
7. Entrepreneurship: Capacity Strengthening on Starting, Improving, Growing Economic Activities
8. Social and Behaviour Change Communication (SBCC) and Social Inclusion Promotion
9. Vocational, Education/Skills Training
10. Information Technology (IT) and Enhancing of Livelihoods
11. Micro Finance
12. Strengthening Informal Economy with Attention to Youth and Children
 - 12.1 Supporting Actions on Strengthening Livelihoods and Education of Children and their Families
 - 12.2 Youth Become Agents of Change

Annex 1 - List of 33 Projects Reviewed for Analysis

Annex 2 - Research Matrix Codes

Volume 4.2: Learning from Experience: Recommendations of other Development Organizations (RNSF 2016b)

This volume covers an analysis of good practices and lessons learned extracted from 202 non-EC funded projects. They include 171 mid-term, final, and impact evaluations as well as meta evaluations of large numbers of projects. Projects from Africa, Asia, Latin America and Eastern Europe were reviewed. Funding and implementing agencies of the analysed projects included the ILO, World Bank, USAID, DFID, WFP, UNIDO and FAO. The good practices and lessons learned with their corresponding concrete recommendations are organised in line with the RNSF Research Matrix. The recommendations are related to the following areas: enabling environment; decent work and enterprise growth; direct actions in communities; approaches to enhance livelihoods, equity and social inclusion

Introduction

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 - 2.1 Research Question 1: Enabling Environment
 - 2.1.1 Global and regional strategies for livelihoods with attention to social inclusion
 - 2.1.2 Advocacy Methods on IE legal and policy framework development
 - 2.1.3 Supportive legal frameworks development, adoption and implementation
 - 2.1.4 Identification of relevant policy frameworks and development of appropriate actions
 - 2.1.5 Key elements in policy frameworks identification
 - 2.1.6 Improvement of impact of policy frameworks
 - 2.1.7 Institution and capacity strengthening on IE
 - 2.1.8 Organising informal economy groups
 - 2.1.9 Value Chains and adding value to value chain components
 - 2.1.10 Improving linkages between formal and informal economy
 - 2.1.11 Coordination and sustainability planning
 - 2.2 Research Question 2: Decent work and enterprise growth
 - 2.2.1 Promotion and implementation of decent work
 - 2.2.2 Formalising work in IE
 - 2.2.3 OSH implementation in IE
 - 2.2.4 Environment and sustainable management and the Informal Economy
 - 2.3 Research Question 3: Direct Actions in Communities
 - 2.3.1 Social Behaviour Change Communications (SBCC)
 - 2.3.2 Entrepreneurship: Capacity strengthening on economic activities
 - 2.3.3 Information Technology (IT) and enhancing of livelihoods of people dependent on the IE
 - 2.3.4 Leadership, life skills, empowerment training, literacy/numeracy
 - 2.3.5 Micro finance
 - 2.3.6 Vocational education/skills training
 - 2.3.7 Labour market analysis to determine types of education/training provided
 - 2.4 Research Question 4: Approaches to enhance livelihoods, equity and inclusion
 - 2.4.1 Social dialogue and IE
 - 2.4.2 Social inclusion promotion (awareness raising on social inclusion in IE)
 - 2.4.3 Social protection
 - 2.4.4 Improving food security through enhancing livelihoods of people dependent on IE
 - 2.4.5 Strengthening IE with attention to gender issues
 - 2.4.6 Strengthening IE with attention to youth and children
 - 2.4.7 Strengthening IE with attention to people affected by HIV
 - 2.4.8 Strengthening IE with attention to people with disabilities
 - 2.4.9 Strengthening IE with attention to the elderly

2.4.10 Strengthening IE with attention to migrants, refugees, trafficked persons

2.4.11 Strengthening IE with attention to general or other specific vulnerable groups

Annex 1 – Overview of Criteria for Selection of Good Practice, Lessons Learned and Summary of Research Matrix

Annex 2 – List of References

Volume 4.3: Learning from Experience: Good Practices and Lessons Learnt from 15 projects funded by the EU (RNSF 2017c)

This volume contains an analysis and summary of good practices and lessons learnt from an additional 15 EC funded projects. All of the projects have some relevance to the support of people whose livelihoods depend on informal economy. These projects, although not necessarily primarily or explicitly focused on the informal economy per se, provide valuable insights and linkages to the informal economy and the topics identified in the RNSF Research Matrix. The volume contains the description and analysis of projects and information that link their goals and activities to the IE context. This volume thus looks at the informal economy as a cross-cutting issue within a broader framework of development initiatives. The case studies include a classification of project objectives in line with the RNSF Research Matrix.

Executive summary

1 Summary of good practices and tools

1.1 List of good practices relevant for the IE context

1.2 List of developed tools relevant for the IE context

2 Summary of lessons learnt

2.1 The need to secure cooperation and enforcement from local and national authorities

2.2 The need to establish suitable operational framework and outreach to the beneficiaries in IE and other vulnerable target groups

2.3 The need to take into consideration social interaction, hierarchies and power relations in the targeted communities

2.4 The need to identify the right level of governance and the involvement of right stakeholders to overcome informality

2.5 The need to support association building and use economies of scale

2.6 The need to avoid over-ambitiousness in project design (inspired by the complexity of the IE issues) and to scale down the project activities and to focus on the necessary dimensions that could lead to achievement of the concrete project goals

Introduction

I Methodology and definitions

II Overview of the analysed projects

III Case studies of 15 EC-funded projects

1 Research Question 1: Enabling environment

1.1. Project name: Women in Action and Solidarity against Poverty in Kyrgyz Republic

1.2. Project name: Guiding and Integrating a Sustainable Economic Revitalization of Local Communities Dependent on the long-term Stewardship of Lake Hovsgol National Park

1.3. Project name: Support to SME development in Mongolia

1.4. Project name: Programme d'Appui au Renforcement des capacités du Système d'État Civil du Niger (PARSEC) (Programme of Support to Strengthening the Capacity of Civil Registration System in Nigeria)

2 Research Question 2: Decent work and enterprise growth

- 2.1. Project name: Her Right to Decent Work: Arab and Ethiopian women in secondary schemes of employment in Israel
- 2.2. Project name: Promoting Fundamental Principles and Rights at Work as Tools for Peace in Myanmar
- 2.3. Project name: Engagement Communautaire et Développement Durable (Community Engagement and Sustainable Development, ECDD) 2008-2013
- 2.4. Project name: Handicraft and business through regional integration and fair trade market
- 2.5. Project name: Y CARE International 'Empowering civil society to promote the enhanced socio-economic wellbeing of vulnerable young people in Myanmar'
- 3 Research Question 3: Direct actions in communities
 - 3.1. Project name: Support to Medium and Long Term Needs of Host Communities and Syrian Refugees in Lebanon
 - 3.2. Project name: Building the Productive, Organizational and Commercial Capacities of the Agricultural Sector in Arkhangai Aimag
 - 3.3. Project name: Support the use of remittances for new businesses and jobs creation
- 4 Research Question 4: Innovative approaches to enhance livelihoods, equity and inclusion of people dependent on the informal economy
 - 4.1. Project name: Comprehensive socio-economic development in rural Mongolia
 - 4.2. Project name: SMART Myanmar (SMEs for Environmental Accountability, Responsibility and Transparency)
 - 4.3. Project name: Innovative and 'nutrition-sensitive' Food Security intervention for Improved Nutrition
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 - 2 Lessons learned
- Annex 1 List of summarized projects
- Annex 2 Project Overview Questionnaire

Volume 4.4: Good Practices and Lessons Learned from the Implementing Partners' Projects

This volume contains good practices and lessons learnt from 14 EC funded projects that the CFP 2014 of the thematic programme Investing in People financed. The RNSF team provided various types of support during the implementation of the 14 projects. Support varied depending on the needs and receptivity of the projects. They included technical inputs on inception reports and logical frameworks, baseline surveys, interim reports, final narrative reports and final evaluation reports. In some cases, field visits were also undertaken and technical inputs provided.

Executive Summary

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Main Conclusions and Recommendations Based on Review of Good Practices

Main Conclusions and Recommendations Based on Review of Lessons Learned

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3. Overview Thematic Programme: Investing in People
4. Overview of the Research Network Support Facility Implementing Partners' Projects
 - 4.1 Action Aid - India
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 - 4.3 AVSI, Cote D'Ivoire
 - 4.4 Association de la Jeunesse pour la Promotion des Droits de l'Homme et le Développement (AJPRODHO-JIJUKIRWA), Rwanda
 - 4.5 Coptic Evangelical Organisation for Social Services (CEOSS), Egypt
 - 4.6 Fundación Educación para el Desarrollo FAUTAPO, Bolivia

- 4.7 Gobernación de Antioquia
- 4.8 Oikos East Africa, Tanzania
- 4.9 Oxfam Italia, Haiti
- 4.10 Plan International UK, Tanzania
- 4.11 Save the Children (Fundación Save the Children), Côte-d'Ivoire- Mali – Burkina Faso
- 4.12 OXFAM GB, Kenya
- 4.13 Progetto Mondo MLAL (PMM), Peru, Bolivia
- 4.14 World Vision Australia, Somalia
5. Good practices and lessons learned
- 5.1 Action Aid – India: Securing rights and sustainable livelihoods through collective action and education for people dependent on the Informal economy in India
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Good Practice 2 - Government Recognition of the Invisible Workforce of Women Waste Pickers
- 5.2 ADG (Aide au Développement Gembloux) – Senegal – ORISIS (Offre de Services Intégrés en Milieu Rural pour l'Inclusion Sociale)
Good Practice 1 – Inclusion and Social Protection Model Based on the Provision of Service
- 5.3 AJPRODHO JIJUKIRWA - Rwanda Youth Employability in the Informal economy
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- 5.4 AVSI – Côte d'Ivoire: Integrated project to support the empowerment of artisans of Côte d'Ivoire
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- 5.5 CEOSS – Egypt: Improving Livelihoods of Urban and Rural Poor Women Dependent on the Informal Economy in Egypt
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Good Practice 2 - Empowering women to organise themselves in elected committees and empowering them to practice democracy and to participate in decision-making and claim their economic and social rights.
- 5.6 Fundación FAUTAPO – Bolivia Production with training, an alternative for decent work and social inclusion
Good Practice: Development and introduction of Innovative products to the market
- 5.7 Gobernación de Antioquia (Colombia) Generation of skills to access employment and entrepreneurship in order to reduce poverty, social exclusion and the risks of the Informal economy
Good Practice 1: Relevant Technical Training for 1,500 people from the Urabá region.
Good Practice 2: Diploma of Initiation to the World of Labour and Life Skills
- 5.8 Progetto Mondo MLAL – Bolivia/Peru A model for the formalisation of rural workers in situation of precarious work, of the coffee value chain of Peru and Bolivia
Good Practice: Vocational training and promotion of Rural Entrepreneurship Associated with Coffee

- 5.9 Oikos - East Africa, Tanzania Investing in Maasai women for improving rural community wellbeing
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Good Practice 2: The empowerment cycle
Good Practice 3: South-South exchange
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- 5.10 Oxfam GB – Kenya Promoting livelihoods and inclusion of vulnerable women domestic workers and women small scale traders
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Good Practice 2 - Using social media to advocate for rights of women domestic workers and women small scale traders
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- 5.11 Oxfam IT - Haiti Economic and social inclusion of marginalized, vulnerable and persons dependent on the informal economy, particularly women from cross-border trade zones in Haiti
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- 5.12 Plan International UK- Tanzania Partnership to enhance livelihoods and social inclusion of marginalised young people dependent on the informal economy
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Volume 5: Extending Coverage. Social Protection and the Informal Economy. Experiences and Ideas from Researchers and Practitioners (RNSF 2017b)

This volume presents the results of the Social Protection Regional Workshop held in Kenya. The book has been elaborated through the **writeshop** methodology, an innovative approach that allows a group of participants – in this case researchers, policy makers and practitioners- to present their experiences to their peers, receive feedback, and write up their main results and lessons. The book is composed of 198 pages containing recommendations, innovative ideas and approaches on Social Protection from the perspective of the Informal Economy, trying to answer the question: “How to promote social inclusion for informal workers?” The book has the title: *Extending coverage: Social protection and the informal economy. Experiences and ideas from researchers and practitioners*

Foreword

Preface

Acknowledgements

Introduction

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5.2 Overcoming marginalisation

6. Key future directions

References

Contributors

Participants' profiles

Volume 6: Organizar a los trabajadores de la economía informal: estrategias de fortalecimiento y acción colectiva (RNSF 2018c)

This volume presents the results of the second Regional Workshop implemented in Lima, Peru from 4 to 8 December 2017. The subject of this workshop was on the issue of Organising and Mobilizing workers in the Informal Economy. The workshop was implemented using the *writeshop* methodology as for the first book. Participants coming from different stakeholders (researchers, CSO, public authority, ILO, development experts) shared good practices and lessons learned in view of supporting decision-making process of donors and public institutions.

Prefacio

Reconocimientos

Colaboradores

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1. De la economía informal a la exclusión social

1.1 Definir la economía informal

1.2 Economía informal, desigualdad y exclusión social

1.3 Formas de exclusión social y desigualdad en el ámbito de la economía informal

2. La transición de la informalidad a la formalidad

2.1 Contexto económico y laboral

2.2 Tendencias de la informalidad

2.3 Estrategias para promover la formalización desde la OIT

3. Fortalecimiento de trabajadores informales y acción colectiva

3.1 El modelo de organización inspirado en la acción de SEWA y WIEGO

3.2 Organizándose hacia el apoyo a las comunidades

3.3 Conclusiones de los grupos de trabajo

II. ANÁLISIS POR PAÍS

1. Bolivia

1.1 Resumen sobre el contexto boliviano

1.2 Contexto socioeconómico y economía informal

1.3	Contexto normativo
1.4	Casos de fortalecimiento, acción colectiva y transición de la informalidad a la formalidad
1.5	La experiencia de la Fundación Educación para el Desarrollo - FAUTAPO
1.6	Referencias bibliográficas
2.	Perú
2.1	Puntos salientes que surgieron de los participantes
2.2	Economía informal y transición a la formalidad
2.3	Fortalecimiento, acción colectiva y transición de la informalidad a la formalidad
2.4	La experiencia de ProgettoMondo MLAL
2.5	La experiencia de la Fundación Educación para el Desarrollo - FAUTAPO
3.	Colombia
3.1	Introducción
3.2	Contexto socioeconómico y economía informal
3.3	Contexto normativo para la transición de la informalidad a la formalidad
3.4	Casos de fortalecimiento, acción colectiva y transición de la informalidad a la formalidad
3.5	Buenas prácticas
	Bibliografía
4.	Haití
4.1	Puntos salientes que surgieron de los participantes
4.2	Buenas prácticas
	Bibliografía

2 Informal Economy Support Facility on Capacity4Dev: a Community of Practice

Capacity4dev is the European Commission's knowledge sharing platform for development cooperation created and managed by the Directorate General for International Cooperation and Development (DEVCO).

Capacity4Dev aims to improve capacity development through the creation of on-line groups and communities of practice for learning, knowledge-exchange, and experience sharing.

The RNSF created the "Informal Economy Support Facility (IESF)" group on Capacity4Dev in March 2015. The purpose was to collect good practices, lessons learned, tools and guidelines from practitioners working to improve the condition of informal workers from around the world.

The IESF group dedicated a special focus to 17 projects financed by the restricted Call for Proposals EuropeAid/135181/C/ACT/Multi under the Thematic Programme "Investing in People": "Empowerment for better livelihoods, including skills development and vocational education and training, for marginalized and vulnerable persons and people dependent on the informal economy". The projects, coordinated by NGOs, Local and regional authorities (Implementing Partners: IPs) from 14 countries in Africa, Asia, Latin America and the Caribbean, have been supervised and supported by the RNSF team throughout their implementation: their results, good practices and lessons learned have been collected and disseminated through the IESF group.

The IESF Group is composed of **three sections** corresponding to different functions that are available on the Capacity4Dev platform:

- **Wiki:** Is the “Home page” of the group. This section is composed of sub-pages, each containing texts presenting the RNSF project and its team, as well as the implementing partners (IPs), their projects and results. The “Wiki” section contains all the outputs that the RNSF team produced. This includes: 5 volumes of research, a series of 15 thematic briefs and five webinars on topics related to the informal economy.
- **Discussions:** a “blog” section containing short news and posts on themes of interest for the group.
- **Library:** a section containing 480 documents on the themes of interest for the “IESF” working group. All are indexed and organized in relation to the specific sub-topics of focus.

The RNSF moderator constantly updates the IESF on the basis of the users’ inputs. Up to November 27, 2018, there were 186 members in the IESF group. All 17 RNSF implementing partners are represented in the platform with at least one member.

3 RNSF Management Information Tool

A further group was created on the Capacity4Dev platform and organized as a “Management Information Tool” (MIT) where all the knowledge, the good practices and recommendations on the informal economy produced by the RNSF research, are collected and presented.

The “RNSF Management Information Tool” is an open on-line group whose content is available for consultation (<https://europa.eu/capacity4dev/rnsf-mit>) and organized in the following sections:

- **Defining the Informal Economy** illustrating key concepts, definitions, characteristics and trends of the Informal Economy and related topics
- **Recommendations** elaborated on the basis of the analysis of 200 evaluations implemented international development agencies working on the topic of the Informal Economy.
- **Good practices and lessons learned** arising from the projects supervised by the RNSF team as well as from other projects on the informal economy funded by the European Commission and other funding institutions worldwide.
- **Policies and Approaches addressing the Informal Economy**, presenting a review of policies designed to tackle the informal economy with special reference to major actors in the field (governments, international organisations and donors).
- **A Library** containing 259 selected documents including: reports, evaluations, good practices and lessons learned from the 17 RNSF Implementing Partners and from other projects on the Informal Economy funded by the European Commission and other donors worldwide.

4 RNSF e-learning on Devco Academy

To facilitate access to the complex set of research volumes produced by the RNSF team: key contents were extracted from the volumes and organized in the form of an **E-learning Course**. The E-learning

Course is meant to be a self-instruction training course composed of 3 learning modules, tackling the following topics:

- Defining the Informal Economy
- Policies and approaches tackling the informal economy
- Guide to access research material on the Informal Economy.

The “RNSF e-learning course” will be accessible on “DEVCO Academy” as a whole for trainees who are interested in all the topics presented or, alternatively, by selecting one or more learning objects according to their specific interests. Each learning object has an estimated duration of 1 hour maximum for a total duration of the e-learning course of 3 hours.

Each learning object is composed of several video slides where information is presented at 3 levels:

- Video slide with key information to be explored quickly
- Interactive areas of the video slide with information and content available via pop-up text, and infographics
- More in-depth content available for readers who want to dedicate more time to specific topics (articles, background material, case studies, good practices, etc) accessible via links to external resources.

5 Webinars

To disseminate the results of its research the RNSF team realized a series of 5 webinars dedicated to the Informal Economy. The webinars were named “#InformalTalks” and were held between June and December 2018: a recorded version of the webinars can be consulted in the IESF group at the links provided on following. The webinars were focused on the following topics:

- [#InformalTalks Webinar 1 – June 2018: Defining the Informal Economy: What is it? Where does it come from? Why is it growing?](#)
- [#InformalTalks Webinar 2 – July 2018: How to tackle the Informal Economy? Key policies and approaches](#)
- [#InformalTalks Webinar 3 - October 2018: Informal Economy and Social Protection - How to extend social protection to informal workers?](#)
- [#InformalTalks Webinar 4 - October 2018: Informal Economy and Organization of informal workers - Organizing and mobilizing informal workers](#)
- [#InformalTalks Webinar 5 on 6 December 2018 at 11 am \(CET\): Good practices on the informal economy - Good practices and recommendations extracted from projects funded by the EU programme Investing in people](#)

II STRUCTURING CONCEPTS, DIMENSIONS AND THEMATIC PILLARS TO TACKLE INFORMAL ECONOMY, AS IDENTIFIED BY RNSF RESEARCH

1 The Informal Economy

1.1 The informal economy is not the ‘underground’ or ‘shadow’ economy

The informal economy has inspired many zoological metaphors. It’s been compared to:

- A giraffe: difficult to define, but easy to recognise (Hans Singer)
- A unicorn: many definitions, but nobody has ever seen one (Bruno Lautier)
- An elephant: too big to be ignored and left to itself (Mead and Morrisson)
- A chameleon: changing its colours whenever the institutions or rules are not convenient for it (Charmes)

The informal economy is often and wrongly mistaken for the underground or shadow economy. Informal workers do not operate in the moonlight, but in the open sun. In Kenya, the informal operators are called ‘Jua Kali’, which means ‘under the burning sun’. Informal sector activities are not necessarily performed with the deliberate intention to avoid rules

1.2 The definition of the informal economy by the ILO: the Recommendation 204

In 2015 the ILO adopted the Recommendation 204¹ concerning the transition from the informal to the formal economy. In this document, the term “informal economy”:

- refers to all economic activities performed by workers and economic units that are – in law or in practice – not covered or insufficiently covered by formal arrangements
- does not cover illicit activities.

“Economic units” in the informal economy include:

¹ https://www.ilo.org/ilc/ILCSessions/104/texts-adopted/WCMS_377774/lang--en/index.htm

- units that employ hired labour
- units that are owned by individuals working on their own account, either alone or with the help of contributing family workers
- cooperatives and social and solidarity economy units.

1.3 What is the Informal Economy?

For practical purposes, a statistical definition of Employment in the Informal Economy was adopted in two steps:

- Definition of employment in the informal sector elaborated by the ILO in 1993².
- Definition of informal employment elaborated by the ILO in 2003³.

$$\text{Employment in the Informal Economy} = \text{Employment in the informal sector} + \text{Informal employment outside the informal sector}$$

That is, the informal economy is comprised of workers who are active in the informal sector as well as those who are informally employed in other ways such as those employed in formally registered enterprises and agencies.

1.4 Focus on the informal sector

The informal sector is comprised of individual unregistered micro-businesses employing less than 5 unregistered workers. All workers of these individual enterprises (including the owner) belong to the informal sector

The informal sector includes the following types of workers:

- Workers operating in fixed premises (tailors, seamstresses, potters, furniture makers, mechanical repairers, hairdressers, as well as trade shops that pre-existed legal frameworks, positive laws and regulations conveyed by modernisation and globalisation)
- Mobile workers (street vendors, home-based workers, construction or transport workers, or other mobile workers, working for own account).

²https://www.ilo.org/global/statistics-and-databases/standards-and-guidelines/resolutions-adopted-by-international-conferences-of-labour-statisticians/WCMS_087484/lang--en/index.htm

³https://www.ilo.org/global/statistics-and-databases/standards-and-guidelines/guidelines-adopted-by-international-conferences-of-labour-statisticians/WCMS_087622/lang--en/index.htm

1.5 Focus on informal employment

- Informal employment is comprised of all workers (paid or self-employed) who do not benefit from social protection and/or are not contributing to social protection.
- Most informal sector workers are in informal employment, but so are:
 - domestic workers who do not fully benefit from their rights (in particular, social protection)
 - workers in the formal sector who do not fully benefit from their rights (in particular, social protection)
 - producers of goods for own final use (in particular, subsistence farmers).
- Examples of persons working in informal employment outside the informal sector include: undeclared workers in formal firms, sub-contracted workers working from their homes or through intermediaries within the premises of formal firms.

1.6 Origins and characteristics of informal employment

- The growth of informal employment in formal firms originates in the rapid increase of the labour externalisation process and in the increasing number of outworkers, home-based workers and precarious jobs sub-contracted by formal firms.
- These informal workers are often characterised by decent work deficits, such as:
 - No labour contract
 - No access to social protection
 - Low salary (with often resulting low productivity)
 - No voice and no trade-unions to represent them.
- Due to limited access to training opportunities, women are often more represented within informal employment in the formal sector category.

1.7 Agriculture and the informal economy

The informal economy includes farmers. However, the most common and recommended indicator for the measurement of employment in the informal economy does not include work in agriculture.

