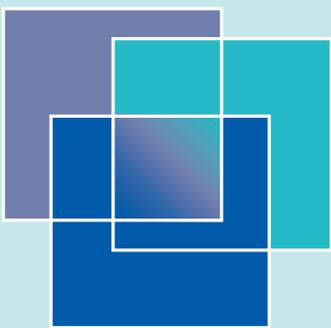




International
Labour
Organization

A Guide on Labour Inspection Intervention in the Informal Economy

A participatory method



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First published 2018

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ISBN : 978-922-129926-4 (print)
ISBN: 978-922-129931-8 (web pdf)

Also available in Spanish: *Guía de actuación e la Inspección de Trabajo en la economía informal, Un método participativo*. (ISBN: 978-922-330964-0 (web pdf) and ISBN: 978-922-330963-3 (print) y en Francés: *Guide d'Intervention de l'Inspection du Travail dans l'Économie Informelle: Méthode Participative* (ISBN 978-922-230877-4 (print) y 978-922-230878-1 (web pdf)), Ginebra, 2017.

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Preface

Millions of workers throughout the world work in the informal economy without any protection whatsoever and, in many cases, under the worst working conditions. The informal economy is made up of a wide range of enterprises and workers. Microenterprises, which may only consist of one person (street vendors and artisans), as well as large companies and industrial complexes, are engaged in the informal economy, for reasons of both necessity and opportunity.

Labour inspectorates often lack the effective strategies they need to meet the challenges raised by the informal economy with respect to compliance with working standards. These challenges are linked to the very nature of the work itself and the difficulty of access to workers and workplaces - which are often concealed in private households or located in isolated areas, far from the public eye. In countries where the greatest share of the economy is informal, where employers and workers are not organized, where incentives for formalization are lacking, and where informality is driven by poverty and the need to merely survive, labour inspectorates are often discouraged from taking action. Instead they focus their attention on the formal sector, which represents a minority of enterprises and workers. Decent working conditions and basic social protection should, however, extend not only to those employed in the formal economy, but to all workers.

The participatory labour inspection method set out in this manual is intended to equip labour inspection services with a straightforward strategy to tackle compliance issues in the informal economy. The method was developed initially in a number of West African countries, with the assistance of ILO ADMITRA and PAMODEC projects financed by the French Ministry of Labour and Social Affairs. The method was further refined and validated through a consultative process between the ILO and representatives of labour inspectorates, taking into account their knowledge of their national contexts and the capabilities of the different inspection services to contribute to the transition of enterprises and workers from the informal to the formal economy, and to the protection of fundamental rights at work.

We should like to express our special appreciation to a large group of officials from Burkina Faso, Côte d'Ivoire, Madagascar, Senegal, Togo, and Tunisia, who participated in the steering and validation process of the method, and to the ILO officials who assisted in its development, in particular Joaquim Pintado Nunes, Marie Christine Coent, Frédéric Laisné-Auer, Arsenio Fernandez, and Fernando Fonseca from the International Training Centre.

Nancy Leppink

Chief

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Introduction

Improving working conditions is a key priority for the International Labour Organization, which constantly strives to ensure decent work for all workers.

Many labour administrations have adopted strategies and policies aimed at formalizing the informal economy, based on the guidelines outlined in the Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204), adopted by the International Labour Conference in June 2015.

The publication and implementation of this guide will contribute towards improving the working conditions of workers in the informal economy and ensuring compliance with standards (national and international), in particular fundamental principles and rights at work as well as regulations governing occupational safety and health.

Purpose of the guide

In accordance with Recommendation No. 204, this guide proposes a new approach to the intervention of the labour administration and inspection services in the informal economy. The Recommendation calls for the adoption of measures to extend decent work, fundamental principles and rights at work, and the prevention of occupational hazards to all informal workers. To achieve this, member States must have an adequate system of labour inspection and extend its coverage to all workplaces,, including those in the informal economy.

Labour inspection interventions usually take place in the context of the traditional model of labour relations, with its clearly defined components (employer, employee and work contract) and workplaces that are easily accessible. This approach in the informal economy can only have a minimal impact as, by definition, it falls outside the typical pattern of labour relations. This guide sets out to fill that gap by proposing an intervention methodology adapted to the informal economy.

