



# Governing Body

348th Session, Geneva, 17 June 2023

Institutional Section

INS

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Fifth item on the agenda

## Report of the Director-General

### First Supplementary Report: Report of the meeting of experts on the revision of statistical standards on informality (Geneva, 7–10 February 2023)

1. At the 20th International Conference of Labour Statisticians (ICLS) in 2018, the Office received a mandate by the Conference to revise the resolution concerning statistics of employment in the informal sector, adopted by the 15th ICLS in 1993 and the *Guidelines concerning a statistical definition of informal employment*, adopted in 2003 at the 17th ICLS.
2. To support this work a working group was established in 2019, consisting of governments from all regions, employers' representatives and workers' representatives and observers. The working group met four times between 2019–21 and managed to make substantial progress in developing a proposal for new statistical standards that will be presented at the forthcoming 21st ICLS in 2023, in the form of a draft resolution for discussion and adoption. The proposal builds on existing definitions and country practices and are aligned to the most recent statistical standards for measuring work, with a view to contributing to increased global coverage and harmonization.
3. In line with established practice, the Governing Body of the ILO approved at its 345th Session (June 2022) a Tripartite Meeting of Experts in Labour Statistics on the Revision of the Standards for Statistics on Informality to examine the draft resolution prior to the 21st ICLS.<sup>1</sup> The Meeting of Experts, held in Geneva from 7 to 10 February 2023, was composed by experts nominated by the 12 Governments of Chile, China, Colombia, India, Italy, Jordan, Mexico, Montenegro,

<sup>1</sup> ILO, *Composition, Agenda and Programme of Standing Bodies and Meetings*, GB.345/INS/7, 2022, paras 9–16.

Morocco, Poland, South Africa and Uganda; six experts nominated by the Employers' group and six experts nominated by the Workers' group. The Food and Agriculture Organization of the United Nations, the Organisation for Economic Co-operation and Development, the United Nations Entity for Gender Equality and the Empowerment of Women, the Statistical Office of the European Union, the European Foundation for the Improvement of Living and Working Conditions, the International Institution concerned with Statistics in Sub-Saharan Africa, Women in Informal Employment: Globalizing and Organizing and the World Bank participated as observers.

4. The meeting was chaired by Ms Tara Davis as an independent expert and head of the labour market and earnings statistics analysis division, Central Statistics Office of Ireland.
5. The Meeting of Experts had before it for discussion the report of statistics on the informal economy. Additional documents describing the specific issues of dependent contractors and informality; contributing family workers and informality; current country practices for defining informal sector and informal employment; the indicator framework; and the conceptual framework were also provided to further support the discussions. All these documents and the detailed report of the meeting is available on the [ICLS website](#).
6. The Meeting of Experts reviewed and expressed a strong general support for the proposed standards, entitled Resolution concerning statistics on the informal economy. The proposed standards will define the objectives and scopes for statistics on the informal economy to guide countries in updating and harmonizing their statistical programmes in this field. It sets the statistical boundaries by introducing the underlying concept of informal productive activities as well as the overarching concepts of informal economy and informal market economy. It defines new concepts likely to be introduced such as partly informal productive activities, the overarching concept of informal work, and informality in relation to forms of work other than employment thus aligning the framework to the statistical definition of work and to the general production boundary as defined by the System of National Accounts. It contains expected changes in terms of scope and existing concepts, including changes in the conceptual and operational definitions of the formal sector, informal sector, household own-use and community sector and informal employment intended to strengthen the current definitions and contribute to increased harmonization. The proposed standards also provide general recommendations on data collection of statistics on the different components of the informal economy and a set of indicators to support countries to produce statistics on the informal economy given their stage of engagement in addressing informality and their national priorities in terms of describing the informal economy, addressing decent work deficits, and supporting the transition to formality. The meeting focused on the proposed draft resolution text as developed by the working group. Participants expressed a strong support for the proposal. Some minor adjustments and need for clarifications were identified. The office will integrate these in an updated version of the resolution concerning statistics on the informal economy to be discussed at the 21st ICLS.

## ► Draft decision

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### 7. The Governing Body:

- (a) took note of the draft resolution concerning statistics on the informal economy to be discussed and adopted by the 21st International Conference of Labour Statisticians (October 2023);
- (b) requested the Director-General to report on the discussions and decisions of the International Conference of Labour Statisticians to the 350th Session (March 2024) of the Governing Body.