Why is an indicator based on non-agricultural employment preferred?

- In countries where agriculture occupies the majority of the labour force, employment in the informal economy including agriculture results in a figure above 90% and changes over time may not be visible.

- The trend in informal employment may remain hidden by the dramatic flows of rural-urban migrations. An indicator based on non-agricultural employment makes these changes more visible.

2 Trends and Characteristics

2.1 The Informal Economy: Trends and Characteristics

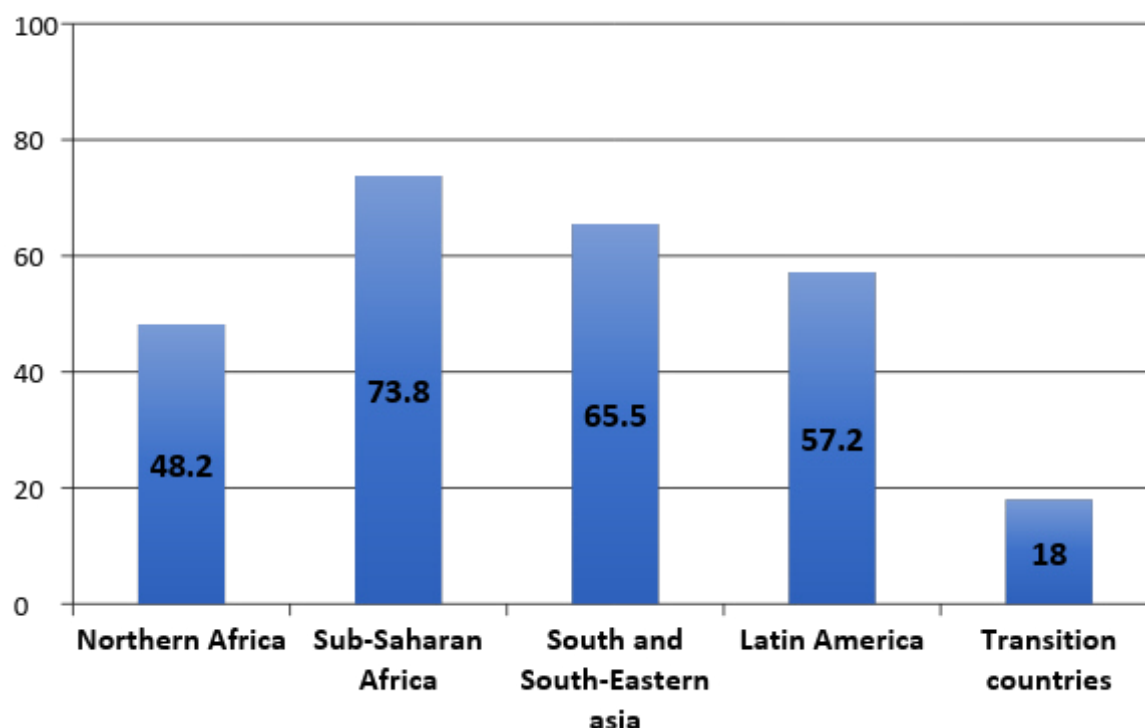
Today, estimates and trends about informal employment and the informal sector exist for many countries, sometimes covering long periods. Yet, systematic and comprehensive comparisons worldwide remain difficult for at least two reasons:

- The harmonisation of concepts at the international level is far from being reached
- The two concepts of informal sector and informal employment are neither mutually exclusive (and as such not additive), nor is the latter inclusive of the former. That is, informal employment does not include the informal sector in totality. This is why statistics of informal employment and informal sector employment are generally presented separately.

With regards to the data presented here, we have opted for a definition of employment in the informal economy as comprising employment in the informal sector and informal employment outside the informal sector (the latter category as related to the unprotected workers in the formal sector and the unprotected domestic workers in the households).

2.2 The informal economy: how big is it in terms of employment?

Figure 1. Share of employment in the informal economy in total non-agricultural employment



Source: Charnes Jacques (2012) 'The informal economy worldwide: trends and characteristics', Margin - The Journal of Applied Economic Research, 6:2 (2012): 103-132 Updated.

A recent ILO (2018) estimate shows that the informal economy provides employment to 61.2% of the global labour force (2 billion people) and 50.5% without including agriculture⁴.

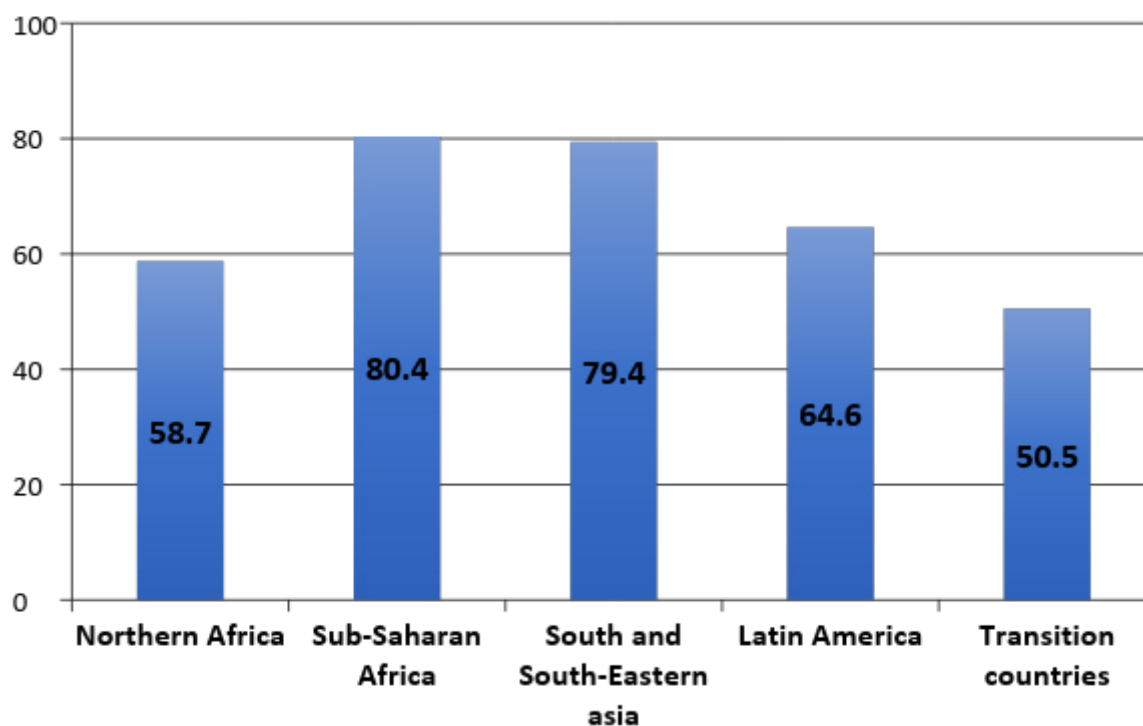
More specifically, as shown in the graph, employment in the informal economy accounts for 73.8% of non-agricultural employment in sub-Saharan Africa, 65.5% in Southern and South-Eastern Asia, 57.2% in Latin America, 48.2% in Northern Africa and 18% in transition economies of Eastern Europe and Central Asia⁵.

⁴<https://europa.eu/capacity4dev/iesf/document/informal-economy-worldwide-trends-and-characteristics-jcharmes-2012>

⁵ https://www.ilo.org/global/publications/books/WCMS_626831/lang--en/index.htm

2.3 The informal economy: What is the percentage of the informal sector in the informal economy?

Figure 2. Proportion of informal sector in non-agricultural employment in the informal economy



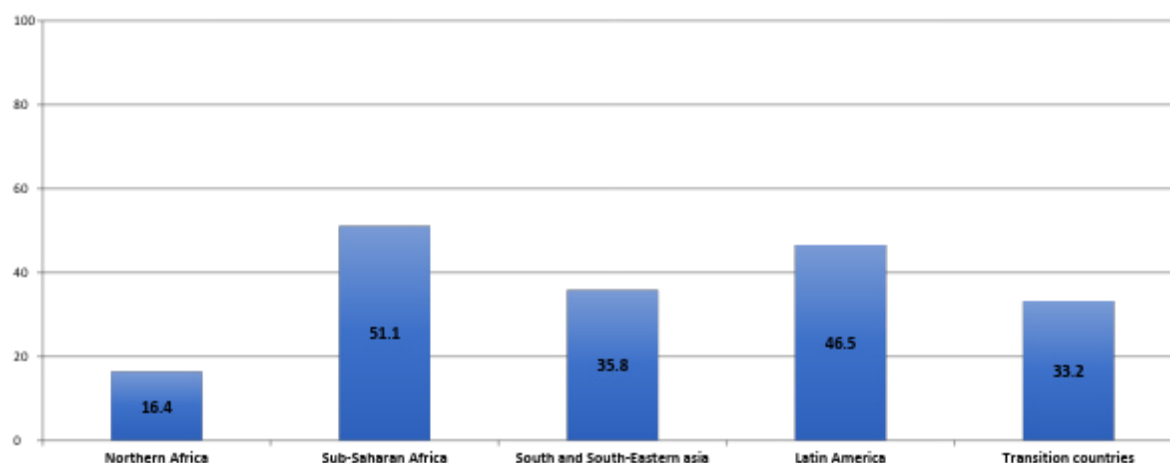
Source: Charmes Jacques (2012) 'The informal economy worldwide: trends and characteristics', Margin - The Journal of Applied Economic Research, 6:2 (2012): 103-132 Updated.

Informal sector micro-businesses represent 80% of non-agricultural employment in the informal economy in sub-Saharan Africa and Asia against 60-65% in Latin America and the Middle East North Africa and 50% in transition economies⁶.

⁶ <https://europa.eu/capacity4dev/file/71645/download?token=h6oU4ePV>

2.4 The informal economy: Women's share in informal employment

Figure 3. Proportion of women in the informal economy by region in 2005-2010



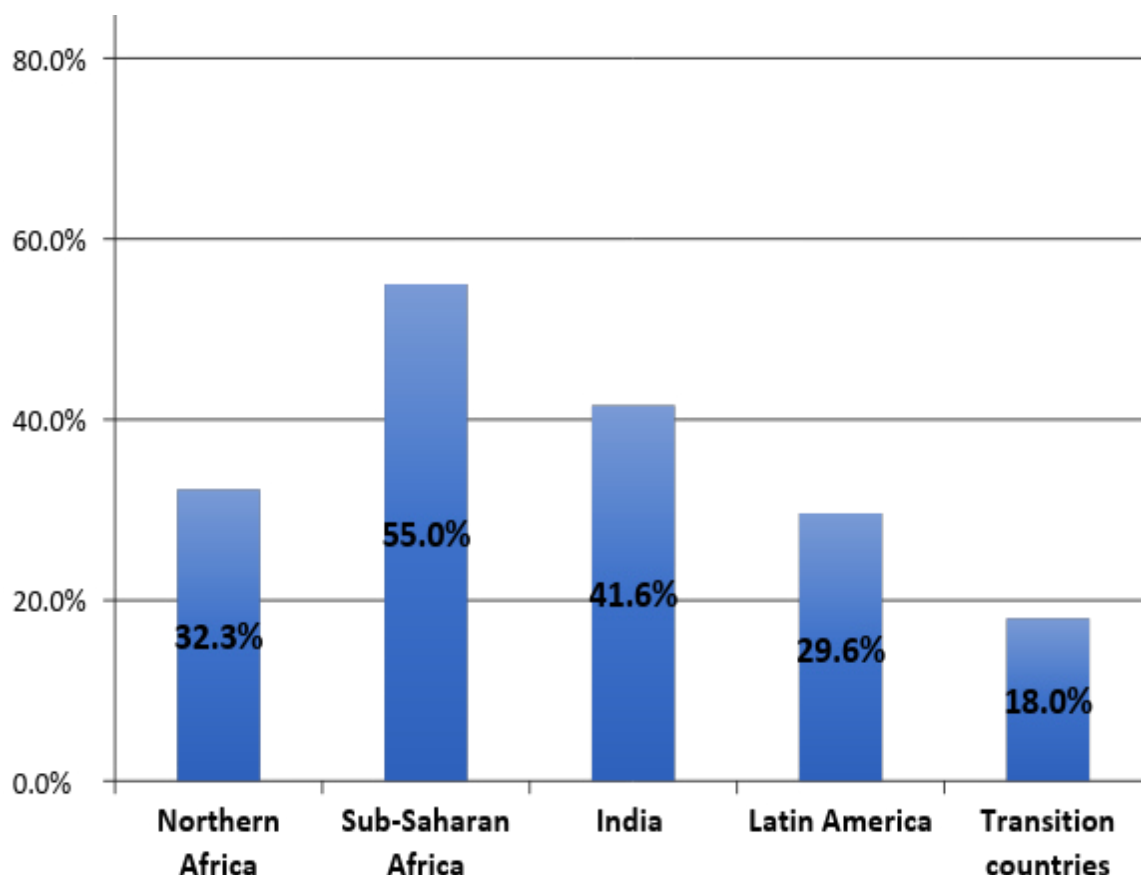
Source: Charmes Jacques (2011). A worldwide overview of trends and characteristics of employment in the informal economy and informal sector from a gender perspective.

In sub-Saharan Africa, women account for more than half of the total non-agricultural employment in the informal economy. The number drops a little in Latin America, and hardly reaches 16% in the Middle East/North Africa⁷.

⁷ <https://europa.eu/capacity4dev/file/71645/download?token=h6oU4ePV>

2.5 How big is the contribution of the informal economy to GDP?

Figure 4. Proportion of informal economy contribution to the GDP



Source: Our compilations of UN (2015) and national sources for Africa⁸.

There are still many difficulties in calculating the magnitude of the informal economy in this area

A calculation which takes in consideration only the economic units of informal sector allows measuring its contribution to GDP as part of the household sector

Informal employment outside the informal sector (informal workers in the formal sector, domestic workers, subsistence producers) is, however, rarely measured as a component of GDP. It is indirectly taken into account by residual balance.

⁸ <https://europa.eu/capacity4dev/file/71645/download?token=h6oU4ePV>

2.6 Is there an informal economy in developed countries?

- In developing countries, the informal economy is recognised as an acknowledged part of the economy that is commonly unregistered either because of the inability of the state or of the inadequacy of the legislation.
- In developed countries (and, to some extent, in transition economies), the informal economy is assimilated to illegal work, **or undeclared work**.

For example, it is estimated that in the EU, undeclared work represents 7.7% of total employment, varying from 1.7% in the United Kingdom to 14.6% in Poland. The EU has actually taken policy measures to address the phenomenon through the creation of a European Platform tackling undeclared work⁹

2.7 The informal economy: Is it growing?

Is there empirical evidence of growth in the long term?

- In absolute numbers, the informal economy has been growing continuously
- Since 2005-09 and up to 2010-14, data shows an increasing trend of employment in the informal economy (as a share of non-agricultural employment) in sub-Saharan Africa

In the other regions, the trends seem downward-oriented¹⁰.

3 Overview of policies designed to tackle the informal economy

3.1 Overview of Approaches:

The Implicit Approach

- Many policies and measures that affect the informal economy are not specifically designed to focus on it. Their effects are often implicit and can be understood as externalities of the policy measures, rather than their primary focus.
- Such policies focus on a variety of goals, including a major role in poverty reduction. Since the informal economy is strongly linked to the developing world and poverty, it is implicitly targeted through such channels.

The Explicit Approach

- Although the informal economy is increasingly tackled by the international community through various projects and programmes, only a few international organisations and donors have developed an official approach to the issue.

⁹ <http://ec.europa.eu/social/main.jsp?catId=1322&langId=en>

¹⁰ <https://europa.eu/capacity4dev/file/71645/download?token=h6oU4ePV>

- Among actors in the field, the ILO is the only major international organisation that has developed several official documents describing its position towards the informal economy and provides normative advice.

The Rights-Based Approach vs the Business-Minded Approach

- The right to decent work is the explicit objective of the ILO approach based on the fundamental principles and rights at work, as well as the social protection floors
- The business-friendly approach is the implicit objective of the World Bank approach based on enabling legal and institutional environments.

However:

- since the origin the ILO has also pursued objectives toward the support of micro-businesses, handicrafts and self-employment
- recently also the World Bank has moved toward universal social protection floors.

3.2 The ILO Approach to Informal Economy

Given its focus on labour standards, social protection, employment, and social dialogue, the ILO has long developed a specific approach towards the issue of informal economy, that includes:

- the Decent Work Agenda¹¹ - focusing on qualitative aspects of work, and it is oriented towards active “working out of poverty“
- the Recommendation 202¹² - concerning National Floors of Social Protection
- the Recommendation 204¹³ - concerning the transition from the informal to the formal economy

With its rights-based approach, ILO has been inspiring the way many other donors and international organizations, including the EU, address informal economy.

3.3 The EU approach to Informal Economy

- The **partnership with the ILO**¹⁴, the adoption of the Decent Work Agenda and the ILO Recommendation No 204-2015 guide the EU’s external aid strategies in the field of the informal economy, with a **focus on employment**¹⁵ in terms of decent jobs, core labour standards and social protection.

¹¹ <https://www.ilo.org/global/topics/decent-work/lang--en/index.htm>

¹² https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:R202

¹³ https://www.ilo.org/ilc/ILCSessions/104/texts-adopted/WCMS_377774/lang--en/index.htm

¹⁴ a) <https://publications.europa.eu/en/publication-detail/-/publication/e3f73ec1-437b-11e8-a9f4-01aa75ed71a1/language-en>

b) http://www.ilo.org/wcmsp5/groups/public/@europe/@ro-geneva/@ilo-brussels/documents/publication/wcms_195135.pdf

¹⁵ a) <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52006DC0249&from=EN>

b) <http://ec.europa.eu/transparency/regdoc/rep/1/2012/EN/1-2012-446-EN-F1-1.Pdf>

c) <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P6-TA-2007-0206+0+DOC+XML+V0//EN>

- Recognizing its potential in terms of job creation, especially for the poorest and for vulnerable groups, an emphasis is also on the need to **increase productivity**¹⁶ of the informal sector, to be achieved promoting access to skills development and finance, and supporting private sector development.
- In the **EC's development programmes**¹⁷, the informal economy is mostly treated as a cross-cutting issue within poverty eradication strategies, where “employment” is considered as the “bridge” between growth and development.
- EU's long-term final objective is the gradual **transition**¹⁸ from the informal to the formal economy, without the benefits of the informal economy in terms of employment opportunities being jeopardized.
- Recognizing decent work as a priority to achieve SDGs, the **New European Consensus on Development**¹⁹ states that the EU will continue to support decent employment both in formal and informal sector, and to promote the transition from informal to the formal economy.

3.4 The World Bank approach to Informal Economy

- An example of unofficial but strongly institutionalised approach to policy formulation on the informal economy is the World Bank
- Overregulation, excessive bureaucracy, impact of labour regulations, too generous fiscal policies, complicated tax and tariff systems, lack of transparent property rights, or lack of business freedom are the major causes of informality: Labour market flexibility and business deregulation are therefore the two main orientations of policies recommended by the Bank.
- Such arguments have been popularised by the Peruvian economist Hernando de Soto in his books «The other path» and «The mystery of capital» where he explains that the procedures for creating a business may vary from several months or even years in some developing countries, to a few days or even hours in some developed countries, and also that small informal entrepreneurs could assert collaterals such as houses or buildings, if only they were recognised but they can't obtain the ownership certificates.
- Consequently, the creation of an enabling environment by reforming the legal and institutional framework is a major prerequisite for the World Bank.

d) http://trade.ec.europa.eu/doclib/docs/2005/april/tradoc_122339.pdf

¹⁶ https://ec.europa.eu/europeaid/sites/devco/files/swd-promoting-empl-through-eu-dev-coop-0495-2007_en.pdf

¹⁷ a) <https://ec.europa.eu/europeaid/sites/devco/files/regulation-dci-2014-2020-en.pdf>

b) https://ec.europa.eu/europeaid/sites/devco/files/mip-gpgc-2014-2017-annex_en.pdf

c) https://eeas.europa.eu/sites/eeas/files/cso_la_mip_cso_la_2014_2020_en.pdf

d) https://www.africa-eu-partnership.org/sites/default/files/documents/eas2007_joint_strategy_en.pdf

e) https://ec.europa.eu/europeaid/regions/africa/continental-cooperation/pan-african-programme_en

f) https://ec.europa.eu/europeaid/sites/devco/files/strategy-paper-investing-in-people-2013_en.pdf

g) https://ec.europa.eu/europeaid/sites/devco/files/strategy-paper-investing-in-people-2013_en.pdf

¹⁸ https://ec.europa.eu/europeaid/sites/devco/files/swd-promoting-empl-through-eu-dev-coop-0495-2007_en.pdf

¹⁹ https://ec.europa.eu/europeaid/sites/devco/files/european-consensus-ondevelopment-final-20170626_en.pdf

- Social protection and labour strategy have more recently become pillars to reduce poverty and promote inclusive growth: the protection of core labour standards must go together with a sound balance between protection and competitiveness: «Flexicurity» remains the key word for the Bank.

3.5 The Swedish International Development Agency (SIDA) approach to Informal Economy

- As early as 2003, when it published its report on “Making Market Work for the Poor” as part of its Private Sector Development Programme, SIDA suggested that an operational approach towards the informal economy should:
 - Ensure that projects targeting informal economy actors either directly or indirectly include a differentiated target group analysis in order to identify which intervention areas would generate the greatest impact;
 - Re-assess existing projects that target groups belonging to the informal economy in order to increase effectiveness and impact and to avoid any negative effects;
 - Exchange views with other donors on matters related to the design, implementation and evaluation of informal economy programmes and projects and on how to best support informal enterprises in order to gradually integrate informal economic units into the informal economy.
- The informal economy is thus integrated as a cross-cutting issue under its private sector development strategy and policies, topically attached to the poverty reduction and other related goals.

4 General Approaches

- Today policies and measures addressing the informal economy mostly take place within Recommendation 204 on formalising the informal economy that was unanimously adopted by the 2015 International Labour Conference
- This recommendation is a balanced set of incentives and coercive obligations—of carrots and sticks—that takes the diversity and heterogeneity of the informal economy into consideration.
- As already stated, the informal economy is comprised of:
 - The small economic units of the informal sector: own-account workers and informal employers of micro-businesses and their dependent workers (1/2 to 3/4 of total)
 - The informal employees of formal firms, be they directly contracted but without any formal rights in terms of social protection, or sub-contracted
 - The informal domestic workers of the households

- Policies addressing the informal economy are obviously different for each of these 3 components
- Depending on countries and regions, the focus is primarily put on the “fight against illegal work” (informal employment in the formal firms) or on the promotion-transition of micro-businesses and their dependent workers
- As to domestic workers, they require specific measures provided they are one of the last categories of workers to continue to be ignored by labour laws in a number of countries.

Commonly carried out by governments, the general approaches include:

- Coercive and incentive approaches: **taxing the informal activities**
- Comprehensive approach: **upgrading the informal activities within the value chain**
- Approach from within: **organising the populations dependent on the informal economy.**

4.1 Taxation approach for informal micro-businesses

To ensure that informal micro-businesses pay taxes, governments can devise a tax policy with the following characteristics:

- a unique, all inclusive, presumptive or synthetic tax
- based on clear and objective characteristics: for example, area in square meters of the activity, electricity consumption
- de-linked from the number of workers
- to be collected by a unique institution or department (tax authority or social security)
- inclusive of social contributions

With regard to formal firms that employ informal workers, a mix of controls and tax incentives can be put in place:

- actions to prevent formal firms from hiring informal workers, as well as from falling back into the informal economy
 - improving the registration and matching data available on formal firms
 - strengthening and coordinating controls between fiscal, labour and social security administration
- remedial or direct actions
 - partial amnesties for under-reporting firms that formalise workers
 - tax deductions for households declaring their domestic workers

4.2 The Value Chain Analysis and its Relationship with the Informal Economy

The conceptual framework to upgrade value chains for the informal economy is oriented towards:

- **sub-contracted home-based workers** who need support to access more decent work conditions. Action is oriented towards reinforcement of corporate social responsibility, making large companies accountable for the working conditions of the workers they hire, even indirectly through sub-contracting
- **own-account workers and smallholders** who need to widen their markets and process their products to increase their share of the value chain. Access to international markets may provide a favourable environment for the development of new businesses, innovative processes, and better working conditions.