The guide is the result of a pragmatic approach, and it sets out to:

- make concrete and gradual improvements with respect to working conditions in specific sectors or activities, occupational safety and health, and the organization of work (and production units);
- support the promotion of fundamental principles and rights at work;
- encourage the formalization of the informal economy and broaden social security coverage.



Development of the guide

This guide is the outcome of an action research project carried out in Senegal and Togo with support from the ILO (ADMITRA and PAMODEC projects) and Expertise France (through the French Ministry of Labour's cooperation agency). The project involved conducting field visits as well as dialogue and information-sharing workshops for labour inspectors, informal economy representatives, and other institutional actors. The approach subsequently extended to include Burkina Faso, Côte d'Ivoire, Madagascar and Tunisia.

The guide benefited from inputs from three information-sharing workshops held at the ILO International Training Centre in Turin, which were attended by representatives of labour administrations of the above-mentioned countries, as well as by experts and representatives of the ILO and the French Ministry responsible for Labour (Directorate of International and Economic Affairs [DAEI], General Labour Directorate [DGT], GIP INTERNATIONAL/Expertise France, and the National Institute for Labour, Employment and Vocational Training [INTEFP]).

The guide was further enriched by discussions held at the following events, and by the conclusions reached at these meetings:

- the subregional workshop on the transition from the informal to the formal economy in Francophone Africa, which took place in Senegal in October 2015;
- the Academy on Labour Administration and Inspection, attended by representatives from more than 30 countries in Turin in November-December 2015;
- the Worker Representatives Academy organized by the ILO's Bureau for Workers' Activities in September 2016;
- Tripartite elective sessions of the Academy on formalization of the economy, held in Turin in November 2016.

All examples used in this guide are based on actual experiences in the countries that took part in the project: Burkina Faso, Côte d'Ivoire, Madagascar, Senegal, Togo, and Tunisia.

The informal economy

The concept of the informal economy includes activities that are not usually given due attention by the labour or social security administration, either because they fall explicitly outside the scope of labour legislation (this is most often the case of independent or autonomous workers), or because the legislation is not, in practice, applied to these activities.

According to the ILO Recommendation concerning the Transition from the Informal to the Formal Economy, 2015 (No. 104), the term 'informal economy' refers to "*all economic activities by workers and economic units that are - in law or in practice - not covered or insufficiently covered by formal arrangements; and does not cover illicit activities, in particular the provision of services or the production, sale, possession or use of goods forbidden by law, including the illicit production and trafficking of drugs, the illicit manufacturing of and trafficking in firearms, trafficking in persons, and money laundering, as defined in the relevant international treaties*".

In this guide, the term "economic unit" will be used with the same meaning as that contained in the *Guide on the Harmonization of Labour Inspection Statistics*, available at:

http://www.ilo.org/global/about-the-ilo/how-the-ilo-works/departments-and-offices/governance/labadmin-osh/WCMS_506961/lang-en/index.htm
"Economic units: All physical places where production activities are carried out (whether formal or informal) producing goods and/or services to be sold in the market or goods for own use (workplaces, factories, agricultural undertakings or holdings, premises, establishments, enterprises, households, companies, etc.)."

The labour administration and the informal economy

The Labour Administration Convention, 1978 (No. 150), establishes the need to intervene in the informal economy. *Article 7 stipulates that: "When national conditions so require, with a view to meeting the needs of the largest possible number of workers, and in so far as such activities are not already covered, each Member which ratifies this Convention shall promote the extension, by gradual stages if necessary, of the functions of the system of labour administration to include activities, to be carried out in co-operation with other competent bodies, relating to the conditions of work and working life of appropriate categories of workers who are not, in law, employed persons, such as:*

- a. tenants who do not engage outside help, sharecroppers and similar categories of agricultural workers;*
- b. self-employed workers who do not engage outside help, occupied in the informal sector as understood in national practice;*
- c. members of co-operatives and worker-managed undertakings;*
- d. persons working under systems established by communal customs or traditions."*

However, the need to extend labour administration coverage to include the informal economy has not given rise, in most countries, to a specific operational plan by the labour inspectorate.