Providing capital, inputs and skills for income-generating activities is not enough: it is essential to ensure that they are not condemned to fade away due to the lack of commercial opportunities.

4.3 Organising: the approach from within

Because of their working conditions (home-based / mobile / outside the firms' premises) informal workers have no opportunities to meet regularly. It is thus important to support them in organising in order to give them voice and agency. Traditional existing community-based organisations are a good starting point.

Although primarily dedicated to the cause of poor women, two institutions have become major actors in organising informal workers:

- SEWA (Self-Employed Women Association - <http://www.sewa.org/>), founded in 1970
- WIEGO (Women in Informal Employment: Globalizing and Organizing - <http://www.wiego.org>), founded in 1997.

Organising should be considered when tackling the informal economy because it is key to informal workers':

- Being taken into account as players in value chains
- Gaining visibility and a voice to have their rights recognised
- Gaining self-esteem and confidence when facing public authorities
- Extending social protection
- Gaining access to financing opportunities

5 Sectoral Approaches

Sectoral approaches are valid for both governments and grassroots organisations, and include:

- Extension of social protection
- Skill enhancement (through VET system)
- Access to credit

5.1 Extension of Social Protection

The importance of Social Protection extension

- Since the lack of social protection is the defining element for informal workers, the extension of social protection plays a central role in the transition to formal economy.
- Universal health coverage and social protection are salient in the SDGs

Social Protection includes:

- Social assistance: provided by governments, financed through taxes. Generally, though not always, targets poor and vulnerable populations - safety nets.
- Social security: based on workers' contributions (paid by employers and their employees, as well as the self-employed). Provides benefits to workers and all their entitled family members who are inactive and therefore dependent.

The two main ways of dealing with social protection systems

- The State may provide social protection by:
 - Including social contributions into a unique tax, collected by a unique institution
 - Organising informal workers communities to raise awareness around the benefits of social protection, and to collect contributions. At the same time the staff working in social security institutions should become aware of the fact that they are helping workers gain important benefits.
- Social security systems can be provided by:
 - Organising informal workers to raise awareness around the benefits of social protection
 - Relying on mutual funds to ensure health coverage adapted to the population
- A major issue, beyond sensitization of the populations, is to ensure the collection of regular contributions
- Good practices can consist of:
 - Combining the payment of social contributions with the (daily, weekly, monthly) collection of savings in community groups and use a part of savings to contribute to professional mutual funds

- Combining the payment of social contributions with the regular payment of a necessary input for the profession (seeds, fertilisers, gas, equipment)

5.2 Skills enhancement

- Informal workers often lack theoretical background. Youth trained in Vocational Education and Training (VET) formal systems, however, often lack practical experience and management skills.
- People working in the informal economy who are eager to transit to the formal economy often struggle to gain formal recognition of the skills they have acquired through experience.
- Many of those learning a craft on the job are more formally educated than their masters. Consequently, the status of apprentice has changed: apart from learning through observation, trainees demand to access theoretical knowledge to strengthen their practice.

Priorities to enhance the skills of workers in the informal economy include:

- Recognition and upgrading of skills developed in the informal economy
- Training of informal trainers
- Upgrading of informal apprenticeship schemes (so that they are not locked in the informal economy)
- Access to higher-level skills training to improve the performance of informal workers

Formal and informal VET schemes enabling learners to develop entrepreneurship and start-up businesses.

- One of the advantages of work-based learning or apprenticeships is that the transition from learning to work is facilitated thanks to:
 - a better understanding of the workplace culture;
 - the acquisition of a good proficiency in all dimensions of the craft (not only technical skills, but also entrepreneurial).
- The drawback is that apprenticeships often hide poor wages and work conditions, as well as a lack of basic occupational health and safety conditions. This situation indicates that there is a gap that needs to be addressed in the form of field projects to accompany young apprentices who work in the informal sector.

5.3 Access to credit

- Micro-finance is defined as a set of financial services such as savings, micro-credit, insurance, money transfer, adapted to the needs of low-income and poor persons (especially those who do not have bank accounts).

- Micro-credit is not a usual loan, it is most often combined with other elements: the borrower benefits from tips that will help him use the borrowed money in the best way, among others: how to keep accounts, calculate a cost, comply with regulations, and choose a particular approach or a project.

III SYNOPSIS OF THEMATIC PILLARS

Volumes 4.1 to 4.4 of the RNSF series refer to good practices and lessons learnt from a variety of projects funded by the EU or other major multilateral or bilateral donors or from a variety of national policies conducted in various countries in various regions.

The global policy review, which is included in RNSF 2018a of the series, makes use of many of these good practices and lessons learned through six major policy approaches or thematic pillars of analysis:

- general approaches: taxation, value chain and organising
- sectoral approaches: social protection, skills enhancement and credit

All these approaches or pillars correspond to topics of the research matrix that was used to conduct the analysis of GP and LL.

The following table cites the main projects and related GP and LL that have been used in the global policy review and the sections of the volume where they have been mobilised across the six approaches or thematic pillars. It also indicates in which of the 4 volumes of the corpus of GP and LL (Volumes 4.1 to 4.4) the details and the context of the related projects can be found.

RNSF 2017b and RNSF 2018c specifically address two of the above six thematic pillars, namely Social Protection and Organising.

Table 2a. General approaches

Topics	Policies review	Project Level
Taxation	Volume 3 section II 1. Taxing the informal activities is a main concern for governments aiming to increase their revenues. It is not an entry of our research matrix provided that development projects are not concerned with this type of issues.	At project level, there can be a connection between the collection of taxes and the collection of social contributions
	Burkina Faso, Argentina, Brazil for unique, presumptive, all inclusive tax.	
	Algeria for voluntary tax compliance.	
	Brazil, Argentina, Chile, Costa Rica, China, Greece, Slovakia and Portugal for tax lotteries on VAT.	
Value Chain	Volume 3 section II 2. Increasing the share of informal activities within the overall production of value chains is a major approach of policies oriented toward the transition from the informal to the formal economy. It is also an opportunity for holistic approaches of the issue	
	Volume 3 section II 2. Vietnam Contract farmers Ethiopia Milk and dairy value chain	
	Volume 3 section II 2. Côte d'Ivoire Katiola Cooperative of potters (AVSI)	Volume 4.4 section 5.4 AVSI – Côte D'Ivoire - Integrated project to support the empowerment of artisans of Cote d'Ivoire. The project tried to expand the sales beyond the local traditional market
	Volume 3 Section II 2 Box 8. Ethiopians Fighting Against Child Exploitative Labour (E FACE), Safe threads programme	
	Volume 3 Section II 2 Box 9. Sunflower and fishery in Sudan	
	Volume 3 Section II 2 Box 10. Soybean in Malawi	
	Volume 3 Section II 2 Box 11. Shea value chain in Ghana	Volume 4.1 section 4. Ghana-PlanetFinance - Market Access through Cooperative Action. The project ensured the linkages with international market through the creation of a social enterprise, with women's associations owning shares of this intermediary enterprise
	Volume 3 Section II 2 Box 12. Horticulture in Kosovo	
	Volume 3 Section II 2 Box 13. Business-to-business programme in Mali, Benin, China, Vietnam, Uganda, and Bangladesh	
	Volume 3 Section II 2 Box 14. Lead-firm model in Tanzania	
	Volume 3 Section II 2 Box 15. Honey production in Cambodia	
	Volume 4.2 section 2.1.9	

		<p>Volume 4.4 Section 5.3 AJPRODHO JIJUKIRWA – Rwanda Youth Employability in the Informal economy</p> <p>Value chain-based cooperatives are a strategy used to speed up the formalization process under the project, giving additional value to Village Savings and Loans Associations (VSLA) methodology approach and create a sustainable environment where access of available financial services will be reached legally. Market linkage and exhibition of local products were also assessed. It contributed to the promotion of beneficiaries accessing technical skills, linking them with markets, provision of start up kits in addition to tuition fees received to have access to TVET services. Through market linkages, cooperatives increased awareness to the large number of potential customers attending the trade fair, cooperative members gained new market opportunities, learned new designs and gained experience to produce improved quality of their products.</p>
Organizing	Volume 3 section II 3.1: Organising is at the centre of all approaches, policies and actions toward enhancing the livelihoods of people dependent on the informal economy	
	Volume 3 section II 3.1: SEWA and WIEGO, two major actors	
	Volume 3 section II 3.1 Box 16. Recicladores in Colombia	
	Volume 3 section II 3.1 Box 17. Waste pickers in Minas Gerais, Brazil	
	Volume 3 section II 3.1 Box 17. Rap – Six steps (domestic workers Indonesia)	
	Volume 3 section II 3.1 Street vendors India	
	Volume 3 section II 3.1 Street vendors in Durban (South Africa)	
	Volume 3 section II 3.1 Home-based workers: Bidi workers in India	
	Volume 3 section II 3.1 Home-based workers: laminated carrier bags in Bulgaria	
	Volume 3 section II 3.2 Box 18. Support to workers in the informal economy in Sao Paulo, Brazil	<p>Volume 4.1 section 8 Brazil Christian Aid - “Apoio aos trabalhadores na economia informal e grupos vulneráveis da região central da cidade de São Paulo para proteção social, acesso justiça e conquista dos direitos”.</p> <p>The project defended the rights of street workers through a publicized report compiling violations of their rights and humanising them through life stories, organising experiences and international comparisons in order to reverse the negative image of street workers by defending and legitimating their cause and providing a foundation for Public Civil Action</p>

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Volume 3 section II 3.2 Box 19. Women in Action and Solidarity Against Poverty in Kyrgyz Republic	Volume 4.3 section 3.1.1 Forum of Women - Women in Action and Solidarity Against Poverty in Kyrgyz Republic. Regional Service Networks were established as a system of interacting agencies and organisations that were developed around the Centre for Entrepreneurship Support. Network members included groups of solidary producers, time banks, and help centres for women establishing a mutual cooperation across a wide range of services and aid that they were able to provide.
Volume 3 section II 3.2 Box 20. Support to Household Food Security and Livelihood of Vulnerable and Food Insecure Farming Families in Afghanistan	
Volume 3 section II 3.2 Box 21. Supporting the empowerment of artisans in Côte d'Ivoire (AVSI) and (Delegation for the Organisation of Informal Sector DOSI) in Togo	Volume 4.4 section 5.4 AVSI – Côte D'Ivoire - Integrated project to support the empowerment of artisans of Côte d'Ivoire. The project organised the artisans in Groups of Savings and Community Solidarity (GESCO) for each craft under the umbrella of Regional and National craft Chambers
Volume 4.2 section 2.1.8	
Volume 5 Chapter 3: Box 22: Youth forums in Tanzania	Volume 4.4 section 5.12 Plan International UK- Tanzania - Partnership to enhance livelihoods and social inclusion of marginalised young people dependent on the informal economy. The forums enable young people to meet with representatives of the government and the private sector, and propose changes to policies and services. For example, they have recommended making the Youth Development Fund, an under-used governmental job-creation programme, more accessible and visible.
Volume 5 Chapter 3: Box 23: Organising farmers for advocacy in Egypt	Volume 4.4 section 5.5 CEOSS – Egypt Improving Livelihoods of Urban and Rural Poor Women Dependent on the Informal Economy in Egypt. The organised communities worked on a large range of issues such as: marketing the production, reducing costs of inputs, improving farming practices, conserving the environment and processing crops to increase value added
Volume 6	Volume 6: Organizar a los trabajadores de la economía informal: estrategias de fortalecimiento y acción colectiva

Table 2b. Sectoral approaches

Topics	Policies review	Project Level
Social Protection	Volume 3 section III 1. Extending social protection coverage is a major policy for ensuring the transition from the informal to the formal economy. Among the various options, social safety nets target the poor but are not real schemes ensuring health, maternity, old-age coverage. Social protection schemes may be generalised through public, private and community or mixed public-private interventions.	
	Volume 3 section III 1.1 Social safety net: MGNREGA India	
	Volume 3 section III 1.1 Social safety net: Box 23: BRAC's Targeting the Ultra-Poor multi-pronged Programme	
	Volume 3 section III 1.1 Social safety net: Box 24: HARITA (Horn of Africa Risk Transfer for Adaptation) in Ethiopia	
	Volume 3 section III 1.2 Box 25: ILO Social protection floors	
	Volume 3 section III 1.3 National policies: Tunisia	
	Volume 3 section III 1.3 National policies: Algeria	
	Volume 3 section III 1.4 National Health Insurance System (NHIS) in Ghana	Volume 4.1 section 3: Ghana-PlanetFinance-Market Access through cooperative action. Conducting outreach and incentivising local or central administrations (Social security, health insurance services) to search and convince informal economy operators to register rather than wait for them to come and register on their own.
	Volume 3 section III 1.4 Thailand's Universal Coverage Scheme	
	Volume 3 section III 1.4 Tunisia Inclusive Labor Initiative TILI	
	Volume 3 section III 1.4 AVSI project for supporting the artisans of Côte d'Ivoire	Volume 4.4 section 5.4: AVSI – Côte D'Ivoire - Integrated project to support the empowerment of artisans of Côte d'Ivoire. Part of the savings collected by the Groups of Savings and Community Solidarity (GESCO) is mobilised to contribute to mutual funds at craft level.
	Volume 3 section III 1.4 India VIMO SEWA's integrated insurance scheme	
	Volume 4.2 section 2.4.3	
	Volume 5 Chapter 2	

<p>Social Protection</p>	<p>Box 6: Universal pension scheme in Zanzibar Box 8: Kenya's single registry for social protection Box 9: Joint Actions Development Forums in Rwanda Box 14: Vouchers and cash transfers to rebuild livelihoods in Liberia Volume 5 Chapter 3 Box 15: The National Health Insurance Fund in Kenya Box 16: Nairobi Urban Social Protection Programme; Social Inclusion of vulnerable populations through a graduated approach Box 17: Flexible contributions in Tunisia Box 18: Informal Sector Fund: Retirement savings in Ghana Box 19: Registering for health services in Ahmedabad, Bangkok and Durban Box 20: Navigating the bureaucracy: SEWA's Shakti Kendras, India Box 21: Homenet: Changing national legislation in Thailand Box 24: Awareness raising through participatory hazard mapping in Durban Box 25: Health insurance for kayayei headload porters in Accra, Ghana Box 26: Extending social protection for the construction sector: the Zambia Green Jobs Programme Box 29: Extending South Africa's Unemployment Insurance Box 30: Extending social protection to porters: The Mathadi boards in India Volume 5 Chapter 4 Box 39: Fishers in South India affiliate with national insurance scheme</p>	
		<p>Volume 4.4 section 5.2 : ADG (Aide au Développement Gembloux) – Sénégal – OSIRIS (Offre de Services Intégrés en Milieu Rural pour l'Inclusion Sociale) The products provided by the social inclusion process fall into two categories: 1) Supply of inputs and agricultural equipment; 2) Marketing of excess production of members; 3) Savings and microcredit services;</p>

		<p>4) Entrepreneurship counselling and support for rural entrepreneurship;</p> <p>5) Agricultural insurance which insures the activity, the equipment or the products against the risks related to the production; 6) Death/disability insurance for the borrower; 7) Health insurance that protects the person and their family against the risk of illness; 8) Support through capacity building, training and awareness actions (free services for members).</p> <p>These products are provided in various packages such as: Package 1: Financial credit + death/disability insurance + health insurance; Package 2: input and/or equipment credit + agricultural crop loss Social Protection insurance + death/disability insurance + health insurance; Package 3: equipment credit + agricultural insurance (machine breakdown) + death/disability insurance + health insurance; Package 4: fattening or livestock credit + livestock mortality + death/disability insurance + health insurance; Package 5: (free): Individual or combined action of advising by the agricultural advisor, the business advisor, the loan officer and the livestock assistant for producer members and micro-entrepreneurs.</p>
Skills enhancement	Volume 3 section III 2 Adapting the technical and vocational education systems to the needs of the labour markets has two implications: 1) provide young trainees and apprentices with skills sought by the formal enterprises as well as skills needed to be able to start up a micro-business; 2) contribute to the recognition of skills informally acquired on the job. Dual systems are recommended, which combine work and training in the enterprise (formal as well as informal) on one hand and education and training in formal institutions on the other hand.	
	Volume 3 section III 2.1 GIZ Enhancement of the Egyptian Dual System	
	Volume 3 section III 2.3 Box 26: Skills certification in Uganda. The “Proficient Acquired Skills” (PAS) SwissContact	Volume 4.1 section 9 Uganda - SwissContact Germany - Workers’PAS (Proficient Acquired Skills) -Validation of Non-formal and Informal Training. A “Proficient Acquired Skills” (PAS) document validating and certifying skills and competencies acquired informally on the job and

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		that employers recognise as a first step towards the recognition of an official education and training system
	Volume 3 section III 2.3 Box 27: BEP-STAR Project Bangladesh	
	Volume 3 section III 2.3 Box 28: Certificate of Qualification for Crafts in Benin	
	Volume 4.2 section 2.3.6	
	Volume 5 Chapter 2 Box 12: Vocational training of Maasai women in Tanzania	Volume 4.4 section 5.9 Oikos - East Africa, Tanzania - Investing in Maasai women for improving rural community wellbeing. The development of new skills in the field of market literacy allows women to better deal with the "marketplace" environment as conscious and active players, and to receive a basic education to run sustainable small business activities successfully. The acquisition of new competences and skills on livestock-related products allows women to gain additional incomes opportunities.
	Volume 5 Chapter 2 Box 36: Global apprenticeship network	
		Volume 4.4 section 5.13 Save the Children – Cote D'Ivoire. Promote social cohesion and livelihood enhancement of migrant youth / child workers through the establishment of national and transnational coordination mechanisms The certification of master craftspeople trainers (MAF), which attest to the good collaboration and performance of these throughout the project, aims to promote not only an effective transfer of technical knowledge for young apprentices but also to ensure the respect of their rights and workplace safety. Young apprentices are placed with the MAF in workshops where they learn through a modality of "training by apprenticeship". MAFs are selected on the basis of defined objective criteria (physical capacity to receive them, to be a member of a trade chamber, etc.). These MAFs are responsible for the theoretical and practical learning of young people in the craft sector in the project area. Apprenticeships are signed on the one hand between the youth and the MAF, and on the other, agreements are signed between the project and the MAFs. These documents are intended to clearly describe the duties and rights of each stakeholder throughout the learning period; in

		<p>addition, they formalise quality apprenticeship of young people in the craft trades.</p> <p>MAF certification consists in the assessment of the quality of the technical supervision of young apprentices placed in the workshops; respect for the policy of defence of the rights of children and young people; the good collaboration of the MAF with the project partners (chamber of trade, social services and project implementation structures). Obtaining these certificates can also be used to help artisans who are not yet members of craft chambers begin a membership process. In these cases, the certification serves to support the formalisation process.</p>
Financing	<p>Volume 3 section III 3. The positive role of microfinance in enhancing the livelihoods of people dependent on the informal economy is generally recognised. Microfinance is defined as a set of financial services such as savings, microcredit, insurance and money transfer, adapted to the needs of low-income and poor persons (especially those who do not have bank accounts). Microcredit is not a standard loan; it is most often combined with others elements. The borrower benefits from tips that will help him or her use the borrowed money in the best way, such as how to keep accounts, calculate a cost, comply with regulations, and choose a particular approach or a project. Over recent years, microfinance has earned a major place in funding income-generating activities.</p>	
	<p>Volume 3 section III 3. Box 29. Groups of savings and community solidarity (GESCO) in Côte d'Ivoire AVSI</p>	<p>Volume 4.4 section 5.4 AVSI Integrated project to support the empowerment of artisans of Côte d'Ivoire. Groups of savings and community solidarity (GESCO) are composed of around 15 to 30 people who agree to come together and collect small savings together. The contributions start after several months of supervision and training whilst also building group cohesion. The project provides the equipment (cash register, notebooks, etc.). The payments are collected in boxes. Each group defines a mode of operation through formalised statutes and internal regulations. As the savings evolved in the fund, the AVSI</p>

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		Project facilitated the linkage with microfinance institutions and electronic money structures (Orange Money, MTN Money, etc.).
	Volume 3 section III 3.1 Shea value chain in Ghana Box 30. Supporting microfinance institutions to enhance the livelihoods of vulnerable people dependent on the informal economy	Volume 4.1 section 11 : Ghana PlanetFinance Market Access through cooperative action. Sensitising and motivating Micro-finance institutions to reach the poorest and most vulnerable. Providing project support to refine and develop new credit products for clients among the poorest
	Volume 3 section III 3.2 Box 31. Enterprise Development for Rural Families Programme, Kenya	
	Volume 3 section III 3.2 Box 32. UNIDO support to credit facility in Iraq and Armenia	
	Volume 4.2 section 2.3.5	

Table 2c. Other topics of the research matrix

Topics	Policies review	Project Level
1. Enabling environment		Volume 4.3 section 3.1.1: Forum of Women NGO - Women in Action and Solidarity Against Poverty in Kyrgyz Republic. The project aims to provide vulnerable and poor women living in deprived rural areas of two regions with comprehensive support and income generation opportunities, through access to an integrated system of assistance services. Network members included groups of solidary producers, time banks, and help centres for women. These elements were established in the pilot regions and they established a mutual cooperation across a wide range of services and aid that they were able to provide.
		Volume 4.3 section 3.2.1: Global Nature Fund - Guiding and Integrating a Sustainable Economic Revitalization of Local Communities Dependent on the long-term Stewardship of Lake Hovsgol National Park (Mongolia). The main goal of the action was to support the economic revitalisation and proper management of the lake Hovsgol area. The project aimed to help both the park and the surrounding communities coping with the inevitable growth of tourism and to ensure that the region develops in a sustainable manner, with minimised impact to the rich environmental and cultural heritage that characterises this remote area.
		Volume 4.3 section 3.1.3: EBRD Support to SME development in Mongolia One of the main aims of the project was the provision of support to SMEs at the grass-root level through the provision of financial and consulting business development services mainly in rural areas and in the least developed regions. Thus the project was supposed to outreach to a number of people and enterprises whose livelihoods depend on the informal economy. The main tools included the provision of loans and business

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		development services, mainly financial services and consulting. The activities were focused mainly on the capacity building of multiple national stakeholders (Government agencies, Employers, NGOs, associations).
		Volume 4.3 section 3.1.4: UNICEF Program of support for the strengthening of the capacity of the system of civil status in the Niger (Programme d'Appui au Renforcement des capacités du Système d'État Civil du Niger PARSEC). The project was focused on conducting training and incentivising local or central administrations (Civil status registration, health services) to search and convince populations to register births, marriages, and deaths, in order to secure the key protection rights during the person's lifespan. In also included conducting outreach and incentivising populations to register births, marriages, and deaths.
	Volume 4.2 section 2.1	
1.2. Advocacy Methods on Informal Economy Legal and Policy Frameworks		Volume 4.1 section 2 ENDA "Towards social protection and inclusion of informal waste pickers and recyclers (IWPRs) in the South" Colombia, Ethiopia, Madagascar, Vietnam. A multi-level advocacy strategy to grant recognition to precarious informal waste pickers and recyclers and creation of an Observatory of Public Policy on Waste Management aimed at establishing a joint discussion space for community representatives, public authorities, private businesses, universities, recyclers and the project
	Volume 4.2 section 2.1.2	
1.9 Institutions and Capacity Strengthening on Informal Economy		Volume 4.1 section 3: Ghana-PlanetFinance-Market Access Through Cooperative Action. Conducting outreach and incentivising local or central administrations (Social security, health insurance services) to search and convince informal economy operators to register rather than wait for them to come and register on their own
	Volume 4.2 section 2.1.7	
1.10 Linkages between Formal and Informal Economy: Climbing up the Value Chain		<p>Volume 4.1 section 4: Ghana-PlanetFinance-Market Access Through Cooperative Action. Implementation of a multi pronged approach to enabling informal economy operators to climb up the value chain including through:</p> <ul style="list-style-type: none"> ▪ increasing the volume and the quality of small-scale production ▪ providing awareness raising; ▪ organizing the small producers ▪ providing education and training; ▪ providing access to micro credit; ▪ using information technology to access market operations and manage operations and transactions; ▪ building contractual relationships with international buyers and other actors in the value chain.

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		2) Establishing a social private company in which community members have shares to help them with marketing services, meeting of fair trade protocols (as applicable), providing pre-financing and packaging support.
	Volume 4.2 section 2.1.10	
1.11 Coordination and sustainability planning	Volume 4.2 section 2.1.11	
2 Decent work and enterprise growth	Volume 4.2 section 2.2.1	Volume 4.3 section 3.4.2: SEQUA GGMBH - SMART Myanmar (SMEs for Environmental Accountability, Responsibility and Transparency). SMART Myanmar actively promotes and supports the sustainable production of garments “made in Myanmar” striving to increase the international competitiveness of Small and Medium Enterprises (SMEs) in this sector. Working closely with companies and business support organizations located in Myanmar, the SMART project aimed to build capacity and increase skills and knowledge in local partner organizations, facilitating the development of marketing and export strategies for the garment sector. The garment factories benefited from newly available business developing services, such as productivity enhancement measures (including reduction of energy consumption, water consumption, waste, etc.) as well as social compliance trainings. Workers in the garment industry, mostly women, have benefitted from improved working conditions in the form of OHS, decent working hours, adequate compensation, or other corporate social responsibility measures.
2.2 Formalising Work in the Informal Economy	Volume 4.2 section 2.2.1	Volume 4.1 section 5: Practical Action Nepal - Poverty Reduction of Informal Workers in Solid Waste Management Sector –PRISM-“ The project aims at facilitating municipalities to develop a Code of Conduct and registration guidelines for issuing Identity cards to register Informal Waste Workers.
		Volume 4.3 section 3.2.1: Kav La Oved - Her Right to Decent Work: Arab and Ethiopian women in secondary schemes of employment in Israel. The project’s objective was to improve the socio-economic situation of Arab and Ethiopian women workers in Israel and to promote their right to decent work. Working women from these communities are most often employed in secondary schemes of the labour market, mainly in subcontracted, temporary and hourly labour, resulting in low pay, poor working conditions, and vulnerability to exploitation and abuse.
		Volume 4.3 section 3.2.2: ILO - Promoting Fundamental Principles and Rights at Work as Tools for Peace in Myanmar. In Myanmar forced labour was perpetrated for decades and now makes up part of the country’s cultural context. The action intended to work with stakeholders in the peace process to build the foundation to a more cohesive society where human rights are better respected and vulnerable communities are offered economic development opportunities and can benefit from the opening of the economy. Ultimate beneficiaries were: victims of forced labour in communities affected by armed conflict: vulnerable men,

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		<p>women, children, disabled and the elderly; the populations (women and men) employed in or residing in proximity to Special Economic Zones and other major projects; Government officials including those of lower rank; law enforcement officials; social partners; ethnic nationality organisations.</p> <p>Volume 4.3 section 3.2.3: Vétérinaires sans frontières - Community Engagement and Sustainable Development in Comoros (Engagement Communautaire et Développement Durable - ECDD). The project was conducted in Anjouan and aimed at improving the living standards of the population through agricultural development, sustainable management of natural resources: soils, water, forest and biodiversity. It consisted in supporting and counselling the farmers through farmer field schools and individual monitoring in the villages: seedlings under vegetal cover, micro-irrigation and ox-park with proximity fodder.</p> <p>Volume 4.3 section 3.2.4: Fondazione CEVSI - Handicraft and business through regional integration and fair trade market (Tajikistan). The objective of the action was to reinforce the representative role, the Volume 4.2 section 2.2.2 sustainability and the competences on supporting Small and Medium Enterprises (SMEs) of Tajik and Kyrgyz Handicraft Business Intermediary Organisations (BIOs), particularly bolstering their representative role, their sustainability and their competences in supporting SMEs.</p>
2.3 Occupational Safety and Health (OSH) Implementation in Informal Economy	Volume 4.2 section 2.2.3	Volume 4.1 section 6: Section Ghana PlanetFinance Market Access through cooperative action: Occupational safety and health (OSH) procedures applied to persons who gather natural products such as shea nuts (training and distribution of gloves, boots).
2.4 Environment and sustainable management and the Informal Economy	Volume 4.2 section 2.2.4	Volume 4.1 section 7: Bangladesh-Relief International-UK (RI-UK) "Social and Economic Security for Traditional Resource Users of the Sundarbans". Diversification of income-generating activities to enable vulnerable populations to be less dependent on natural resources in protected areas. Providing start up input to help beneficiaries immediately utilize their new skills acquired through the project thus enabling them to start earning incomes right after completing their training.
3.1 Social and Behaviour Change Communication (SBCC) and Social Inclusion Promotion		Volume 4.3 section 3.3.3: Caritas Ceska Republika Sdruzeni - Support the use of remittances for new businesses and jobs creation (Moldova). The project is aimed at fortifying the development of Moldova by stimulating the creation of opportunities for income generating activities in the country through the creation of new businesses. The overall objective is to contribute to the promotion of the sustainable use of remittances for income generating activities in Moldova. The project aims to foster entrepreneurship among 900 Moldovan Returnees and recipients of remittances and the use of remittances for the creation of privately owned business. The project has been focused on supporting the beneficiaries in registering their enterprises, developing their business plans, applying for loans, and on the provision of post-creation assistance to newly established entrepreneurs.

		Volume 4.3 section 3.3.4: Ruimveldt Life Improvement Centre – Assembly of God Church - Ruimveldt Life Improvement Initiatives (Guyana). The project covered a complex set of activities that were implemented in a poor, dilapidated and deprived community that suffered not only from informality, but also from criminalisation of the area where they lived. Thus the project adopted a wide array of activities as an attempt to provide a more significant lift-up for the area and its inhabitants. The activities including construction of a building that became the main project site and a shelter for community services for elderly and youth, training of local community members in several professions (sewing, videography, cooking, beauty-cosmetician, etc.), and provision of start-up assistance for the trainees.
		Volume 4.1 section 8: Brazil Christian Aid - “ Apoio aos trabalhadores na economia informal e grupos vulneráveis da região central da cidade de São Paulo para proteção social, acesso justiça e conquista dos direitos ” Defence of the rights of street workers through a publicized report compiling violations of their rights and humanising them through life stories, organising experiences and international comparisons. The report was used to reverse the negative image of street workers by defending and legitimating their cause and to provide a foundation for Public Civil Action
	Volume 4.2 section 2.3.1	
3.2 Entrepreneurship: Capacity Strengthening on Starting, Improving, Growing Economic Activities		Volume 4.1 section 7: Bangladesh-Relief International-UK (RI-UK) “Social and Economic Security for Traditional Resource Users of the Sundarbans”. Diversification of income-generating activities to enable vulnerable populations to be less dependent on natural resources in protected areas. Providing start up input to help beneficiaries immediately utilize their new skills acquired through the project thus enabling them to start earning incomes right after completing their training.
	Volume 4.2 section 2.3.2	
3.3 Information Technology (IT) and Enhancing of Livelihoods		Volume 4.1 section 10: Ghana PlanetFinance Market Access through cooperative action: Use of Information and Communication Technologies (ICT) to streamline value chain functioning for supporting and organizing women shea producers to climb up the value chain
		Volume 4.4 section 5.9 Oikos - East Africa, Tanzania - Investing in Maasai women for improving rural community wellbeing. To monitor and assure the good functioning of the Village Community Banks (VICOBAs), a digital management information system (MIS) is used. The MIS is called Saving Groups Information Exchange (SAVIX). It is a free and online tool developed by the Bill and Melinda Gates Foundation for the monitoring of VICOBAs. The SAVIX MIS app can be used offline. In the SAVIX MIS, (multiple) datasets on the economic status and the group quality are entered for each VICOB group. Furthermore, SAVIX allows conducting comparative, trend and geographical analyses with the collected

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		information. For instance, the average annualized savings per member or the value of the outstanding loans of VICOBAs in a specific region or project can be compared. These data are also helping us to identify the potential groups who need more advanced business trainings (SPM trainings: Start, Plan and Manage your business) and who will be selected for the small grants
	Volume 4.2 section 2.3.3	
	Volume 5 Chapter 3 Box 27: Using mobile phones for information and awareness	
	Volume 5 Chapter 4 Box 38: Whatsapp group against child abuse in Kenya	
	Volume 5 Chapter 4 Box 40: Digital child labour monitoring system in Rwanda	
3.4 Leadership, life skills, empowerment training, literacy/numeracy	Volume 4.2 section 2.3.4	
4. Innovative approaches to enhance livelihoods, equity and inclusion of people dependent on the informal economy		Volume 4.3 section 3.2.5: Y CARE International 'Empowering civil society to promote the enhanced socio-economic wellbeing of vulnerable young people in Myanmar'. The project aims to contribute to the social and economic empowerment of vulnerable young people in Myanmar. It consists in (1) strengthening the capacity of 5 CSOs to meet the needs of young people; (2) providing sustainable livelihoods for vulnerable young people; (3) empowering young people to participate in community life and decision making; (4) reducing stigma and discrimination against marginalised young people.

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		Volume 4.3 section 3.4.1 Finnish Red Cross - Comprehensive socio-economic development in rural Mongolia. The main contribution to the field of social care was that the project had successfully demonstrated an effective model for community based social care services by volunteers by delivering tailor-made services to the target groups, something that cannot be offered by the Government. The most highly appreciated initiative towards target group was referral services aimed at helping elders, disabled, migrants and extreme vulnerable people to obtain civil registration documents, receive health service, and involve in pension and welfare allowance.
4.1 Social dialogue and informal economy	Volume 4.2 section 2.4.1	
4.3 Social inclusion promotion		Volume 4.3 section 3.3.1: UNHCR, Danish Refugee Council, Norwegian Refugee Council, Save the Children, Terre des Hommes et al. - Support to Medium and Long Term Needs of Host Communities and Syrian Refugees in Lebanon. Given that no formal refugee camps were established in Lebanon, Syrian refugees were integrated into Lebanese communities and have been accessing public services including education and other community support structures, such as community centres. The majority of Syrian refugees settled in Lebanon in the poor locations where schools were already overcrowded and suffered from the poorest quality of education. The project was quite successful in providing access to both formal and non-formal education for Syrian refugees in Lebanon. Although the main focus of the action was on school children, there were also activities aimed at adults, such as life skills training, provision of vocational training, and psychological and social support.
	Volume 4.2 section 2.4.1	
		Volume 4.4 section 5.2 : ADG (Aide au Développement Gembloux) – Sénégal – OSIRIS (Offre de Services Intégrés en Milieu Rural pour l'Inclusion Sociale) The inclusion plan advocates five steps to improve the social inclusion and protection of vulnerable rural people: <ul style="list-style-type: none"> • Step 1: Implementation of Inclusion and Social Protection mechanisms. These are service cooperatives, health associations and savings and credit associations that provide integrated services to their members • Step 2: Development of social inclusion services and products (e.g. savings, credit, agricultural inputs, agricultural insurance, health insurance, technical and managerial capacity building, advice and support for the creation of rural micro-enterprises, etc.) • Step 3: Access of the population to cooperatives and associations (savings, credit and health) and to services

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		<ul style="list-style-type: none"> • Step 4: Purchase of one or more products and services that the cooperatives and associations provide in accordance with the specific needs of each member.
4.5 Improving food security	Volume 4.2 section 2.4.4	Volume 4.3 section 3.4.3: Action Contre la Faim - Innovative and 'nutrition-sensitive' Food Security intervention for Improved Nutrition. The SUSTAIN program aimed to sustainably improve the nutritional status of the most vulnerable population by tackling nutrition from several angles, and establishing synergies between agriculture, food security, nutrition and health activities.
4.6. Strengthening Informal Economy with Attention to Gender	Volume 4.2 section 2.4.5	
4.7 Strengthening Informal Economy with Attention to Youth and Children		Volume 4.1 section 12.1: WarChild UK Poverty Reduction and Community-Based Social Protection in Afghanistan: Providing households with toolkits to support livelihoods activities such as tailoring, knitting, hand embroidery, hairdressing, bike/motor bike repair toolkits, mechanic/welding toolkits, sale of groceries/baked food, raising chickens, bakery, photography, selling phone cards, cabinet making. Accompanying provision of such toolkits with monitoring and follow up services to support households to access markets. Accompanying reintegration into school of street-working children with awareness raising and teacher training to enable teachers to provide relevant support to such children
	Volume 4.2 section 2.4.6	
4.7.1 Supporting Actions on Strengthening Livelihoods and Education of Children and their Families	Volume 5 Chapter 3 Box 33: Identifying vulnerable people in Rwanda Box 34: Children identify hidden children in Rwanda	
4.7.2 Youth Become Agents of Change		Volume 4.1 section 12.2: WarChild UK Poverty Reduction and Community-Based Social Protection in Afghanistan: Transforming youth into agents of change and provisioning them with comprehensive training packages (including literacy and numeracy, life skills and business and entrepreneurship) to ensure the cascading of learning. Involving beneficiaries to ensure such cascading is key to transforming beneficiaries into agents of change providing them with pride in contributing to their group's (society's) destiny
	Volume 4.2 section 2.4.7	

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4.8. Strengthening Informal Economy with Attention to people affected by HIV	Volume 5 Chapter 3 Box 35: Overcoming stigma in Rwanda	
4.9 Strengthening Informal Economy with Attention to people with disabilities	Volume 4.2 section 2.4.8	
4.10 Strengthening Informal Economy with Attention to elderly	Volume 4.2 section 2.4.9	
4.11 Strengthening Informal Economy with Attention to migrants, refugees, trafficked persons	Volume 4.2 section 2.4.10	
4.12. Strengthening Informal Economy with Attention to other specific vulnerable groups	Volume 4.2 section 2.4.11	

IV MAPPING OF GOOD PRACTICES AND LESSONS LEARNED

The good practices and lessons learned identified by the RNSF from an analysis of EU and other international organisation experience (see RNSF 2016a, RNSF 2016b, RNSF 2017c and RNSF 2018b) were classified according to the topics and approaches identified in the Research Matrix . This led to a large volume of results, represented by reasoned summaries, available to perspective the users, notably the EU officers concerned with informal economy initiatives, officers of other international organisations, NGOs, policy makers and practitioners. These users would benefit from meta-analysis that should:

- facilitate orientation among the results according to a few pre-selected criteria and
- provide a short-cut to the results directly relevant to user's interests.

This section is intended to orient the reader through the GP and LL illustrated in the above-mentioned volumes and to help him/her to consult materials relevant for their field of interest, thus fulfilling the two requirements above.

According to the project Research Matrix, the four basic research questions addressed by the RNSF are concerned with: the Enabling Environment; Decent Work and Enterprise Growth; Direct Actions; Innovative Approaches and Inclusion. A fifth research question related to organisation and implementation of the Knowledge Sharing Platform is not relevant here. The four research questions are summarised in the following Box 1.

Box 1. Overview of basic research questions

1) Enabling environment

What are the key ways to successfully support the enabling environment at national and sub-national level for enhancing the livelihoods of those dependent on the informal economy, with special attention to social inclusion? This includes legal and policy framework development, institution and capacity strengthening as well as coordination.

2) Decent work and enterprise growth

What key elements have been proven to contribute to successful formalisation of growth oriented informal economy enterprises and that help ensure informal economy decent work conditions?

3) Direct actions

What are the key proven direct actions at local level that contribute to the successful enhancement of livelihoods and working conditions for those working in informal economy enterprises with special attention to social inclusion?

4) Innovative approaches of national and international entities to enhance livelihoods, equity and inclusion of people dependent on the informal economy

In addition: what are the new strategies adopted by people relying on informal economy activities themselves?

Note: This can include the identification of new practices and dynamics that DEVCO or other main organisations operating in (inter)national cooperation for development support (or may have supported during the RNSF project implementation period).

Source: Research Matrix – Annex 1.

The topics of the Research Matrix (Box 1) are organized according to two simple criteria: A) level of intervention and B) main focus in terms of intervention content.

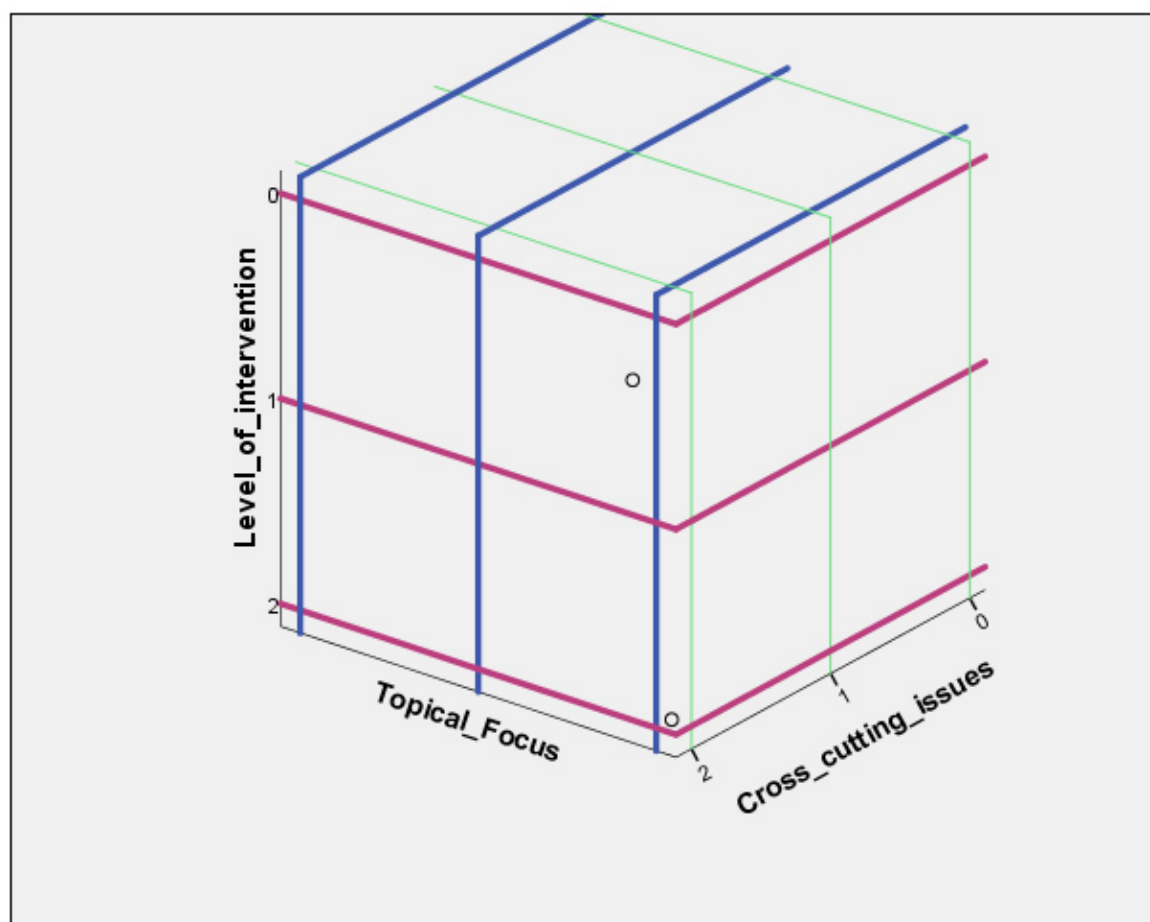
Therefore:

- **According to the level of intervention** we distinguish:
 - **Macro- level** that is addressed mainly through activities aimed at the creation of **enabling environment at the national or sub-national** (e.g. regional or sectoral) level, and
 - **Micro-level** that is focused mainly on **direct action at the community level** (i.e. grass-root activities typically directly affecting the final beneficiaries).
- **According to the topical focus of intervention** we distinguish:
 - **Decent work** aspects that capture mainly the qualitative and/or structural dimension of interventions (e.g. working conditions, rights-based approach, etc.), and
 - **Enterprise growth** that addresses mainly the quantitative and/or aggregate dimension of interventions (such as, for example, the size of informal enterprises, volume and dynamics of production, numbers of created jobs, economies of scale, etc.).
- In addition to the two above-mentioned criteria, the tools incorporate two important **cross-cutting issues**, notably innovative approaches, and the focus on **special vulnerabilities and gender**.

Based on the above-mentioned criteria, the results published in volumes 4.1 to 4.4 can be ideally organised into a “cube” that spans the three criteria. It has to be noted that the complexities of project case studies and real-life situations do not always allow for an unambiguous classification of project experiences according to some pre-selected simple criteria. While the main characteristic of the intervention is decisive for classification, certain overlaps among the categories are inevitable.

Nevertheless, the current tool facilitates a better orientation of the project results for the users. Those interested in further detail are then referred to Volumes 4.1 to 4.4 for in-depth analysis and concrete cases.

Figure 5. Categorization of project results



Note: Each of the two basic dimensions A and B includes two categories as follows:

- A. Level of intervention: (a) Macro level (b) Micro level
- B. Topical focus of intervention: (a) Decent work (b) Enterprise growth

The third dimension follows cross-cutting issues:

- C. Cross-cutting issues: (a) Innovative approaches (b) Special vulnerabilities and gender

Table 3. Categorisation of Project Results by the Research Questions, Topics and Subtopics defined in the Research Matrix

Topical focus	Level of Intervention	
	Macro: Research Question 1	Micro: Research Question 3
Research Question 2	Enabling Environment	Direct Action at Community Level
Quantitative/ Aggregate Issues: Enterprise Growth	1.2 Global and regional strategies for enhancing the livelihoods of those dependent on the informal economy, with special attention to social inclusion 1.3 Advocacy Methods on IE legal and policy framework development 1.4 Supportive legal frameworks development, adoption and implementation 1.5 Supportive policy frameworks development, adoption and implementation 1.6 Macro-economic approaches identified to stimulate IE and formalisation as appropriate 1.7 IE statistics and use to enhance of livelihoods with attention to social inclusion 1.8 Labour market statistics to enhance of livelihoods with attention to social inclusion 1.9 Education/vocational/skills statistics to enhance of livelihoods with attention to social inclusion 1.10 Institution and capacity strengthening on IE 1.11 Linkages between formal and informal economy 1.12 Coordination and linkages between Government, economic entities, formal civil society organisations. 1.13 Sustainability planning	3.1 Social and behaviour change communications content 3.2 Access of informal economy persons to quality information 3.3 Entrepreneurship: Capacity strengthening on starting, improving, growing economic activities 3.4 Information Technology (IT) and enhancing of livelihoods 3.5 Micro finance
Qualitative/ Structural Issues: Decent Work Aspects	2.1 Promotion and implementation of decent work 2.2 Formalizing work on IE 2.3 Occupational safety and health (OSH) implementation in IE 2.4 Environment and sustainable management & IE	3.6 Leadership, life skills, empowerment training, literacy/numeracy 3.7 Vocational education/skills training
Research Question 4: Cross-cutting Issues	Innovative approaches to enhance livelihoods, equity and inclusion 4.1 Social dialogue and IE 4.2 Statistics on vulnerable groups to enhance livelihoods 4.3 Social inclusion promotion (awareness raising on social inclusion in IE) 4.4 Social protection 4.5 Improving food security through enhancing livelihoods with attention to social inclusion	Special Vulnerabilities and Gender 4.2 Strengthening IE with attention to gender issues 4.3 Strengthening IE with attention to youth and children 4.4 People affected by HIV 4.5 People with disabilities 4.6 Elderly 4.7 Migrants, Refugees, Trafficked persons 4.8 Other vulnerable people

Table 4. Categorisation of Recommendations by Main Research Matrix Question, Topics and Subtopics

Topical focus Research Question 4	Level of Intervention	
	Macro: Research Question 1	Micro: Research Question 3
	Enabling Environment	Direct Action at Community Level
Quantitative/ Aggregate Issues: Enterprise Growth	<ol style="list-style-type: none"> Promote inter-country exchange on supporting decent work and poverty reduction with people dependent on the informal economy (IE). Place particular emphasis on exchange between countries in the same region and consider national context and priorities. Establish and/or support inter-country networks to facilitate exchange. Use a two pronged approach in projects of all sizes on the IE: 1) strengthen the enabling environment with government and non-state actors with regard to the IE 2) engage in community level actions on the IE with the full participation of relevant local actors. Engage in advocacy using very high quality data to identify gaps and strengthen holistic legal and policy frameworks approaches on the IE. Include people dependent on the IE in advocacy. Support national and sub-national development, implementation and enforcement of relevant legal and policy frameworks on decent work and poverty reduction for people dependent on the IE. Laws and regulations should include clear consequences if they are not adhered to. Provide support for excellent identification of needs on coordination, institutional and capacity strengthening with actors across IE. Ensure inclusion of all relevant actors at national and all sub-national levels (including to communities). Include focus on detailed and clearly formulated strategies for planning and prioritising actions on the IE at all levels. Promote linkages between private and public sector with people dependent on the IE. Include support for value chain development analysis in critical areas of benefit to the IE. Establish trans-national committees to support the activities of cross-border projects over the medium to long term 	<ol style="list-style-type: none"> Support social behaviour change communications (SBCC) on the rights of people dependent on the IE to decent work conditions and environmental sustainability of IE work with all stakeholders. Incorporate innovative means such as social media to support exchanges between informal economy groups and market products. Digital technology to provide training and track informal economy group activities Include quality information on business and legal services, laws and regulations (including on labour), registration, social protection services, health insurance, tax code, availability of professional associations, methods to establish and operate cooperatives and associations. Include empowerment sessions such as in life skills training or similar methods. Ensure that persons in the IE can access the available SBCC. Ensure that sufficient time and resources are allocated for this purpose. Ensure clear and detailed operational targets on IE that are set with the participation of stakeholders over a realistic implementation time period. Ensure that implementers have the necessary capacities to provide needed support to reach the targets in the local context, including on mobile technologies. Ensure good fit between the needs of people dependent on the IE in a specific context and available micro finance services. Promote training on financial education, market literacy and business skills among stakeholders including implementing agencies and IE community members. Establish linkages to financial institutions and employment support from the earliest project stage instead of waiting until groups are established and/or training is already underway. Provide follow-up mentoring and support to ensure community members are able to use available micro finance services following financial education. Support formalising, including business/group registration and access to services and opportunities available to formal economy entities. Provide a life cycle approach to design of financial services. Promote savings and not only credit activities. Ensure adapted and clear loan repayment mechanisms.