In cases where the informal economy is included, the approach of labour administrations differs. Industrialized countries view the fight against "illegal" or "undeclared" work and the so called "underground" or "black" economy as part of their attempts to combat social and financial fraud. In developing countries, it is clear that this approach does not work as the informal economy is a mass phenomenon that is socially accepted, and recognized as being a source of wealth and critical employment. It should also be borne in mind that programmes and activities aimed at improving working conditions in the informal economy more often than not exclude the labour inspectorate, which is perceived as being an obstacle rather than a force for change and progress.



The labour administration and labour inspection services will have to steer their way between an informal subsistence economy and one that is driven by opportunity and sets out to circumvent legislation, by adapting their approach on a case-by-case basis, using all the means at their disposal (information, awareness raising, collaboration, and enforcement measures).

This leads us to conclude that there is a need for a method that is able to tailor the role of the labour inspectorate to the specific conditions and features of the informal economy, as acknowledged in Recommendation No. 204.

In order to ensure that labour administrations are able to contribute towards improving working conditions in the informal economy and promoting its formalization, it is necessary to:

- Strengthen the legal framework for labour inspection interventions in the informal economy, especially by attempting to include all workers under its mandate.
- Enhance the human, material and financial resources of labour inspectorates. This should include improved planning of inspection activities, and collaborating with other institutions in order to achieve, in both cases, not only a more effective use of allocated resources, but also a greater impact of inspections.
- Provide labour inspectors and the labour inspection management with specific training on strategies for promoting the transition from the informal to the formal economy.



Why a participatory method?

When the labour inspectorate intervenes in the informal economy, it is generally faced, inter alia, with the following problems:

- accessing informal economic units on account of their geographical location, the fact that they are in private homes, their unsanitary facilities, the damage caused by flooding, or their proximity to sewers or unsafe conditions, etc.;
- tailoring visits to the size of the economic units;
- explaining the labour inspector's mission, thereby modifying the existing perception which confuses it with that of the tax inspector;
- assessing the employment relationship, which is often neither formalized in writing nor defined as such, in an economy which often makes use of apprentices, family labour, and casual or independent workers;
- adapting traditional inspection tools to the specific features of labour inspection visits within the informal economy;
- making labour legislation, fundamental principles and rights at work, and occupational safety and health measures, known to informal economy actors;
- addressing attitudes that are complicit with and tolerate the informal economy, and other difficulties such as the wide range of languages that make communication difficult, etc.;
- combating stereotypical ideas.

EXAMPLE

When conducting visits to informal economic units in Burkina Faso, labour inspectors noted that some unit managers (chiefly in carpentry and mechanics) were reticent to comply with safety measures, use personal protective equipment, and develop prevention practices for their apprentices. They explained their theory that accidents were a form of training: any apprentice injured in an occupational accident would be more inclined to take precautions in the future.

The participatory method described in this guide specifically takes into account both the needs of the various informal economy actors and the problems encountered by the labour inspectorate.

Close collaboration between the labour inspectorate and the various institutional and informal economy actors is crucial to:

- understanding better the challenges faced by informal economy actors;
- ensuring compliance with fundamental rights and effective social protection;
- setting priorities for intervention.

The labour inspectorate must start by identifying the various actors who might become its allies. In so doing, it must undertake preparatory work in the field, consisting of an exchange of information with the informal economy workers and employers, in order to become familiar with their needs. It is equally important to work in collaboration with other public authorities and civil society. The involvement of these actors will make the subsequent action plan achievable, operational, and adapted to fit the specific situation in question.