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<p>Qualitative/ Structural Issues:</p> <p>Decent Work Aspects</p>	<ol style="list-style-type: none"> 1. Support clear, transparent and inclusive formalisation processes with individuals and groups of people in the IE. Ensure tailor made formalisation strategies that are in line with the local realities. 2. Promote and smooth access to relevant services that support people dependent on the IE. Include dissemination of information on available services to service providers and people dependent on the IE. Support the development of results-based management tracking and quality of access to services. 3. Based monitoring to measure extent of use of services. 4. Support strengthening of Occupational Safety and Health (OSH) provisions for people dependent on the IE and ensure their awareness of such provisions. Include making of business case for OSH in the IE with national to community level stakeholders. 5. Ensure that analysis of environmental sustainability is included as a cross cutting consideration in the design of all projects and/or programmes on the IE. Promote green jobs in the IE and ensure good articulation of such jobs in value chains. 	<ol style="list-style-type: none"> 1. Conduct assessment to identify the most likely successful community level mechanisms to support people dependent on the IE in a specific context. Avoid provision of standard support packages across all settings. Review the need for comparatively higher focus on different means of support such as training, mentoring, mobile technologies and/or micro-finance (or other actions) in accordance with situation. Design support accordingly. 2. Determine need for relative emphasis of content when carrying out activities on leadership/group management, life skills, rights awareness, versus enterprise development and operations. Within enterprise development content, analyse relative need for focus of support on business feasibility, production, marketing, finance and human resources management. Prioritise enterprise support in accordance with identified needs. 3. Ensure vocational education and skills training corresponds to labour market needs in accordance with thorough analysis. Include private and public sector in the analysis. 4. Engage in mapping of available training services and carry out assessment of fit between applicants' wishes, labour market needs and available training services. Include analysis of apprenticeship/mentoring possibilities with formal and informal enterprises. Provide support for job placement and/or launching of self-employment prior to completion of training.
<p>Research Question 4</p> <p>Cross-cutting Issues</p>	<p>Innovative approaches to enhance livelihoods, equity and inclusion</p> <ol style="list-style-type: none"> 1. Promote and facilitate social dialogue and participation between key stakeholders. Provide support for empowering people dependent on the informal economy to participate in public discourse on issues affecting them. Including at legal and policy level and the design, planning and dissemination of results on IE related programming. 2. Facilitate formation of associations and other groups of people dependent on the IE. Ensure that well-functioning networks of key stakeholders are created at national, local and community level to strengthen the socio-economic position of people dependent on the IE. Support programming to facilitate awareness raising of people dependent on the IE about their democratic rights in elections and organising. Support them with direct support to organise into groups, associations, cooperatives. Give marginalised persons a voice in governance and investment decision on issues 	<p>Special Vulnerabilities and Gender</p> <ol style="list-style-type: none"> 1. Address power imbalances that perpetuate the dependence of vulnerable groups on IE employment. Ensure that planning not only focuses on inclusion of adequate quotas of women/men and other groups in project activities but also pays attention to righting imbalances regarding access to resources to develop economic activities and a voice in decision making. This may include training and mentoring on social and economic empowerment of women as well as people from various vulnerable groups. Include men in awareness raising on women's roles and rights in the IE. 2. Carry out gender analysis and/or other analysis of other vulnerable groups dependent on the IE with regard to their roles and responsibilities in the household and the community and other relevant issues. Include analysis of differences in access to and control over resources and decision-making, factors that constrain or facilitate equal participation of women and men in community development processes and the different capacities, needs and priorities of women and men. Draw on the existing knowledge and capacities of women, men, boys and girls. Make use of existing tools on gender analysis (see body of the report). Use the acquired information to

	<p>related to socio-economic development. Design and implement long term methods to continuously share progress, good practices and lessons learned on IE issues using mass media, digital social media, and traditional means.</p> <p>3. Ensure that the design and implementation of social protection programming specifically includes attention to people dependent on the IE. This should include the design of relevant types of social protection, including access to micro-insurance support specifically oriented to people dependent on the IE. Verify alignment of IE related project activities with available government social protection services. Ensure the input of people from the IE into design and implementation processes of social protection programming and adjust content in line with their evolving needs. Take into consideration that needs of people dependent on the IE may change during their life cycle and that their socio-economic context may also change. As a result, ensure flexibility in social protection programming. Adjust available social protection services over time and for different categories of people dependent on the IE using good practices and lessons learned from experienced IE support groups. Provide support to facilitate access of people dependent on the IE to relevant social protection services while ensuring that service providers have the needed capacities.</p> <p>4. Include attention to food security issues—such as nutrition education and access to quality food—in programming with people dependent on the IE who have special food security vulnerabilities.</p>	<p>design and implement programming to support vulnerable groups who are dependent on the IE.</p> <p>3. Ensure that gender issues are well articulated in programme design and implementation taking the different needs of women and men dependent on the IE into account. Where other groups such as youth, people with disabilities, living with or affected by HIV, the elderly, refugees and others are included in IE programming, ensure that their needs are equally considered. Take into account that the needs of these different groups within a single project may differ from each other. Encourage cross-linkages between projects on the IE and other development initiatives oriented to such vulnerable groups.</p> <p>4. Consider the logistics ability of women and girls, youth, people with disabilities, living with HIV, refugees and the elderly to access support training and other activities organised with people dependent on the IE. Adapt training materials and other means of support so that various groups can access, understand and fully use them in their work in the informal economy and/or for formalising their activities. Support the development of labour saving devices to lighten household and IE related workload of vulnerable groups.</p> <p>5. Use holistic approaches to address the needs of youth dependent on the IE to reach their full potential through provision of support for access and development of:</p> <ul style="list-style-type: none"> ▪ General education ▪ Technical work as well as behavioural skills such as team work and time management ▪ Self-reliance ▪ Knowledge of their rights and responsibilities <p>6. In the case of actions to eliminate hazardous child labour, aside from provision of SBCC, ensure that programming emphasis is placed on:</p> <ul style="list-style-type: none"> ▪ Development of sustainable decent work options for household members ▪ Links to and capacity strengthening of available government/non state actors to provide economic empowerment support to families of child labourers. ▪ Supportive legal and policy frameworks ▪ Provision of access to available social protection services <p>7. Support economic empowerment of refugees as well as the communities in which they are situated whenever relevant. Study the contexts in both sending and receiving locations to ensure that appropriate economic empowerment programming is developed. Provide re-entry livelihoods support if and when refugees can return home. Support economic empowerment as well as activities against trafficking and exploitation in post-disaster situations. Pay special attention to address the risks of children who are</p>
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		vulnerable in disasters and refugee situations to trafficking and other worst forms of child labour.
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In addition to the main recommendations cited in Table 4, review of the good practices and lessons learned from 15 projects that the RNSF followed for 4 years also led to some more process-oriented recommendations. These recommendations are important to consider when planning and implementing informal economy related projects and other initiatives:

- Consider using a systems-based approach for the development of services with people dependent on the informal economy. That is, use a holistic approach that considers how different elements function and fit together. Use this knowledge to strengthen the different system components to achieve the overall goal of increasing incomes and decent work of people in the informal economy. This also means analysis of the different contextual factors that affect the informal economy overall and informal economy project target groups in particular.
- Ensure all project activities are completely in line with the local context to the extent that this can be determined during initial planning and fine-tune during a project inception period.
- Ensure that there is a strong focus on building trust between all the stakeholders, including between project implementers, beneficiaries and others.
- Conduct networking and coordination meetings on a regular basis to address any issues that arise. Ensure that such meetings do not only focus on exchanging information but also focus on joint next steps as far as this is feasible.

V UNDERSTANDING AND DESCRIBING THE SPECIFIC CONTEXT

1 A Systems Approach to Supporting Informal Economy Projects

One overarching lesson was learned from all the research conducted as part of the RNSF. That is, the importance of understanding the context in which projects regarding the informal economy take place. A second and related lesson learned is the importance of a holistic approach to addressing the informal economy. Many of the good practices identified in the RNSF analysis of EU funded and other informal economy related projects indicated that the holistic approach is important for real success. A focus on only one or a limited number of aspects in an initiative to provide support to people dependent on the informal economy is unlikely to have significant impact. Together, a good understanding of the functioning and influence of the context with a subsequently planned integrated approach towards the informal economy are most likely to bring positive development results.

Various initiatives²⁰ to strengthen productivity, decent work conditions and access to services of people dependent on the informal economy naturally occur within a much larger context. It is only with consideration of the many factors that influence the informal economy that the best proposed projects²¹ can be identified. Likewise, the *implementation* of funded initiatives can only be effective, efficient, have impact and be sustainable if the larger context is considered.

There has been an increasing recognition in international development that change is not necessarily linear.²² Europeaid project design guidance²³ already uses a basic systems approach with inputs expected to bring results and learning from implementation feeding back into improving the system. For the purposes of the current report, systems are defined as composed of the complex webs of relationships between people, processes and the environment that they are situated within.

It is also important to note that initiatives within the informal economy that affect one part of the context can also have an impact on another. For example, simplifying regulations for the registration of informal economy enterprises can have an impact on the number of persons who formalise their activities. An increase in the number of such persons can then *potentially* lead to increases in applications for savings and financing in formal financing institutions. In other words, nothing occurs in isolation. It is for this reason that it is advisable to use a systems approach that helps to map and understand the inter-

²⁰ Programmes/projects/actions

²¹ And smaller actions in larger projects that include economic empowerment components.

²² E.g. 1) Valters, Craig, Theories of Change in International Development: Communication Learning, or Accountability? JSRP Paper 17. London: Justice and Security Research Programme, London School of Economics; The Asia Foundation.

²² Ripley, M (2016), A Market Systems Approach to Decent Work. Geneva: ILO, The Labour.

²³ From at least 2004. See a still current set of guidelines for a cyclical approach development similar to systems approaches: EuropeAid Cooperation Office (2004), Aid Delivery Methods, Vol 1. Project Cycle Management Guidelines. Brussels: EuropeAid Cooperation Office. (Available from <https://ec.europa.eu/europeaid/node/1563> Website accessed 18 October, 2018)

relationships between the various contextual factors. A mapping of the system thus contributes to understanding the real complex and dynamic environment in which IE development takes place.²⁴

It is important to ensure that all project activities are completely in line with the local context to the extent that this can be determined during initial planning. Subsequently, this needs to be fine-tuned during a project inception period. For instance, assessments of proposals for projects and other initiatives regarding the informal economy need to consider the extent to which the potential grantee shows good understanding of the context and a holistic approach in their initiative.

The number of factors to consider when assessing, planning and implementing projects on the informal economy may appear overwhelming. It is, however, possible to build a good understanding of the national and local context prior to and during activity project inception periods. Steering committees, baseline studies, expert inputs, existing documentation can all be used to ensure that the key factors are considered.

The remainder of the current section focuses on the identification of the factors that need to be considered in identifying and supporting the implementation of the best informal economy projects that are eligible for financing.

2 Components of the Systems Approach to Supporting People Dependent on the Informal Economy

At the **global level**, the state of the world economy, trade agreements, and global international labour standards and agreements are important. Although the distance between the global system factors and the informal economy at community level may seem great, global factors have important ramifications for the wellbeing of people dependent on the informal economy and the success of informal economy activities.

A brief description of International Labour Standards and how they provide a key global stimulus regarding decent work conditions in the informal economy is appropriate here. The International Labour Standards consist of mandatory conventions and non-binding recommendations. The standards are adopted during International Labour Conferences (ILC) that the ILO organises. The attendees of the conferences consist of delegates representing Governments, Workers' and Employers' Organisations. All delegates are eligible to vote on proposed labour standards. Subsequently individual countries are asked to ratify the conventions and recommendations. If a country ratifies a convention or a recommendation, they are subsequently expected to harmonise their legal and policy frameworks accordingly. All labour standards affect the informal economy in some way. In the case of the informal economy, however, the most directly crucial is ILO Recommendation 204 on formalising the informal economy. The EU also supports the implementation of Recommendation 204. Others labour standards of special importance are Domestic Workers Convention 189, the Protocol on Forced Labour 2014, ILO Recommendations 138 on minimum age for labour, and 182 on the Worst Forms of Child Labour.

Regional systems are part of the global system. National systems are, in turn, embedded in larger regional systems. One example is the European Union with its member states. There are a continually

²⁴ In fact, there are already some specialists already using a systems approach to analyse enterprise development. E.g. Akomo, Ouma Caren (2015), Systems Approach to Successful Co-operative Enterprise Development in Kenya. European Scientific Journal. February 2015. Special Edition Vol 1.

growing number and quality of regional cooperation bodies in Africa, Asia, Latin America and the Pacific. At regional level, the most common factors that influence the informal economy are usually any existing economic and trade agreements.

For Africa, for example, the following economic platforms are of importance:

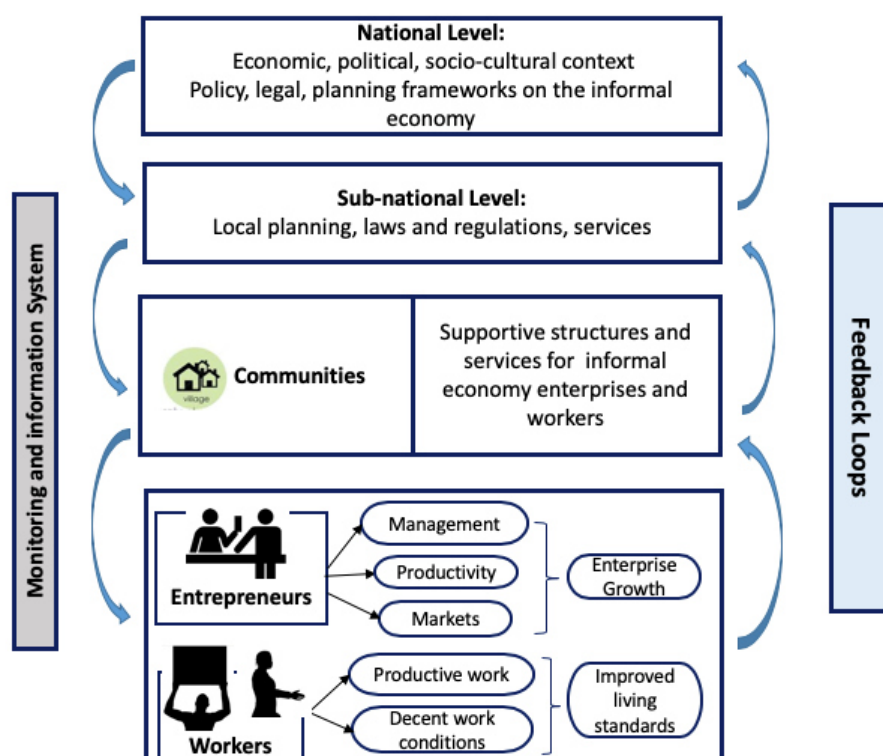
- Arab Maghreb Union (UMA)
- Common Market for Eastern and Southern Africa (COMESA)
- Community of Sahel-Saharan States (CEN-SAD)
- East African Community (EAC)
- Economic Community of Central African States (ECCAS)
- Economic Community of West African States (ECOWAS)
- Intergovernmental Authority on Development (IGAD)
- Southern African Development Community (SADC)

Examples of such policies are the simplified trading schemes SADAC and COMESA introduced to particularly help women entrepreneurs engaged in cross border trading. A specific example of a cross border project is the “Economic empowerment and HIV vulnerability reduction along transport corridors in Southern Africa” project.^[31] The project, which runs through East Africa, supports informal women entrepreneurs affected by, or potentially affected by, HIV.

Within an overall **national system**, there are usually sub-systems at a minimum of three levels. Within an overall national system, there are sub-national systems at provincial/district level. Within the sub-national system there are, in turn, the community level sub-systems. At the core of the community level sub-system are the informal economy activities and the people who work in them.

The overall national and sub-national enabling environment together with the situation in communities affect the success of the informal economy operators’ productivity and the decent work conditions of informal economy workers.

Figure 6. System to Support People Dependent on the Informal Economy



The national system is comprised of entities that influence the functioning of the informal economy. These include the national government, national level private sector entities such as national employers and workers organisations, international and national NGOs, national associations for informal economy workers rights, academic institutions, and other civil society bodies (henceforth usually referred to as Non-State Actors NSA). At national level legal, policy and planning frameworks are of particular importance.

Sub-national systems are comprised of local Government structures and various decentralised Non-State Actors. They may facilitate (or impede) the local informal economy depending on the type and quality of the local situation. The extent to which the sub-national system affects the community level informal economy depends at least in part on the level of decentralisation in each country.

At sub-national level several factors are of key importance. These include local by-laws and plans and institutionally and transparent competent agencies. Officials and NSA employees with appropriate capacities to address the needs of persons dependent on the informal economy are also key.

Local level (communities) sub-system includes community leaders, community-based organisations (CBO), informal economy operators and their workers together with the remainder of the community.

3 Importance of the feedback loop in the systems approach

A very important aspect of the systems approach is the feedback loop. It is quite common for information and resources to be passed down from the national level to sub-national and on down. Gathering information on what works and what does not to address an issue is, however, often only

done on an ad hoc basis. A systems approach requires a structured way to gather information at each level and use it to inform and improve policies, legal and regulatory frameworks and practical implementation planning. The RNSF found that the most effective projects and initiatives on the informal economy contribute to feedback by sharing experiences and use what was learned as an advocacy tool or to improve their actions with informal economy actors.

Regular monitoring and evaluation feedback loops that identify changes in any part of the system are thus needed. Ensuring that monitoring and evaluation is not just a results project tracking tool is vital in this regard. Monitoring and evaluation thus need to be well planned from inception as an active source to improve the planning and implementation of the funded activities. It also helps ensure that the relevance of funded activities remains in the foreground as “a finger is kept on the pulse” of project relevance and effectiveness within the context.

Ensuring that feedback from good practices and lessons learned are used to inform project implementation also means that projects should be *allowed to change* if that is what practical experience during implementation indicates. Simple changes should thus be allowed without needing results framework revision. If planned actions change substantially so as to also change expected outputs it is recommended that this be discussed with the EUD. Changes at outcome level should only be done if unexpected realities are very major and need to be done with care.

At sub-national and community level the availability of various services need to be mapped into the system to ensure that a given project makes full use of the available services and supports beneficiaries to access them. Naturally this includes local Government authorities and the planning and services that they can directly provide such as social protection and health services, relevant schools and training institutions. In addition, this may include micro-finance institutions and local banks, trade associations, cooperatives, Business Development Services (BDS). The latter are commonly business advisory services that can provide support with identifying feasible activities, provide entrepreneurship training and on-going mentoring. BDS may be private or NGO based. Social protection efforts to promote social inclusion can further have an impact on this sub-system if effectively implemented.

Entities that can help protect workers from abuse and ensure that they work in decent conditions are also important. Such entities include labour inspection offices—though these are often understaffed at local levels—police and the judiciary.

4 Informal Economy Context: Subjects for Consideration

Beyond mapping relevant entities, the RNSF research—and that of many other agencies—has indicated that it is vital to consider the characteristics of the context. Any proposal for a project with people dependent on the informal economy should at least include a concise overview of the key factors that relate to the intended project. Such an overview should be able to demonstrate that the applicant has a good understanding of the key issues relating to the informal economy. Naturally the participative involvement of stakeholders is vital as always.

Key aspects to consider are:

- **The nature of the program or other intervention** (e.g. size and scope, level of technical and social complexity, scope and clarity of the objectives)

- **Organizational dynamics:** relations among multiple stakeholders and the level of consensus or conflict.
- **The wider context:** the political, economic, legal, socio-cultural and environmental contexts in which programs operate.
- **The nature of change and how results can be achieved:** while “simple” programs may have direct (linear) linkages between inputs and outputs, for complex programs there are multiple, non-linear and recursive causal chains.

To the extent possible, a project inception report and/or baseline study should cover a somewhat more detailed report of basic information on the areas of focus cited in the Checklist below. The RNSF did not conclude that such an overview would need to be long. It should, however, clearly synthesise the relevant and needed information. In many cases, such information is readily available in national statistics offices and with relevant ministries including those oriented to women and other vulnerable groups. Ministries working on issues related to the informal economy tend to be from a wide range of types and highly depend on the country. Given the focus of the ILO on issues regarding the informal economy, it can be a useful source of information regarding which institutions are the most crucial to obtain needed data.

Table 5. Checklist of Characteristics to Consider in Determining and Implementing Informal Economy Initiatives

Type of Characteristics and Areas of Focus	Level of Analysis	
	National Level	Subnational/ Community Level of Intended informal economy Initiative
1. Political situation – type of Government, degree of stability/fragility, degree and type of decentralisation	✓	
2. Economic situation – national/local characteristics and economic (in)equality levels	✓	
3) Informal economy size and structure – <ul style="list-style-type: none"> ▪ Data on main types and number of persons working in own account informal economy activity or as worker in informal economy activities. ▪ Number of persons working informally in the formal economy (without contracts or other official recognition, protection and benefits). ▪ Prevalence of informal workers in trade, service, manufacturing, construction, transportation. 	✓	If available at local level
<ul style="list-style-type: none"> ▪ Prevalence of mobile, semi-mobile and fixed informal economy jobs and daily wage/casual work. ▪ Importance of seasonality of informal economy work at local level. 		✓
4. Socio-cultural situation – attitudes and practices related to entrepreneurship including with respect to vulnerable groups. That is, women, people with disabilities, people affected by HIV, child labourers, the elderly, migrants, refugees and others.		✓

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5. Population size, proportion by age, gender ²⁵ . HIV prevalence levels. Prevalence Refugees, migrants, trafficked persons if these are considered sizable in the country.	✓	
6. Urbanisation: level of urbanisation, location and size of major urban areas, size and quality of low income/informal settlements, degree of rural urban drift.	✓	
7. Infrastructure functioning – quality and coverage of roads, transport, buildings, water and electricity in urban and rural areas, waste management.	✓	✓
8. Geographic aspects: climate including disaster risks, topography and land use types, vegetation as relevant to value chains, pollution levels.		✓
9. Ratification of international labour standards ²⁶	✓	
10. Legal, policy, strategy frameworks - relevant rules and regulations, strategies at national and local level ²⁷ (including local bylaws) on: <ul style="list-style-type: none"> ▪ Fiscal management ▪ Business registration ▪ Financial services provision ▪ Licensing and issuance of permits ▪ Labour inspection ▪ Property ownership and inheritance²⁸ 	✓	✓
11. Implementation and enforcement <ul style="list-style-type: none"> ▪ Clarity of laws, regulations affecting the informal economy (including fiscal) and transparency regarding enforcement. ▪ Existence of guidelines for the implementation of legal and regulatory frameworks. ▪ Effectiveness of enforcement of laws and regulations at local level. 		✓
12. Education <ul style="list-style-type: none"> ▪ Compulsory school attendance age, ▪ Drop-out rates boys and girls at different education levels, type and quality of vocational and technical schools distribution in local areas. ▪ Types of non-formal and informal skills training at local level. 	✓	✓
13. Health system <ul style="list-style-type: none"> ▪ Public health care structure and functioning. ▪ Level and quality of access of population to public and private health services in rural and urban areas. ▪ Availability of free public health coverage, health insurance coverage for the poor. 	✓	✓
14. Social protection coverage including (conditional) cash transfer schemes, social security and others	✓	✓

At sub-national and community level the mapping of available local services that are relevant to the informal economy can be done during a project inception period if not already done. Such a mapping

²⁵ Details on the size of the youth population are important due to challenges regarding their entry into an often tight labour market in many countries.

²⁶ Available at <https://www.ilo.org/dyn/normlex/en/f?p=1000:11001::NO::>

²⁷ At local level there may be decentralized laws and regulations and/or local bylaws.

²⁸ Note that these can severely impact particularly vulnerable groups in the informal economy. That is when they are unable to own and/or inherit property, financial resources, and/or material items.

has been shown to facilitate the implementation of informal economy projects. It is preferable to develop this at an early project stage.²⁹

- Government services for business development including those oriented towards Micro-Small and Medium enterprises. (Taking value chain linkages into consideration).
- Social protection services
- Health services
- Labour inspection, local police, community based (volunteer) police to whom workers can report violations of labour laws and regulations
- Business/trade association/cooperative registration offices
- Banks and other financial service providers
- Business Development Services
- Vocational and skills training institutions
- NGOs and development projects that provide services to people dependent on the informal economy
- Workers and employers' organisations to which informal economy entities can link, including trade associations and cooperatives
- Community Based Organisations oriented to poverty reduction

Summary Recommendations

Ensure that the identification and brief description of the key contextual factors that influence the informal economy is done prior to and during a project inception period. Assessments of initiatives regarding the informal economy need to consider the extent to which a good and thorough understanding of the context is built in.

Prioritise projects that take a holistic approach to addressing the informal economy. That is, projects with multiple methods to address the needs of project community members and that well consider influencing contextual issues.

Ensure that inception period monitoring planning includes concrete methods to use feedback so that monitoring is not just a results project tracking tool but is planned to strengthen and improve project activities.

Ensure that the mapping of services relevant to informal economy actors and workers is carried out at the early project stage to ensure that a project makes full use of the available services and supports beneficiaries to access them.

²⁹ Mapping of services is sometimes done gradually during implementation but an opportunity to promote linking and access to services is then missed. The potential of impact and sustainability is higher when this is done at the early project stage.

VI SYNOPSIS OF RECOMMENDATIONS FOR FORMULATION AND IMPLEMENTATION OF INFORMAL ECONOMY INITIATIVES

1 Introduction

In this section important recommendations are covered for the consideration of project proposal developers, proposal assessors, implementers and EUD staff who monitor projects when carrying out their work.

The research that the RNSF conducted has resulted in the identification noteworthy good practices and lessons learned regarding initiatives based in the informal economy. Using qualitative analysis methods, certain trends among these good practices and lessons learned could be discerned. The analysis was conducted using Atlas.ti³⁰ qualitative data analysis software to facilitate the assessment process. The identified trends formed the basis for the main recommendations that are cited in the current section.

Fifteen projects with an informal economy focus were tracked for an in-depth analysis throughout the RNSF project. An additional 15 EU funded development projects with informal economy components were also analysed. Finally, over 175 evaluations³¹ of projects that other donors funded as well as other relevant documents were reviewed to identify good practices and lessons learned. The recommendations are thus, in part, based on other documents. The references can be traced in the RNSF publications (<https://europa.eu/capacity4dev/rnsf-mit/wiki/5-rnsf-research-volumes>). The methodology used to identify the good practices and lessons learned is described in the respective reports on these analyses.

The key recommendations based on the identified trends in good practices and lessons learned are organised into 5 parts. The first focuses on implementation *processes*, that is, aspects to consider in planning and implementation of projects and other activities on the informal economy. The second part is on recommendations regarding the enabling environment that are key to addressing challenges in the informal economy. The next sub-sections are on decent work and related enterprise growth; direct actions to address the informal economy at community level; and finally, on issues regarding the inclusion of vulnerable people.

Note that the recommendations are not intended to be exhaustive nor the final word on how and what to do regarding support for people dependent on the informal economy. The RNSF cites the most salient points that were identified and that can be helpful to consider when identifying and assessing project proposals related to the informal economy. The recommendations can also be useful to consider during

³⁰ See Atlasti.com

³¹ Some were meta-evaluations of several projects. An additional 25 reviews of good practices, lessons learned and other related

monitoring and providing guidance during their implementation. For further details on guidance regarding many aspects related to the informal economy the reader is guided to visit the Cap4Dev IESF Library (<https://europa.eu/capacity4dev/iesf/documents>). Further information is also available on the websites of many other agencies that are cited on the Cap4Dev IESF page (<https://europa.eu/capacity4dev/iesf/minisite/8-useful-websites-and-contacts>).

2 Project Implementation Processes, Monitoring and Evaluation Recommendations

Implement a holistic approach that is based in—and shows—a good understanding of the contextual factors that affect the informal economy. Ensure that the employment needs of people dependent on the informal economy are considered while simultaneously fostering an enabling environment for enterprise growth. That is, an environment that is conducive to both productivity and decent work among people dependent on the informal economy.

Start ownership processes at the earliest possible stage of the action by involving as many stakeholders as possible prior to commencement of activities. This includes local Government, the private sector, workers' and employers' organisations, local leaders. Note that while this is often recommended it is often ignored or insufficiently carried out. Promote the establishment of linkages between Government, informal economy entities, formal economy enterprises and civil society organisations.

Ensure that there is a strong focus on building trust between all stakeholders, including between project implementers, beneficiaries and others. Conduct networking and coordination meetings on a regular basis to address any issues that arise. Ensure that such meetings do not only focus on exchanging information but also on joint next steps as far as this is feasible.

Provide holistic project approaches that include as many as possible of the following broad components to stimulate growth oriented informal economy enterprises such as:

- Organizing of informal economy activities into groups, associations, or cooperatives
- Supporting informal economy operators, groups, associations, cooperatives to register formally
- Providing education and training in technical skills, entrepreneurship, empowerment, leadership, laws and regulations affecting the informal economy.
- Supporting methods to increase the volume and the quality of small-scale production and services
- Supporting access and quality of micro credit and other financial services
- Promotion of information technology to access market operations and manage operations and transactions.

Ensure that there is great clarity and agreement on the roles and responsibilities of project partners and other stakeholders involved in informal economy project implementation. Ensure that projects provide capacity strengthening of partners instead of micro-managing or taking over the roles and responsibilities of the partners.

Confirm that project design includes attention to coordination, continuity and complementarity with other initiatives in the implementing area. During the project inception period this should be further strengthened with a mapping exercise to identify other local initiatives and potential complementarity and synergies for joint actions.

Ensure that projects are sensitive to the level of investment of local government that are needed to strengthen capacities of existing programmes and newly introduced programmes on the IE. Impact and sustainability may be negatively affected if this point is inadequately considered.

Include in project design clear post project transition strategy to government (or other implementers). Such a transition strategy goes beyond the usual short statements on sustainability in project documents. It should include a summary of the results of the theory of change that are specifically targeted for sustainability post project and how associated will sustainability actions will be implemented. In addition, it should describe the expected roles and responsibilities for sustainable post project service delivery. Finally, an overview of the expected types of training to be provided to acquire the needed capacities for transition should be added.

Ensure that issues such as mobility of beneficiaries (e.g. domestic workers, migrant workers) are well considered during inception so that programming can take this into account.

Ensure during implementation that monitoring and evaluation is used as a tool to adapt and improve implementation over the course of the project period. Be aware that not all challenges can be predicted before starting implementation. There needs to be some flexibility to ensure that adaptation can be made as needed when faced with practical realities. Continually update and verify if previously planned next steps are still appropriate or need to be adapted.

Begin embedding project activities into community structures from the earliest project phase. This should be clearly indicated in project design (and, when assessing proposals) points reduced in cases where this is not apparent in the proposal).

During implementation, take the political balance and motivations already in existence in the local context into account when supporting the identification of local leaders. While communities should identify their own leaders, projects/programmes need to be aware and support selection criteria that will help avoid individuals from monopolizing leadership positions for personal purposes only. Promote inclusion of women in leadership positions.

3 Enabling Environment Recommendations- Successful support at national and sub-national level to enhancing the livelihoods of those dependent on the informal economy

3.1 Supportive Legal, Policy, Strategy Framework Development

At enabling environment (local and/or national level), focus on advocacy and development of supportive legal and policy frameworks concerning the informal economy. Note that laws and regulations for formal businesses also have an impact on informal economy operators and workers.

For the development of effective strategies to address informal economy issues, it is recommended to implement interactive research to determine the most useful and effective legal, policy and strategy frameworks. This would include the participation and coalition building of informal economy community members, Government staff, academics, and others.

When developing legal and regulatory frameworks, take potential implementation challenges in the context into account. This may include streamlining and ensuring low cost business registration and licensing of specific activities. Other aspects include clear fiscal policies and regulations that take the level of income of informal economy operators into account. Likewise, the regulation of the functioning and inspection of credit unions and similar micro finance institutions so that they are transparent and work effectively. Advocate and provide support to ensure laws and regulations that are conducive to *organising* the informal economy into associations, cooperatives, group social enterprises, and other types of formally recognised groups. Labour laws and regulations on the organisation of persons dependent on the informal economy also need to be translated into understandable language.

Be aware that the existence of an employment strategy is a necessary, but not sufficient condition to bring focus and coherence to labour market policies and programmes, including in the informal economy. Support the clear articulation of access to social protection in employment policies, including for people dependent on the informal economy.

Ensure informal economy persons have *access* to quality information on business and legal services, laws and regulations (including on labour), registration, social protection services, health insurance, tax code, availability of professional associations, methods to establish and operate cooperatives and associations.

It is important to include support regarding the *enforcement* of legal frameworks as relevant in the project countries. This would include supporting steps to reduce corruption, strengthening government coordination and enforcement capacities of agencies/staff. Projects on the informal economy need to ensure that the *consequences* of not adhering to the laws and regulations are well explained to all those implementing and/or affected by the laws and regulations.

Note that it is important for donors to take into consideration the length of time that is needed to influence and gain the adoption of laws, regulations policies and the capacities to implement them. Results frameworks need to be realistic in this regard.

3.2 Institution and capacity strengthening, coordination

Promote the establishment of close partnerships with and among institutional stakeholders at national and sub-national level. Successful experiences should be institutionalised both at regional and national level to guarantee full sustainability and continuity with superior results. Strengthen stakeholders and provide them with tools and products to enable quality implementation of action. Such partnerships are critical to action effectiveness and help avoid duplication and coordination.

To ensure effective identification of gaps to be addressed, promote mapping of institutional stakeholders, their roles, responsibilities, knowledge and skills gaps regarding the informal economy at national and sub-national level. Ensure that this includes attention to coordination, continuity and complementarity with other initiatives in the implementing area. To achieve this, the mapping exercise

should ensure that other local complementary initiatives, their possible roles in coordinating with the project are included in the mapping exercise.

Institution and Capacity Strengthening

Verify that projects include focus on the capacity strengthening of institutional partners and dissemination of project learning. After gap analysis, provide targeted strengthening, including with local Government officers and business development service providers and others. This may include capacity strengthening of institutions to advocate for, develop and revise relevant legal, regulatory, policy and planning frameworks. Strengthening capacities in subjects such as information systems that facilitate the implementation of laws, regulations and plans on the informal economy is an important consideration.

Note that capacity strengthening can be achieved through a broad range of organisation development approaches beyond only providing training. Capacity strengthening may include on-the job training, distance learning, mentoring and other methods. This may also include the promotion facilitation of South-South exchange among target countries as a means toward further capacity development.

Be aware that trainers need to have skills in consulting/mentoring so that they can provide the type of technical support to IE operators and entrepreneurs that they prefer and/or need. Consider seconding implementation experts to relevant government offices for a period to strengthen their institutional capacities on IE issues, on providing support to people dependent on the IE. To provide credibility to training and to graduates, provide certification to (master) trainers and insure that certification is provided in a sufficiently timely manner.

Safeguard the inclusion of clear and agreed upon partner roles and responsibilities during implementation. Ensure, however, that projects focus on capacity strengthening of partners instead of micro-managing or taking over the roles and responsibilities of the partners. Dedicate resources and efforts to long-term planning for capacity strengthening and support individual career planning of government and other implementing partners.

Develop well-defined and well-equipped facilities that support new and existing entrepreneurs. Note that projects that rely on existing public structure—and allocate funding for support on aspects such as labour policy implementation—are more likely sustainable in the future.

Coordination

Project proposals should indicate how coordination will be organised, including with government and nonstate actors. To improve groundwork for effective coordination, ensure that all stakeholder partners are brought together at project inception so that the project objectives are understood by all. The direction of the project should be clear and there should be agreement on indicators. Activities should be coherent. Although these are commonly known aspects to ensure good coordination, they are frequently only partially implemented. More attention needs to be paid to these aspects in projects.

It is important to identify and take into account the different priorities of concerned parties in coordination of action with respect to the informal economy. Promote and provide technical support on discussions to attain consensus on steps to strengthen support for and people dependent on the IE. This

should not be limited to short descriptions of the roles of project partners but also (during inception phase) include more detail of how coordination will be done in practice.

It is especially important to ensure that coordination is not merely limited to information sharing about progress on activities. Coordination meetings should also cover real work to create synergies and joint activities to ensure efficiency. Joint activities should maximise the strengths and compensate for the challenges of partners as necessary.

Good coordination among project staff and its implementing partners is also key and should be carefully considered in project design and further detailed during the inception period. Ensure that sufficient time is allocated to coordination, particularly where entities have not worked together before. Given the diversity of actions in projects on the IE, this is particularly important. E.g. entrepreneurship development, vocational and skills training, micro finance, literacy/numeracy, leadership training, support for marketing, value chain research and development, formalising, and other actions.

3.3 Linking formal and informal economy - value chains

When assessing a project proposal concerning value chain development, consider:

- How beneficial it can be for local workers both in terms of production and income
- If the most vulnerable are/can be involved
- How developed the last part of the value chain is (marketing, transport facilities, supplies, consumers' customs etc.)

When designing projects in the informal economy activities, include focus on the functioning of the value chain. Incomes and working conditions can be improved when the means to strengthen informal economy products in the value chain are considered. It is, however, common for dominant actors try to control and invest in many of the levels within a value chain and then eliminate traditional actors who must struggle to keep their survival jobs. For this reason, value chain analysis and support for the development of quality diversified products and services need to be considered in project design and implementation. Formalisation of currently informal economy actors on the value chain can also be a useful development action (See sub-section on formalising for some details).

Note that the successful development of linkages between the formal and informal economy is highly context dependent. Actions on establishing linkages may work well in one context but not another. Options should be tested in a context before scaling up within a local situation. This means that it can be valuable to study various forms of public-private partnerships and extract good practices for possible replication before testing and scaling them up.

Identify a mix of key value chains and gaps along these value chains that will maximize quantitative and qualitative impact, provide effective lesson learning and build more sustainability. Conduct commodity/product-specific value chain studies to determine recommendations for improving product quality, value added, potential market access for exports and identify high value commodities. Facilitate focus on strengthening the functioning of the existing components of the value chain but also adding new components as relevant.

Keep within a feasible and realistic number of value chain and component analyses and types of support in accordance with available human and other resources. Conduct studies on different possibilities within each potential value chain but do not over-extend. That is, over-extending the number of studies and support may result in only a limited success along the value chain. As there are many needs for value chain development with respect to people dependent on the informal economy, it may be tempting to wish to address them all, but quality of actions must be the priority as opposed to quantity. Remain within what is feasible and reasonable taking available human and other resources into consideration.

Include focus on improving value chain component product/service quality, means to add value and market access at each level. Determine whether, if any new value added/value chain components are developed, they do not compete with existing traditional non-beneficiary local producers. Identify a mix of key value chains and gaps along these value chains that will maximize quantitative and qualitative impact, provide effective lesson learning and build more sustainability.

3.4 Advocacy methods

Develop a Media and Advocacy Strategy at the outset of program implementation (design phase). The plan should specify the type of messages, advocacy campaigns and strategies to be used. Include media organisations in policy level dialogue to develop messages that use gender sensitive language and content as well as for the promotion of decent work.

Support advocacy for the ratification of International Labour Standards and the subsequent harmonising of laws and regulations in project countries.

4 Decent Work and Enterprise Growth Recommendations - Contributing to successful formalisation of the informal economy and strengthening informal economy decent work conditions

4.1 Promotion of decent work in the informal economy including occupational safety and health

Promote and participate in the development of country decent work strategies but contribute to ensuring that they are not too theoretical. Ensure that efforts on employment creation in the IE include focus on the creation of quality jobs and not poor or temporary jobs. Monitor whether employment created with the support of financed projects corresponds to decent work requirements. Include labour inspectors, labour officers and law enforcement officials in training and as actors to strengthen decent work conditions for people in the informal economy.

Promote use of occupational safety and health (OSH) risk assessments of IE types work to help define improved approaches to improve OSH conditions. Develop a recognisable local icon to help during awareness raising campaigns on OSH.

Provide support for efforts to introduce certification of decent work produced items that are for example, “child labour free”, “forced labour free”, “produced in safe working conditions”, etc. Monitor certification program through public-private partnerships. Such programs can go beyond fair-trade certification as they can also be used within countries. Note that awareness raising around the certification program at national level can also be a means to raise general awareness of the need for decent work conditions.

Promote the implementation of suitable technologies and awareness raising on OSH in informal economy jobs. Work towards good integration and creation of synergies between offices that have linkages to OSH. When promoting implementation of OSH approaches in the IE, mention any relevant associated business benefits—i.e. building the business case—such as improved product quality and quantity.

Develop guidelines on occupational safety and health as applicable in informal economy enterprises. This can include the promotion of Codes of Practice that provide detailed guidance decent work in the informal economy.³² As most groups/associations/cooperatives consist of similar types of IE operators it should be feasible to develop such Codes of Practice that are well adapted per sector. Inspiration can be obtained from the ILO OSH guidelines and tools for the IE such as Work Improvement in Neighbourhood Development (WIND), Work Improvement in Small Construction Sites (WISCON), Work Improvement for Safe Home (for domestic workers (WISH), Work Improvement in Small Enterprises (WISE +).³³

Ensure that environment friendly practices are incorporated as a cross cutting theme on all possible interventions, particularly with respect to people dependent on the IE and infrastructure related interventions. Sustainable environment issues should not be considered as a separate pillar but should rather be cross-cutting in informal economy related projects.

4.2 Support for formalising the informal economy

Foster formalisation in both the regulatory framework and the quality and availability of public services. Advocate for reduced and simplified enterprise related rules and procedures for the informal economy and formalisation procedures. Drastic enforcement of strict anti-informality legal frameworks without compensation in the form of social protection and other services is to be avoided. Note that where formalisation is purely based on enforcement without developing supportive regulatory and social protection frameworks, it will likely lead to unemployment and low growth.

Thus, provide support for the development of a multi-level advocacy strategy for Government on rules and regulations for the formalisation of economic activities of specific vulnerable groups and activities.

Ensure tailor made formalisation strategies that are in line with the local realities. Support clear, transparent and inclusive formalisation processes with individuals and groups of people in the IE. Take into account all the possible hurdles, implications and reactions of the system. Note that at least one study found that providing information and reimbursing the cost of registration did not induce more firms to register than those who were not provided with reimbursements.

³² See for information <https://www.ilo.org/global/topics/safety-and-health-at-work/lang--en/index.htm>

³³ The ILO has a series of guides that can be adapted to local specificities. See “Training Programmes and Manuals” at https://www.ilo.org/asia/projects/WCMS_099347/lang--en/index.htm

Be aware that group formation of IE operators and workers into registered associations, cooperatives and other groups can also be a means to formalise the informal economy. It is a misconception that formalising the informal economy only entails the registering of individual IE operations.

Facilitate awareness raising of informal economy operators/workers about the importance and usefulness of formalising individually, in groups, associations or cooperatives. Integrate awareness raising of the types of benefits that IE operators and workers may obtain. These may include access to social protection coverage and improved protection in the form of decent work conditions. Incorporate innovative means, including digital technologies, to raise awareness and carry out project actions. Ensure that sufficient time and resources are allocated for this purpose.

Develop incentivising methods for local or central administrations to sustain the process of searching for and convincing informal economy operators to register their activities. Examples include supporting social protection service providers (health and other services) to meet with, answer questions and provide information to informal economy groups. This leads to a greater understanding of the issues, helps to disseminate information about available programs and encourages staff to personalise their work.

Note that formalisation process is time consuming and need to be well planned and budgeted for. Likewise, ensure that time allocated to planning activities is well-aligned with expected realities.

5 Recommendations for Direct Actions at Local Level – Successful enhancement of informal economy incomes and working conditions

5.1 Social and Behaviour Change Communications

Some aspects on awareness raising have been discussed in the preceding sub-sections. Other specific aspects are raised in the current sub-section.

Identify the most important messages for social and behaviour change on informal economy issues in line for the local context. Include focus on formalisation and decent work-related issues. During project design, baseline analysis and implementation, be aware that informal economy workers (who work for IE operators) may be hesitant to advocate for and/or demand labour law compliance. Determine as much as possible in advance what, if any reticence may exist, why it exists and how this could be addressed to increase their access to decent work conditions.

Ensure that awareness raising also includes empowerment sessions such as in life skills training and the importance of organising and networking on a larger scale or similar methods. Emphasise the usefulness of networking with people having similar interests and concerns. Life skills training is usually oriented to youth but discussing empowerment and self-confidence is important with all who are dependent on the informal economy.

Include the development of high quality, well-accepted communications and training materials with a wide range of stakeholders (including enabling environment). Use innovative means to raise awareness of implementation of labour laws and right to access to decent work including through approaches such

as use of mobile phones and radio programming. Special focus should be placed on the inclusion of IE workers themselves in awareness raising and training for sustainability, including replication and scaling up. Consider using trained workers as peer educators after project completion.

Allocate sufficient time to illustrate and talk about socio-cultural issues, even in trainings that are not assumed to address such topics. Addressing socio-cultural issues such as on equality regarding access to production and markets need attention.

5.2 Identification of entrepreneurial feasible activities

Promote the collection of information and meaningful data about local markets through early-stage project studies. This facilitates the establishment of enterprises at the base of the economic pyramid/value chains.