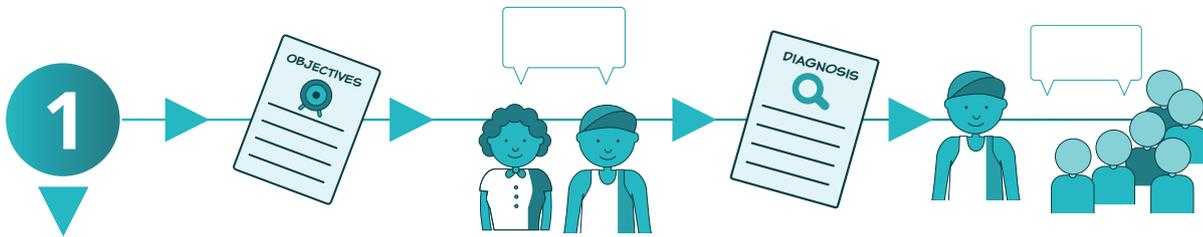
EXAMPLE

In Madagascar, it is vital to make prior contact with the representatives of communities that hold a quasi monopoly in some sectors of activity, to prevent labour inspectors being refused access to production units or workplaces.

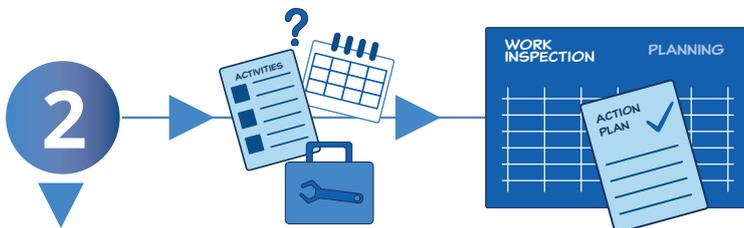
Creating a network of partners with whom to collaborate is not incompatible with - but rather complementary to - the principles of impartiality and independent labour inspection decision-making.

Collaboration with the social partners, as well as with institutional and community representatives (the very essence of a participatory methodology), shall take place throughout the entire process of the labour inspector's intervention in the informal economy, which consists of the following stages.

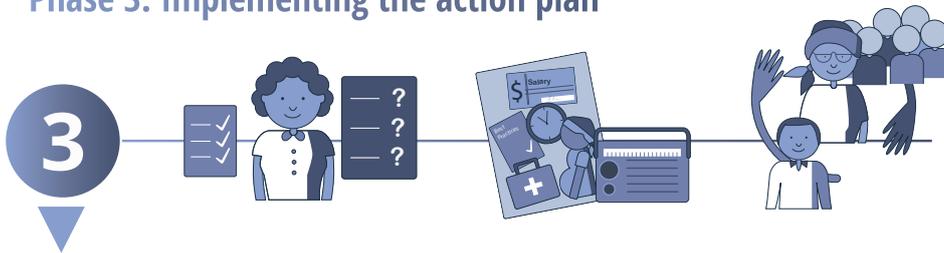
Phase 1: Preparing for the intervention



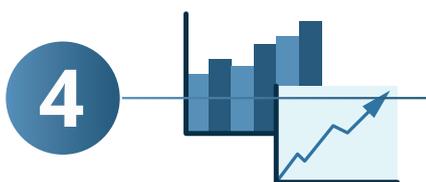
Phase 2: Developing an action plan



Phase 3: Implementing the action plan



Phase 4: Monitoring and evaluation



PHASE 1: PREPARING FOR THE INTERVENTION

The preparatory stage is essential, as it identifies the sectors and type of production units to be visited, the aspects that should be given priority during the inspection, and the specific tools to be used.

In order to ensure this preparatory stage and take into account the specific characteristics of informal sectors, it is vital to take the following steps:

- I. Setting the goals;
- II. Meeting the various actors and establishing a working group;
- III. Assessing the situation;
- IV. Sharing the assessment with the informal economy actors.

I. Setting the goals

The first step in preparing for the intervention is to set goals. This involves selecting the informal economy sector or sectors and type of economic unit upon which the labour inspectorate is going to focus its attention.

From a socio-economic standpoint, a distinction can be made between: (i) economic units that remain in the informal sector because it is expedient to do so; (ii) those that remain for subsistence purposes; and (iii) a wide range of intermediary situations. From a legal perspective, there are activities and jobs that fall within the scope of social legislation and those that lie outside it.