Note that support for the identification of innovative business ideas and testing their feasibility is a useful project activity. Particularly stimulate people dependent on the informal economy to generate and develop such ideas themselves. When facilitating new economic activities, identify possibilities for down-stream and up-stream job creation for people dependent on the informal economy. Consider a wide range of economic opportunities outside of standard types of informal economy activities. Examples may include establishment of sales agent networks for diverse products, latrine installation, mobile hairdressing services, green jobs, etc. Stimulate the integration of such possibilities during the establishment of new economic activities.

Facilitate potential product and service provisions assessments. Such assessments can determine feasibility and how to add value to product and services quality. They can further focus on how to identify high value commodities and potential means of market access for national sales and export. **The usefulness of certifications for quality and standardisation of informally produced items should be explored and implemented accordingly.**

Support diversification of informal economy activities to avoid over-dependence of vulnerable people on just one business activity. Also, recognise that specific IE activities that a project supports may only form a part of that household's income. Ensure that the time the project expects a household to spend on the informal economy activity is proportionate to other household income generating responsibilities.

5.3 General Education and Training Considerations

Use integrated (holistic) models for training in the informal economy. After determining education/training needs, provide support to address the needs as completely as possible. A comprehensive training model is more likely to lead to success in economic activities. In turn, this may lead to the increased employment in the economic activities and potential replication of what was learned among other community members. While this means that more resources may need to be spent on a smaller group of people, if a system to replicate knowledge sharing is directly integrated into the education/training, scaling up will be easier. Promote the combining of theory and practice during training followed up with technical inputs and support.

Map and develop an inventory of types of available training and training materials in different entrepreneurship and vocational/skills training areas. Widely share the available types of materials or locations/agencies through which they can be accessed.

Post education/training follow up is essential. Training results should be measured immediately post training but also at later intervals to determine the actual impact and usefulness of learning. It is recommended to conduct such impact assessments at about 3 – 6 months after intervention and again at later stages as relevant. Such impact assessments should determine what can be applied, what cannot be applied and why to improve future capacity strengthening efforts. Ensure that impact assessment findings are actively applied and not only remain in an impact assessment report.

5.4 Entrepreneurship: Capacity strengthening on starting, improving, growing economic activities

The main types of training on entrepreneurship focus on the principal types of business management subjects. These include identifying and starting a feasible economic activity, production/service provision, marketing, financial and human resources management. Under each of these headings there are other sub-areas that may need attention in accordance with the results knowledge and skills gap analysis. An over-arching issue that may also need to be addressed is the provision of literacy and numeracy training where it is required. Other issues may be addressed such as on gender, other rights issues, and environmental conservation.

Specific subjects in each management area that are commonly considered for training people dependent on the informal economy may include:

- Business feasibility determination, investment and implementation of business plans
- Production management including efficient production of goods and services, stock keeping and related record keeping.
- Financial management including basic book-keeping, financial planning, credit sales management, debt management, calculating working capital needs, separating business from personal expenses
- Financial literacy on micro-credit and/or insurance schemes including accessing and using such services to obtain the most economic benefits, savings mechanisms.
- Marketing including mechanisms to better understand and access (new) markets and buyers
- Human resource management, labour rights of workers, OSH (OSH may also fit under production management)
- Risk management (identification of potential business risks and planning of how they may be addressed if risks become realities)

Be aware that some informal economy operators are more interested in receiving consulting/advisory services as opposed to attending training.

Engage the formal private sector in training delivery of entrepreneurship development activities as it can enhance effectiveness. During training linkages between learners and the private sector are established and content is rendered appropriate to the existing business context.

5.5 Vocational/skills training

Ensure that training/education is well aligned with local (labour) market needs since this is necessary for all successful vocational and skills training so that they may lead to self-employment. Often labour market needs are only cursorily and/or poorly identified in informal economy related projects. It is recommended to use official statistics as much as possible and supplement this information with local assessments.

Explore a range of methods to determine the types of skill sets needed in the labour market. This can include surveying formal and informal companies to understand the skill-sets that are needed. Consider verifying the need for types of employment that are often not considered for TVET such as sales service provider, security guard, development of new products based on traditional crafts, and green jobs. Other types of training can include construction work, driving, heavy machinery operation, and information technology repair.

Encourage the identification of traditionally male/female dominated skills training and job areas to increase the opportunities of trainees on the job market. Consider the promotion of TVET training in skills not traditionally carried out by the expected sex. While changing the stereotyping of skills may be difficult, breaking the mould can provide more opportunities for both women and men.

Engage in mapping of available training services and carry out assessment of fit between applicants' wishes, labour market needs and available training services. Include analysis of apprenticeship/mentoring possibilities with formal and informal enterprises.

Work with Government to ensure that recognised certificates are provided using agreed to minimum competencies for different types of service provision and production. Include the development and implementation of a system of recognition of informally acquired skills since it facilitates mobility from the informal to the formal economy. Involve potential employers by asking them to review course content to ensure the appropriate competencies are included and mentor trainees.

Ensure that project design includes the provision of support for job placement and/or launching of self-employment prior to completion of training. Include focus on building relations with private sector companies and Government agencies to especially ensure employment of younger less-educated workers post training. Promote and provide support to obtain internship options for TVET graduates. Also develop other means to support graduates through social protection methods if needed until employment can be accessed.

Additional Practical TVET considerations

- Study particularly successful TVET programmes to identify their good practices for replication in new areas.
- Note that the duration of skills training should be of sufficient duration to ensure adequate learning of skills.

- Ensure that all TVET modules include clear learning objectives
- Include in project design focus on ensuring experience and equipment sharing between community members following training.
- Where resources allow, provide trainees with support to obtain the basic equipment necessary in the form of income generating ‘toolkits’ and provide support to access start-up capital.
- Engage in local procurement of tools and materials for training in order to ensure greater project effectiveness in supporting the local economy.
- Carefully review and plan the implementation steps of a TVET programme and ensure that these are well organised to avoid implementation delays. Note that any significant delays may result in loss of momentum and poor results.
- Include life skills and other training in TVET programming as it is critical to help prepare graduates for jobs. Integrate training on labour rights in the provision of TVET with youth. Provide training with a specific session on doing job applications and strengthening professional confidence.
- Ensure that TVET activities are well monitored through an information system that collects data on the post training situation including absorption rate of graduates into the job market—including self-employment—changes in students’ attitudes and lives.

5.6 Micro finance

Note that meta-analysis shows that access to credit probably plays a greater role in improving business performance than training.³⁴ Training alone is, however, still strongly associated with business performance of youth and higher education individuals, especially in the studies where business training was provided for these entrepreneurs. Using a holistic approach is, however, still recommended.

Ensure good fit between the needs of people dependent on the informal economy in a specific context and available micro finance services. Provide a life cycle approach to the design of financial services. Promote savings and not only credit activities. Adapted and clear loan repayment mechanisms in line with needs should be provided.

Establish linkages to formal financial institutions and employment support from the earliest project stage instead of waiting until groups are established and/or training is already underway. This also includes facilitating access to technology such as mobile banking, electronic point of sale devices in retail outlets and ATM’s where this is not yet familiar. Provide follow-up mentoring and support to ensure community members are able to use available micro finance services following financial education.

Promote advocacy, awareness raising and training to Micro-Financing Institutions (MFI) to provide better services to specific population groups such as poor women. Training MFI staff and support their transformation into active agents of change to address the poverty of vulnerable groups is essential. MFIs can feel harmed by some actors in the value chain (e.g. bulk buyers) who have the potential to

³⁴ See RNSF 2016b

offer more competitive pre-financing services. Their capacities need to be strengthened to provide appropriate and competitive products.

Increase the range of MFI products to address the needs of different informal economy actors. When broadening the range of products, ensure sustainability of the MFI through ensuring that appropriate and competitive products can be provided. Also provide guidelines clearly defining the loan repayment mechanisms, setting the most suitable amount and length of loans for different types and scale of businesses. Ensure that all stakeholders are well aware of the guidelines and how they apply to the different types of recipients.

Ensure that the size of individual loans in a micro finance project are sufficient to actually make a difference with regard to investment possibilities for viable enterprises.

Ensure that projects promote realistic expectations of the benefits of micro finance groups and services to avoid discouragement of members. Facilitate that members understand that it takes time for their activities to grow even if micro finance or other support is provided.

Note that women's specific finance needs and habits at different life cycle moments and in accordance with their physical mobility opportunities. This includes the identification of innovative ways to reach borrowers, especially in remote, rural areas and/or where they have low education levels. When supporting the development of micro finance systems, verify if introduction of any of the services will compete for the same market segment as existing service providers. If this is the case, consider redesigning the project to take this into account.

5.7 IT and enhancing of livelihoods of those dependent on the informal economy

Be aware in designing informal economy related projects that using mobile technology can be a good and realistic option to provide technical support to youth and others dependent on the informal economy. This can include using digital technologies to support people in the informal economy with information to make decisions regarding markets, logistics management, stock management. Note that information about the availability of products from producer groups also needs to be communicated up to buyers instead of only sending information about potential markets to producers.

Consider using digital technology to provide training and track informal economy group activities. For example, promote the use of digital technologies in social media to support exchanges between informal economy groups. Also use information technologies (IT) to promote experience and knowledge sharing in informal economy projects. However, assess the availability of the needed technical infrastructure when designing projects that will use IT to enhance/affect livelihoods of people dependent on the IE. This includes assessing aspects such as literacy, availability of digital tools and equipment and connectivity constraints.

6 Recommendations on Inclusion of vulnerable people dependent on the informal economy

6.1 Organising and social dialogue

One of the main problems of informal economy workers and enterprises is the fragmentation, isolation, and small scale of their operations and production. This poses limitations to their borrowing abilities, ability to buy equipment, increase in production quality, and accessing formal markets. The most obvious solution to this problem is the organising of informal economy producers to join forces and to use the economies of scale. Support to building cooperatives and other associations is often included in informal economy projects to overcome the obstacles and limitations of the informal activities. Note that organising and registering an association, cooperative or other type of economic group is a way to enter the formal economy in most countries.

Consequently, it is recommended to promote and support approaches to organising informal economy operators into joint groups. Organised groups can engage in joint purchases and joint sales of their production, allowing them to achieve better transaction conditions. Groups can engage in dialogue with producers of equipment and materials, as well as with the distributors of final products. The groups can share the purchased resources as well as the business risks.

Through organised groups, support can also be provided to empower people dependent on the informal economy to participate in public discourse on issues affecting them.

Note that it is key to be flexible in the determination of the types of informal groups that will be strengthened and/or established. Recognise that there may be different needs and a single approach to organising groups throughout all projects/activities may not be beneficial. Consider that there may be groups with strong forms of full partnership among the group members or simpler options such as cooperating on a single aspect such as marketing or transportation. Consider promoting different types of group models depending on the context, the needs and purpose of the groups instead of using the same model throughout. Test alternatives in parallel rather than in sequence.

Develop sets of good practices with clear operational targets to be met in informal economy associations/cooperatives/groups. In many projects, the measurement of the quality of the functioning of associations/cooperatives/groups is insufficiently included in monitoring. Good practices and lessons learned should be used to inform improvements in functioning of the IE groups. Implement a systems approach with feedback loops to improve implementation of activities in the groups.

Take into consideration that workers for informal economy operators are rarely organised. Organising informal economy workers into groups such as savings and credit cooperatives can be beneficial to addressing decent work deficits and should be supported.

Additional points of note regarding organising

- Be aware that when starting groups that a focus on building trust between group members is important. Use team building exercise methodologies to build trust. Even in communities where people may know each other there can be a need for team building activities.

- Foster more participation of vulnerable persons in organised groups through adapting the criteria to obtain membership and to stay a member.
- Reinforce a sense group of identity and cohesion to enable community groups to strengthen their bargaining power so that they can access their rights.
- Promote inter informal economy group learning.
- Ensure that associations, cooperatives, IE groups are provided with organisation management, and conflict mitigation capacity strengthening in accordance with their needs. Ensure that community participation is well aligned based on a capacity needs analysis.

Social dialogue

Promote and facilitate social dialogue between a range of stakeholders as this contributes to appropriate content, capacity strengthening through knowledge sharing, speedier decision-making and ownership. Dialogue may include rural/or community members, local/regional/national government, civil society and academia representatives, workers and employers' organisations.

After stimulating social dialogue among social partners through informal economy projects, ensure that clear well organised strategies are in place so that social dialogue networks are self-sustainable. Note that social dialogue should not end with a project on the informal economy but should rather include opportunities for stakeholders to share successes and lessons learned during and after project end.

6.2 Social protection

Promote and facilitate the use of multi-stakeholder approaches to develop social protection approaches for people dependent on the informal economy. Ensuring support for informal economy persons to direct access social protection, health and other insurance services is key to poverty reduction and leads to increased health and productivity.

Promote discussion in project steering committees or other coordinating bodies on social protection as a means to enhance the capacities of members and address social protection in addressing the IE. Include a range of stakeholders related to the informal economy in capacity strengthening and decision-making on social protection issues as it helps raise their awareness and strengthens their ownership of related processes. Steering committees and other stakeholders who may contribute to the discussions should include government, employers and workers' organisations. Other civil society groups may also be associated such as experts from academia. It is thus important to ensure that stakeholders understand the links between social protection and employment of people dependent on the informal economy. Also promote and smooth access to relevant services that support people dependent on the informal economy. This includes the dissemination of information on available services to service providers and people dependent on the informal economy. Support the registration of informal economy workers in social security systems and other social protection systems.

Where associations of workers dependent on the informal economy cannot provide access to social protection themselves, provide support establishing linkages of informal economy operators and workers with social protection service through exchanges and meetings. Such events can help foster information sharing on good practices and lessons learned.

Ensure that project beneficiaries are provided with the best available insurance solutions in line with their needs and their disposable assets. Obtain workers' opinion and insights to understand which option could be considered as the most suitable.

Workers dependent on the IE face different vulnerabilities at different periods of their lives, and thus need different mechanisms of social protection at different times. This aspect should be considered in planning and implementation.

Ensure support for the development of results-based monitoring to measure extent of use of social protection services.

6.3 Recommendations for specific groups

Note that the strategies for vulnerable groups within the informal economy may need to vary. Women, child labourers, youth, the elderly, persons with disabilities, who are affected by HIV, refugees, migrant workers and others have diverse needs. People in the informal economy may also face a combination of different vulnerabilities. An elderly person may need to look after orphans as the result of AIDS deaths in the family while simultaneously having a disability. Note that elderly persons can also serve as mentors in informal economy projects as they can draw upon years of experience and knowledge.

To reach their fullest potential, projects/programmes should include actively addressing the power imbalance of and among vulnerable groups of people who are dependent on the informal economy.

To develop effective governance and direct actions with vulnerable groups in the informal economy, the establishment of solid knowledge base is thus necessary. Be aware that the actual gender and other issues that concern vulnerable persons in an informal economy project may not always be the most immediately obvious ones. Appropriate policy making should take the findings not account. Where needed institutional capacity building responding to the specific requirements of the target groups should be supported where possible.

As part of ensuring appropriate legal, regulatory, policy and planning frameworks, focus on providing marginalised groups with a voice in governance and investment. This involves supporting marginalised groups in advocacy with governments and other entities with which they interact. This includes supporting them to reduce the barriers that perpetuate disadvantageous power dynamics.

6.4 Gender

Promote the carrying out of gender analysis on informal economy issues including by drawing on the existing knowledge and capacities of men, women, boys and girls. Ensure that projects include a deeper analysis of inequalities in the gender division of labour and the effect of gender on their work and design actions at local and enabling environment level accordingly. This should include analysis of:

- Existing legal, regulatory, policy and planning frameworks and the extent to which they consider gender issues. This includes equity regarding gender budget allocations.
- Gender roles and responsibilities in the household and the community

- Factors that constrain or facilitate equal participation of women and men in community development processes, particularly as related to economic issues.
- Differences in access to and control over resources and decision-making at local level as they affect economic activities, management and spending of earnings.
- The different capacities need and priorities of women and men.

In projects with people dependent on the informal economy, include a specific component on gender mainstreaming. It is important to ensure that approaches to gender issues are well articulated in the project design. Gender issues should be adequately planned so that they are not limited to points such as trying to have gender balance in groups and/or paying some attention to gender issues in training. Take into consideration that because a project has a focus on women does not automatically mean that gender issues are addressed. Ensure that this includes development of policies, training and other interventions that take the different needs of female and male operators/workers into account. Ensure that attention to the need for structural change in the enabling environment is also covered.

Note that it is useful to support and share national level experiences on women's entrepreneurship and gender equality as this often has that are also useful for women in the informal economy.

Gender equality should be sufficiently addressed to make a difference.

During project design, consider seriously how men will be included in projects focusing on women's empowerment. Note that in some projects, men are also beneficiaries or play a role in women's empowerment. When projects work with particular sectors, ensure that not only sectors that are male dominated are selected.

Facilitate the development of a supportive policy and institutional environment for women entrepreneurs at all levels. Promote the capacity strengthening of ministries and other agencies to specifically support women entrepreneurship—including of women dependent on the informal economy) and advocate to make such development a priority. Empower women's groups to demand quality service delivery.

Use gender audit tools such as the Service Quality Check for Supporting Female and Male Operated Small Enterprises³⁵ to determine if an organisation is suitable for the implementation of a project focused on women in the informal economy. The tool allows the identification of needed improvements in the way an organization reaches out to and serves both women and men.

Where relevant, support informal economy activities in labour saving technologies for domestic tasks. Consider focus on managing water fetching services, sale and provision of energy for cooking and lighting, and food processing and preparation. Other activities may be the manufacture and sale of energy efficient cooking stoves and the managing and maintaining water sources (boreholes, water pumps)

³⁵ See https://www.ilo.org/wcmsp5/groups/public/@ed_emp/@emp_ent/documents/publication/wcms_117998.pdf

Gender and Training

Ensure that training includes both female and male trainers on women entrepreneurship activities. This helps broaden understanding of the issues between men and women, including among the trainers. Ensure that SBCC targeting both men and women is conducted in projects related to women dependent on the IE on issues of equity in control and decision-making of household resources.

Note that developing self-confidence and communication skills should be an essential part of most women's economic empowerment projects. This includes women's empowerment within the household, community and even for advocacy regarding legal, policy and planning frameworks at district and national level.

Consider in training materials that women's basic level of education may be inadequate to sufficiently understand the materials. Materials should be adapted prior to training and not rely on facilitators to adapt them during the training itself as some may not be able to do so adequately.

When planning training on women's empowerment and skills, take into account such practical problems as distance to/from the training venues. Likewise consider how socio-cultural context affects their participation. Note that women's participation in empowerment trainings may be extremely challenging, since women may have to break with traditions to participate.

6.5 Children and youth

Ensure that informal economy projects include attention to the issues of children and youth.

Child Labourers

Emphasise the extent of child labour using data (where available) to advocate for poverty reduction efforts using existing government programming at local level. In particular, focus on the importance of promoting children's education instead of being in hazardous child labour and/or working at all prior to their legal working age. Ensure that this child labour projects combine awareness raising on child labour but also on the importance of decent work for adults.

Engage in a holistic approach in child labour projects involving community, families and school staff through:

- Ensuring that emphasis is placed on the development of sustainable livelihoods for household members as this decreases their dependence on child labour.
- Providing toolkits to support livelihoods activities and accompany this with monitoring and follow up services to support households to access markets.
- Providing capacity building and strengthening of pedagogical and socio-psychological skills to school staff and teachers to help them succeed in retaining children reintegrated into school from child labour.
- Empowering stakeholders in child labour elimination projects through local structures that are closely supported, accompanied and monitored throughout the actions.

Note that it is also important to consider that there may be unanticipated impacts on children when providing support for women who are dependent on the informal economy. That is, children's labour inputs may increase as households may involve them to with the new workloads stemming from increased production activities. Child accidents may also be more likely as women are busy with attending training and/or economic activities. Consider the need for the provision of child care or baby-sitting networks.

Youth

Ensure that policies on youth employment are sufficiently wide in scope to address the wide array of issues that impact youth employment. Promote institutionalisation of youth employment policy activities to ensure impact. Promote development and place important emphasis on development of local by-laws to facilitate access to wide range of locally available poverty reduction programmes and regulate child trafficking and hazardous child labour.

Approach development with young people holistically to enable them to reach their full potential. All aspects of their personality and talents should be nurtured. Consequently, support initiatives with a focus on transforming youth into agents of change in their communities. This should include providing them with comprehensive training packages—including literacy and numeracy, life skills and business and entrepreneurship—to ensure the cascading of learning. To stimulate cascading, promote methods such as peer training where youth are required to share the skills that they learned with other youth. Accordingly consider methods such as having older more experienced youth to mentor younger and less experienced youth.

In project design take into account that not all youth have the inclination or aptitude to become self-employed, so any type of training needs to be sensitive to youth preferences and capacities. Determine preference for self-employment or employment working for others when enrolling youth in programmes. Be aware that their preferences may also change over time.

Develop voucher programmes for young and other interested persons to facilitate attendance in TVET programmes. A voucher program enables potential trainees to receive vouchers that they can use to cover (most) of the costs of training in a selected number of training sites.

Youth and Micro-Finance

In designing micro finance programming with youth, take a life cycle approach to develop actions that are relevant and appropriate at different stages and transitions of a young person's life. Be aware in designing micro finance support with young people that they often do save and/or borrow already. Initiatives for youth—as well as for other groups—should take this into account. Youths' sources of income might be small and irregular and when they save, they often do so in unsafe places. They borrow, most often informally, to start a business but also to continue with their education. They want access to formal financial services that can better meet their growing needs.

When designing programming for micro finance with youth, promote the establishment and tapping into formal savings accounts prior to using other types of financial services, especially loans. This savings-first approach builds young people's capacity and confidence in using formal financial services and serves as a basis for building assets for the future.

Invest in innovations and share the successes of youths' access to a variety of financial services while also building the capacity of financial service providers to design and deliver viable financial products for youth.

6.6 People with Disabilities

Involve people with disabilities in developing national or local informal economy initiatives. This should include advocacy to ensure that the rights of person with disabilities are considered in laws and regulations. Integrate disability issues into national development policies and programmes as related to people dependent on the informal economy. Provide support for the capacity strengthening of civil society organisations and people with disabilities to engage in policy development.

Promote/facilitate occupational health and safety (OSH) in work implemented by people with disabilities who are dependent on the IE, including accident prevention. Tackle disability-stigma through various means such as stimulating the media to portray people with disabilities in various occupations including in informal economy work.

Develop partnerships between entities that can strengthen entrepreneurial skills and business development opportunities for people with disabilities. Include post-training support such as job-placement and specialised guidance for people with disabilities and their employers on how to retain them in employment. Consequently, provide support for the adaptation of production technologies to meet the requirements of persons working in the informal economy workers who have disabilities.

6.7 People affected by HIV

Create a secure and accessible environment that enables supports persons affected by HIV to come forward and participate in the project. Ensure that people affected by HIV are also included in training groups wherever relevant and support them with the same types of assistance. Promote income-generating activities that are low in input and labour use, close to home, and with a quick cash turnaround.

Mainstream HIV awareness in projects with people dependent on the IE. Consider in project design that organising informal enterprises into associations and cooperatives helps to provide channels to effectively and efficiently channel resources and messages on HIV. Include awareness raising on HIV in projects with people dependent on the IE.

6.8 Refugees, post-emergency support, migrant workers

Refugees

In programs with refugees, involve refugees and the host population well in advance of designing informal economy projects and activities. This should include the participation of refugees in assessing livelihood challenges and needs and analysing internal and external factors influencing livelihoods.

When designing livelihoods projects with refugees, take into account the potential of informal economy and other economic activities developed in asylum settings to be transferable on repatriation.

Include a contextual assessment in refugee camps prior to the design of development actions. This should include the following information, how camps are used, what was done before in the same context, and what will/will not work based on past experience. Specifically note the kinds of economic capacity building activities that are already in place or were tried before. Verify how refugees and the local host population view new or proposed informal economy related projects with refugees. Determine whether the wider market context is appropriate and conducive to the promotion of refugee livelihoods. This should comprise attention to broader labour market impacts including specifically in the informal economy. In addition, determine whether the host government policy context is appropriate and conducive to the promotion of refugee livelihoods.

Provide support to both the host community and the internally displaced persons (IDP) or refugee population. This is particularly important where large IDP populations create an economic burden on the host community that might result in conflict.

In planning support for refugees, develop a plan to move from one level of support to another as their capacities and needs evolve through time. Specifically, follow a “graduation approach” to livelihood programming. Gradually reduce the number in need of assistance and livelihood support as they achieve livelihoods solutions at each level. Phase out more costly short-term livelihood support measures gradually while maintaining medium to long-term sustainable economic activity measures.

Consider limiting the variety of vocational skills training provided in the context of support for refugees to those with a clear local market. Focus on small business creation and skill development that can support refugees with small, odd jobs, such as food preparation, and which do not require such a substantial investment in equipment and resources.

After a disaster, engage in anti-trafficking awareness raising and support provision of livelihood opportunities to reduce the push factors for trafficking in persons, including children.

To protect investments post disaster in livelihoods of the poorest informal economy groups, provide cash transfer but also additional short-term support to cover the gap in essential needs so that working capital informal economy activities are not affected. This may include food aid and support to obtain basic household needs kits.

Migrant workers

Ensure that labour migration programmes/projects always include a careful analysis of the socio-cultural, political and economic context in both sending and receiving countries. When implementing projects with migrant workers, include a range of rights-based support mechanisms, both at home and abroad, with economic empowerment efforts in the sending communities. Promote the inclusion of all key stakeholders when engaging in actions to benefit migrant workers. Bear in mind when designing projects on migrant labour that children can also be migrant workers.

Engage in advocacy to mobilise key stakeholders prior to engaging them to work on high-level labour migration goals. Such goals may include the signing of bilateral agreements, the development of labour migration policies, the legal framework reform or ILO Conventions ratification. In migration policies, support the development of a migratory corridor focus, working both in the origin and destination

countries where relevant. Ensure advocacy for the provision of decent work conditions for migrant workers.

VII GLOBAL CORE INDICATORS FOR M&E OF DEVELOPMENT INITIATIVES RELATED WITH INFORMAL ECONOMY

The global core indicators described in this section provide a reference framework to assess, monitor, evaluate and research initiatives and programs addressing the informal economy. The indicators were refined from an early version of the RNSF research matrix. The RNSF analysed data from a wide range of informal economy initiatives for this purpose. The indicators are "core" because of their high relevance and "global" because they may apply to cases in informal economy projects around the world.

1 Summary of Global Core Indicators

1.1 Enabling environment

- 1.1. Global and regional economic and social strategies for enhancing the livelihoods of those dependent on the informal economy, with special attention to social inclusion identified.
- 1.2. Effective advocacy methods on IE legal and policy framework development identified with primary focus on national level.
- 1.3. Extent to which projects have contributed so that legal frameworks in countries have a supportive impact on their IE related beneficiaries.
- 1.4. Extent to which projects have contributed so that policy frameworks in countries have a supportive impact on their IE related beneficiaries.
- 1.5. Extent to which projects have contributed so that macro-economic approaches in countries have a supportive impact on their IE related beneficiaries.
- 1.6. Extent to which IE prevalence statistics have been used to support enhancing of livelihoods of those dependent on the informal economy and are analysed.
- 1.7. Extent to which labour market statistics have been used to support the IE identified, analysed and used to support people dependent on the IE with special attention to informing education/vocational/skills actions.

1.2 Decent work and enterprise growth

- 2.1. Extent to which promotion and implementation of International Labour Standards and national labour laws related to the IE have been carried out.

- 2.2. Formalising the informal economy efforts appropriate to the local situation identified and implemented including focus on enterprise growth and decent work.
- 2.3. Locally appropriate OSH in IE identified and implemented.
- 2.4. Locally appropriate environmental and sustainable management in IE identified and implemented.

1.3 Direct actions in communities

- 3.1. Effective SBCC in local situations regarding the IE identified and implemented.
- 3.2. Entrepreneurship strengthening methods that are locally appropriate IE identified and implemented.
- 3.3. Effective methods identified in IT/Digital technology to enhance the livelihoods of those dependent on the informal economy, with special attention to social inclusion.
- 3.4. Locally effective leadership, life skills, empowerment training in IE identified and implemented.
- 3.5. Locally effective micro finance mechanisms for use with people dependent on the IE identified and implemented.
- 3.6. Types of vocational/skills training with regard to enhancing livelihoods vocational/skills training in IE identified. Implementation of locally appropriate vocational/skills training with proven employment creation.

1.4 Equity and inclusion

- 4.1. Locally effective methods of social dialogue in IE identified and implemented.
- 4.2. Locally effective social inclusion promotion in IE methods identified and implemented.
- 4.3. Locally effective social protection in IE identified and implemented
- 4.4. Locally effective methods to address gender issues in IE identified and implemented.
- 4.5. Methods to strengthen the livelihoods of youth in IE and eliminate child labour—particularly hazardous child labour—identified and implemented.
- 4.6. Methods to strengthen livelihoods of people affected by HIV in IE identified and implemented.
- 4.7. Methods to strengthen livelihoods of people with disabilities in IE identified and implemented.
- 4.8. Methods to strengthen livelihoods of other vulnerable groups in the IE identified and implemented.

2 Details of Key Questions, Related Core IE Indicators, Data Sources and Analysis Methods

The following table provides a list of key questions and sub-questions that need to be continually studied and answered to update the knowledge base on the Informal Economy and Inclusion.

The indicators, potential data sources and analysis methods are also provided.

The same table can be used to assess proposals. It can, further, be used as relevant and adapted for the development of monitoring and evaluation of projects on the informal economy.

Table 6. Details of Key Questions, Related Core IE Indicators, Data Sources and Analysis Methods

Key Questions and Sub-topics for Monitoring, Evaluation and Research on Informal Economy Related Initiatives	Indicators and Data Collection Types	Data Sources	Data Analysis Methods
1) Enabling environment What are the key ways to successfully support the enabling environment at national and sub-national level for enhancing the livelihoods of those dependent on the informal economy, with special attention to social inclusion? This includes legal and policy framework development, institution and capacity strengthening as well as coordination.			
1.1. Global and regional strategies for enhancing the livelihoods of those dependent on the informal economy, with special attention to social inclusion.	Global and regional economic and social strategies for enhancing the livelihoods of those dependent on the informal economy, with special attention to social inclusion identified.	International literature review documents: <ul style="list-style-type: none"> International agencies' reviews of strategies. National reports on implementation of strategies Research reports, evaluations and other information on EC and other funded projects, case studies, and situation analyses. Communications with key informants at all levels (global, regional, national) Website review	Thematic and comparative analysis of effectiveness of global and regional strategies of extent to which strategies have been implemented and useful. Quantitative and qualitative analysis.

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1.2. Advocacy Methods on IE legal and policy framework development.	Effective advocacy methods on IE legal and policy framework development identified with primary focus on national level.	Literature review documents: National level reports, evaluations and other information on EC and other funded projects, review of case studies. Communications with key informants in project countries. Website review	Identification of advocacy methods in project countries. Identification of criteria for determining effectiveness. Thematic analysis of advocacy methods effectiveness using a systems analysis approach (how advocacy has contributed to improving the enabling environment) Quantitative and qualitative analysis of extent of successes and challenges.
1.3. Supportive legal frameworks development, adoption and implementation.	Extent to which projects have contributed so that legal frameworks in countries have a supportive impact on their IE related beneficiaries.	Literature review documents: National level reports, evaluations and other information on selected completed EC and other funded projects, review of case studies Overviews of legal frameworks pertinent to strengthening the enabling environment. Website review Impact surveys	Identification of pertinent legal frameworks on IE Identification of positive and/or negative impact. Systems analysis approach to determine contextual elements influencing effectiveness. Quantitative and qualitative analysis of extent of successes and challenges.
1.4. Supportive policy frameworks development, adoption and implementation.	Extent to which projects have contributed so that policy frameworks in countries to have a supportive impact on their IE related beneficiaries.	Literature review documents: National level reports, evaluations and other information on selected completed EC funded projects, case studies. Policy frameworks pertinent to strengthening the enabling environment. Website review Impact surveys	Identification of pertinent policy frameworks on IE Identification of positive and/or negative impact and related reasons. Systems analysis approach to determine contextual elements influencing effectiveness.
1.5. Macro-economic approaches identified to stimulate IE and formalisation as appropriate.	Extent to which projects have contributed so that macro-economic approaches in countries have a supportive impact on their IE related beneficiaries. Details analysed.	Literature review documents: National level reports, evaluations, case studies and analyses of macro-economic approaches pertinent to strengthening the enabling environment. Summaries of macro-economic approaches in project countries. Website review Impact surveys	Identification of pertinent Macro-economic approaches on IE Identification of positive and/or negative impact and related reasons. Systems analysis of any macro-economic approaches. Quantitative and qualitative analysis of successes and challenges.

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1.6. IE prevalence statistics and use to inform enhancing of livelihoods of those dependent on the informal economy, with special attention to social inclusion.	Extent to which IE prevalence statistics have been used to support enhancing of livelihoods of those dependent on the informal economy and are analysed.	Literature review documents: National level reports, evaluations, case studies and analyses of IE statistics and its use Communications with key informants in project countries. Website review	Identification of ways in which IE statistics have been used to strengthen approaches to livelihoods enhancement. Identification of challenges in using IE statistics and possible ways in which these may be overcome.
1.7. Labour market statistics collected and used to inform enhancing of livelihoods of those dependent on the informal economy, with special attention to social inclusion strategies. Specific focus on using labour market statistics for planning education/vocational/skills actions.	Extent to which labour market statistics have been used to support the IE identified, analysed and used to support people dependent on the IE with special attention to informing education/vocational/skills actions.	Literature review documents: National level reports, evaluations, case studies and analyses of labour market statistics and its use. Communications with key informants in project countries. Website review	Identification of ways in which labour market statistics have been used to strengthen approaches to livelihoods enhancement. Identification of challenges in using labour market statistics and possible ways in which these may be overcome. Thematic analysis to determine if and how labour market statistics are used to inform decision making on types of vocational and skills training to be provided

2) Decent work and enterprise growth

What are the key elements that contribute to successful formalisation of growth oriented informal economy enterprises and that help ensure informal economy decent work conditions?

(Cross linkages with other research questions)

2.1. Promotion and implementation of decent work, including through adoption and implementation of international labour standards, national labour laws in IE.	Extent to which promotion and implementation of International Labour Standards and national labour laws related to the IE have been carried out.	Literature review documents: National level reports, evaluations and other information on selected completed EC and other funded projects, case studies, review of tools on strengthening decent work, and analyses of their use. Communications with key informants in project countries. Website review	Identification of extent and type of successes and challenges identified during promotion and implementation of decent work in the IE and determine if/how these were overcome.
2.2. Formalising work in the IE and focus on enterprise growth and decent work.	Formalising the informal economy efforts appropriate to the local situation identified and implemented including focus on enterprise growth and decent work.	General literature review documents. Collected data on project steps undertaken towards formalising the IE. Communications with key informants in project countries.	Identification of extent and type of successes and challenges during formalising in the IE using quantitative and qualitative analysis. Determine if/how these were overcome.

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		Website review	
2.3. Occupational safety and health (OSH) implementation in IE.	Locally appropriate OSH in IE identified and implemented.	Literature review documents: National level reports, evaluations and other information on EC and other funded projects, case studies, review of OSH training tools and analyses of their use. Communications with key informants in project countries. Website review	Identification of extent and type of successes and challenges during promotion and implementation of OSH in the IE using quantitative and qualitative analysis Determine if/how challenges were overcome.
2.4. Environment and sustainable management & IE.	Locally appropriate environmental and sustainable management in IE identified and implemented.	Literature review documents: National level reports, evaluations and other information on EC funded and other projects, case studies, review of environment and sustainable management issues Website review	Identification of extent and type of successes and challenges on sustainable management issues using quantitative and qualitative analysis. Analysis of GP and LL to determine adaptability and scalability. Identification of extent and type of successes and challenges environment and sustainable management issues and determine if/how these were overcome.
3) Direct actions in Communities What are the key proven direct actions at local level that contribute to the successful enhancement of livelihoods and working conditions for those working in informal economy enterprises with special attention to social inclusion?			
3.1 Social and behaviour change communications (SBCC) Subject areas on: <ul style="list-style-type: none"> Human rights (including equity) of IE entrepreneurs and workers including right to work. Right to access decent work including implementation of labour laws. Promotion of social norms supportive of enhancing opportunities for those dependent on the informal economy. 	Effective SBCC in local situations regarding the IE identified and implemented.	Literature review documents: National level reports, evaluations and other information on EC funded and other projects, case studies, review of SBCC tools and analyses of their use. informants in project countries. Website review Baseline and endline surveys	Identification of extent and type of successes and challenges on SBCC/Communications for Development (C4D) using quantitative and qualitative analysis. Analysis of GP and LL to determine adaptability and scalability. Identification of challenges identified during SBCC and C4D development and implementation and determine if/how these were overcome.

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3.2 Entrepreneurship: Capacity strengthening on starting, improving, growing economic activities.	Entrepreneurship strengthening methods that are locally appropriate IE identified and implemented.	Literature review documents: National level reports, evaluations and other information on selected completed EC and other funded projects, case studies, review of entrepreneurship capacity strengthening tools, and analyses of their use. Communications with key informants in project countries. Website review Baseline and endline surveys	Identification of extent and type of successes and challenges on entrepreneurship strengthening using quantitative and qualitative analysis. Analysis of GP and LL to determine adaptability and scalability. Identification of challenges identified during promotion and implementation of capacity strengthening on starting, improving, growing economic activities and determine if/how these were overcome.
3.3 Information/Digital Technology (IT) and enhancing of livelihoods of those dependent on the informal economy, with special attention to social inclusion.	Effective methods identified in IT/Digital technology to enhance the livelihoods of those dependent on the informal economy, with special attention to social inclusion.	Literature review documents: National level reports, evaluations and other information on EC funded and other projects, case studies, review of IT use to strengthen capacities of people dependent on the IE. Communications with key informants in project countries. Website review	Identification of extent and type of successes and challenges on entrepreneurship strengthening using quantitative and qualitative analysis. Analysis of GP and LL to determine adaptability and scalability. Identification how challenges of using IT to enhance livelihoods were overcome.
3.4 Leadership, life skills, empowerment training, literacy/numeracy	Locally effective leadership, life skills, empowerment training in IE identified and implemented.	Literature review documents: National level reports, evaluations and other information on EC funded and other projects, case studies, review of leadership, life skills, empowerment capacity strengthening tools, and analyses of their use. Communications with key informants in project countries. Website review Baseline and endline surveys	Identification of extent and type of successes and challenges on leadership, life skills, empowerment training using quantitative and qualitative analysis. Analysis of GP and LL to determine adaptability and scalability. Determine if/how challenges were overcome.
3.5 Micro finance	Locally effective micro finance mechanisms for use with people dependent on the IE identified and implemented.	Literature review documents: National level reports, evaluations and other information on EC funded and other projects, case studies, review micro finance strengthening tools and approaches. Communications with key informants in project countries. Website review	Identification of extent and type of successes and challenges on micro-finance using quantitative and qualitative analysis. Analysis of GP and LL to determine adaptability and scalability. Identification if/how challenges on micro-finance were overcome.

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		Baseline and endline surveys	
3.6 Vocational education/skills training	Types of vocational/skills training with regard to enhancing livelihoods vocational/skills training in IE identified. Implementation of locally appropriate vocational/skills training with proven employment creation.	Literature review documents: National level reports, evaluations and other information on EC funded and other projects, case studies, vocational/skills training methods and tools. Communications with key informants in project countries. Website review Baseline and endline surveys	Identification of extent and type of successes and challenges on vocational/skills training using quantitative and qualitative analysis. Analysis of GP and LL to determine adaptability and scalability. Identification if/how challenges on vocational/skills training were overcome.
4) Equity and inclusion			
What innovative approaches are used to enhance <i>equity and inclusion</i> and livelihoods of people dependent on the informal economy			
4.1 Social dialogue and its effective use to address issues affecting people in the IE.	Locally effective methods of social dialogue in IE identified and implemented.	Literature review documents: National level reports, evaluations and other information on EC funded and other projects, case studies, reviews of social dialogue methods. Communications with key informants in project countries. Website review	Identification of extent and type of successes and challenges on social dialogue and IE using quantitative and qualitative analysis. Analysis of GP and LL to determine adaptability and scalability. Identification if/how challenges on social dialogue and IE were overcome.
4.2. Social inclusion promotion (awareness raising on social inclusion in IE)	Locally effective social inclusion promotion in IE methods identified and implemented.	Literature review documents: National level reports, evaluations and other information on EC funded and other projects, case studies, reviews of social inclusion promotion. Communications with key informants in project countries. Website review Baseline and endline surveys	Identification of extent and type of successes and challenges on social inclusion promotion using quantitative and qualitative analysis. Analysis of GP and LL to determine adaptability and scalability. Identification if/how challenges on promotion of social inclusion were overcome.

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4.3. Social protection and its effective use to address issues affecting people in the IE.	Locally effective social protection in IE identified and implemented.	Literature review documents: National level reports, evaluations and other information on selected completed EC funded projects, case studies, reviews of social protection and its use as linked to the IE. Communications with key informants in project countries. Website review Baseline and endline surveys	Identification of extent and type of successes and challenges on social protection using quantitative and qualitative analysis. Analysis of GP and LL to determine adaptability and scalability. Identification if/how challenges on promotion and implementation of social protection were overcome.
4.4. Strengthening actions related to the IE with attention to gender issues: Women Role of men to support women in IE	Locally effective methods to address gender issues in IE identified and implemented.	Literature review documents: National level reports, evaluations and other information on EC and other funded projects, case studies, reviews of strengthening the IE with attention to gender issues. Communications with key informants in project countries. Website review Baseline and endline surveys	Identification of extent and type of successes and challenges on gender and IE using quantitative and qualitative analysis. Analysis of GP and LL to determine adaptability and scalability. Identification if/how challenges on promotion and implementation of actions on gender and IE were overcome.
4.5. Strengthening actions related to the IE to support youth and children including the elimination of child labour, in particular hazardous child labour.	Methods to strengthen the livelihoods of youth in IE and eliminate child labour—particularly hazardous child labour—identified and implemented.	Literature review documents: National level reports, evaluations and other information on EC and other funded projects, case studies, on youth and children. Communications with key informants in project countries. Website review Baseline and endline surveys	Identification of extent and type of successes and challenges on youth and children and IE using quantitative and qualitative analysis. Analysis of GP and LL to determine adaptability and scalability. Identification if/how challenges identified during promotion and implementation of actions related to children and youth in the IE were overcome.
4.6. Strengthening actions related to the IE to support people affected by HIV.	Methods to strengthen livelihoods of people affected by HIV in IE identified and implemented.	Literature review documents: National level reports, evaluations and other information on EC funded and other projects, case studies on the IE with attention to people affected by HIV. Communications with key informants in project countries. Website review Baseline and endline surveys	Identification of extent and type of successes and challenges on the IE with attention to people affected by HIV using quantitative and qualitative analysis. Analysis of GP and LL to determine adaptability and scalability. Identification if/how challenges during promotion and implementation of actions on HIV and the IE were overcome.

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4.7 Strengthening actions related to the IE] to support people with disabilities.	Methods to strengthen livelihoods of people with disabilities in IE identified and implemented.	Literature review documents: National level reports, evaluations and other information on EC and other funded projects, case studies, on the IE with attention to people with disabilities. Communications with key informants in project countries. Website review Baseline and endline surveys	Identification of extent and type of successes and challenges on the IE with attention to people with disabilities using quantitative and qualitative analysis. Analysis of GP and LL to determine adaptability and scalability. Identification if/how challenges on promotion and implementation of actions on people with disabilities and the IE were overcome.
4.8. Strengthening IE actions to support other vulnerable groups.	Methods to strengthen livelihoods of other vulnerable groups in the IE identified and implemented.	Literature review documents: National level reports, evaluations and other information on EC and other funded projects, case studies, on the IE with attention to people with disabilities. Communications with key informants in project countries. Website review Baseline and endline surveys	Identification of extent and type of successes and challenges on the IE with attention to other vulnerable groups using quantitative and qualitative analysis. Analysis of GP and LL to determine adaptability and scalability. Identification if/how challenges on promotion and implementation of actions on other vulnerable groups and the IE were overcome.

Cover photo (from left to right and top to bottom):

- Kamrangir Char, Dhaka, Bangladesh - 2014/04/29: Bangladeshi women labourers sift through empty bottles at a plastic bottle recycling centre in Dhaka, Bangladesh, April 29, 2014. The potentials of recycling of plastic waste have made it a growing business worldwide, both from economic and environmental point of view. In Bangladesh plastic waste recycling is based on rudimentary technology and dominated by the informal sector. Photo by K M Asad/LightRocket via Getty Images.
- A man breaks down wooden crates for scrap wood in Rawalpindi on October 28, 2010. The informal sector in the country is supported by the ever increasing markets for recycled products and the economically viable recycling process. Photo by Carl de Souza/AFP/Getty Images.
- Subhadraben, one of millions of informal workers in India, makes beedis (a type of cigarette) in the alley outside her house in Ahmedabad. Photo by WIEGO
- Operations At A Leather Factory As Small And Medium Businesses Look To Budget To Reward India's Job Creators. A worker holds a piece of processed leather for a photograph at the Jalandhar Leather (India) Pvt. tannery in Jalandhar, Punjab, India, on Friday, Jan. 20, 2017. India's 51 million micro, small and medium enterprises employ 117 million people, accounting for 45 percent of the country's total exports and contributing more than 7 percent to its gross domestic product through manufacturing. The sector, which is mostly informal and unregistered, hasn't generated enough jobs or contributed to overall growth for decades. Photo by Dhiraj Singh/Bloomberg via Getty Images.
- Many workers in the informal economy are women, like this market trader. Photo by Marco Bombetti.
- Postogola, Dahaka, Narayangang, Bangladesh - 2017/02/21: A child working in the brickfield near Postagola. Most of the child laborers do not go to school and most of them were diagnosed with the health problem. Child labor in Bangladesh is around 12%. In 2006 the Bangladeshi government made child labor illegal to employ children fewer than 14 but till now over 12% of 5 14-year-olds work in the informal sector. Poverty is the main driven force behind child labor. Photo by MD. Mehedi Hasan/Pacific Press/LightRocket via Getty Images.
- Fair trade coffee production. Photo by Progetto MondoMlal.

REFERENCE GUIDE TO THE OUTPUTS OF A RESEARCH ON INFORMAL ECONOMY (RNSF 2018d)

This volume is a summary of main concepts and serves as a guide to navigate the research materials produced. It contains: a general mapping of RNSF outputs; key concepts, dimensions and thematic pillars to tackle informal economy; a synopsis of thematic pillars; a mapping of good practices and lessons learned; a synopsis of recommendations on formulation and implementation of informal economy initiatives; a description of the specific context of the informal economy; global core indicators for M&E of development initiatives related to the informal economy.

The Research, Network and Support Facility (RNSF) is a European Union-funded project to improve knowledge on ways to enhance the livelihoods of people in the informal economy and to increase the social inclusion of vulnerable groups. It supported 15 projects in 13 countries funded by the EU Thematic Programme “Investing in People” and conducted research, identified best practices and facilitated information sharing and networking on the Informal Economy. RNSF research findings are organized in four levels: 1) Theories and concepts around the Informal Economy and related topics; 2) Approaches and recommendations from institutions and worldwide stakeholders working on the topic of the Informal Economy; 3) Good practices and lessons learned arising from the projects supervised by the RNSF team, as well as from other projects on the informal economy funded by the EU; 4) Thematic Monographies on Key Topics that combine theoretical analysis, presentation of successful cases, and recommendations. All volumes are available here: <https://europa.eu/capacity4dev/rnsf-mit>