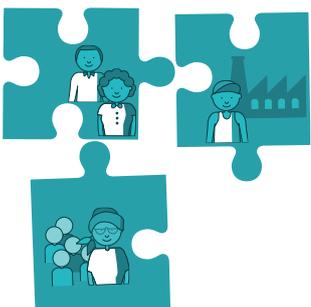
Given this heterogeneity, specific selection criteria must be established to identify the objectives of the intervention, which can vary according to the circumstances of each country. We propose three basic criteria:



Anticipated impact. Priority should be given to interventions involving those sectors and economic units with the greatest potential for making an impact. Identifying the desired impact also helps the inspection services achieve tangible outcomes, justify the effectiveness of their action and, if need be, secure additional resources. It is also necessary to evaluate regularly the actual impact of the interventions carried out.



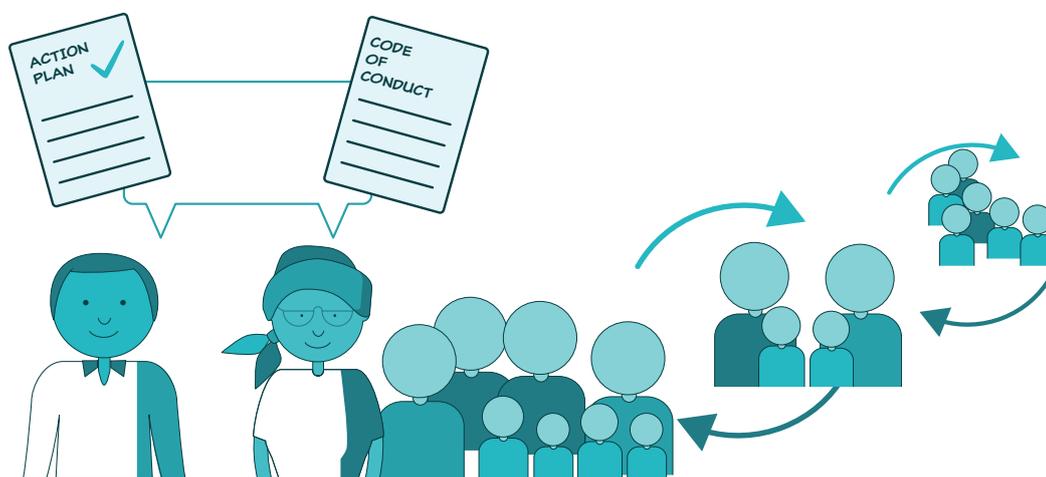
Ease and feasibility. The first interventions will take place in those informal economic units that are easy to reach and are relatively organized. A number of factors are key in determining the ease and feasibility of conducting a labour inspection. The degree of knowledge of the sector; the existence and availability of actors predisposed to becoming involved; the possibility or lack thereof of mobilizing inspection resources; and the existence or lack of legal restrictions on interventions by the labour inspection services (as is often the case with domestic work in private homes). For example, it is far less complicated to approach micro businesses than self-employed individuals. This is due to the precarious conditions in which they work and the fact that they may be excluded from the scope of labour legislation; consequently, a specific approach is required for this group, in particular with respect to social protection.



Synergies that can be developed through actions undertaken by third parties, in particular within an industry or a supply chain.

EXAMPLE

Togo opted to focus on small catering establishments (“maquis”), rather than on street vendors, because the former involves work in establishments that are generally organized and have a good reputation, whereas the latter have no fixed workplace.



EXAMPLE

In 2012, the ILO funded a study on Madagascar's vanilla industry. Three categories of industry stakeholders were identified: (i) households running family operations (planting, fertilization and harvesting); (ii) agents involved in collection and preparation (sorting, blanching, steaming and drying); and (iii) exporters (refining, packaging, sales, and other activities). The study was combined with a regional action plan - validated by the local actors - aimed at eliminating child labour in the vanilla industry.

According to the study, informal employment and child labour (affecting some 20,000 children) mostly occurred in household operations and in the activities run by agents. One of the measures adopted was a code of conduct for industry operators, aimed at gaining their real commitment to combat child labour.

Madagascar mobilized efforts to promote fundamental principles and rights at work throughout the entire vanilla industry (formal and informal sectors). This made it possible to take action against the informal nature of the activities of some agents, with a view to enforcing labour rights, in particular with respect to the statutory minimum wage, occupational safety and health, social protection provisions, and fundamental principles and rights at work.

In addition, the labour inspectorate's intervention contributed towards gradually formalizing Madagascar's entire vanilla industry value chain. Most efforts focused on the sorting, blanching, steaming, and drying operations. A regional action plan aimed at combining the initiatives developed for the informal economy with the implementation of actions stipulated in the code of conduct.

In addition to visits led by labour inspectors, activities included training and awareness-raising sessions conducted in collaboration with the National Vanilla Platform (PNV), the vanilla workers' union, the Regional Committee to Combat Child Labour (CRLTE), and local civil society members.

In addition to the three criteria mentioned above, other existing resources and information may be used, such as:

- statistics on work accidents;
- child labour surveys;
- the number of workers in the sector;
- the sector's destination market (local consumption or for export);
- the geographical area and features;
- the sector's economic weight in the country or region;
- the level of employers' and workers' representation (more or less organized, the existence of partners) and the social climate;
- the risk indicators (for example, types of safety and health risks, including the clear existence of very hazardous situations);
- health indicators (chronic disease symptoms);
- indicators of violations of fundamental principles and rights at work (presence of children at work, compulsory or forced labour, and lack of freedom of association or collective bargaining);
- groups of vulnerable workers (pregnant women, workers with disabilities, elderly workers, young workers, workers living with HIV, ethnic minority workers, and others);
- gender-related factors, for example sectors that employ many women; and
- the possibility of sharing information with other actors (social partners, associations, NGOs, and other administrations, etc.).

II. Meeting the various actors and establishing a working group

Involving the various informal economy actors in the process is essential for optimizing the inspectorate's information, advisory, and enforcement activities.

Once the goal of the labour inspection activities has been set, the subsequent stage consists of establishing collaboration with the relevant actors. To ensure this, it is necessary to:

- 1. Identify the actors:** contact must be made with the different informal economy stakeholders, both the "new" representatives and the usual allies of the labour inspectorate. These may include, for example: representatives of trade associations; employers' and workers' organizations; other informal economy representatives (for example, the so-called "umbrella organizations" that exist in many African countries); the local authorities; and cooperative and mutual associations, where they exist. The participation of institutional partners, such as social security agencies or public occupational and health services, is also important.
- 2. Contact** each of them to inform them of the purpose of inspections in the informal economy.
- 3. Set up a working group** to involve all concerned actors in the actions to be implemented.



Once the working group has been established, meetings with the actors are to be held for the purpose of:

- providing information about the labour inspectorate and its objectives, in order to facilitate its subsequent intervention;
- learning more about the chosen informal economy sectors and their stakeholders, especially representatives of trade associations, cooperatives and other associations;
- gathering information on the work units' expectations;
- involving the actors in the designing and carrying out of actions undertaken by the labour inspectorate; and
- garnering support, where applicable, from individuals who are known and have influence in the targeted sectors.

EXAMPLE

In Togo, the preparatory workshop held before the labour inspectorate's intervention in the informal economy, brought together participants from the following institutions:

- a coordination team from the General Directorate of Labour and Social Laws;
- a monitoring team from Lomé and Kara;
- the Occupational Health Inspectorate;
- a delegation from the Informal Sector Organization;
- the Trade Union Confederation of Workers of Togo;
- the National Employers' Council;
- the Lomé Trade Association;
- a focal point for the carpentry and woodworking sector, and for the sector of small restaurants in the catering sector.

Discussions helped participants get to know each institution better and clear up misunderstandings. This enabled actors from the informal sector to better understand the labour inspectorate's protective role and how it differed from other enforcement bodies. It also allowed the labour inspectors to discover the informal economy's lack of hostility to the labour inspectorate's intervention in the informal economy, as well as its positive expectation about the information it might receive. In practice, these discussions facilitated the roll-out of subsequent field visits.



KEYS TO SUCCESS

- It is important to be familiar with and rely on existing structures within the sector.
- It is important to prepare in advance for the first working group meeting, in order to mobilize participants.
- Before the meeting, it is important to discuss incentives that might be presented to the different actors with the other institutional partners.
- It is advisable to identify the benefits that arise from respecting the rights of workers, and to prepare key messages that convey this.
- It is better to keep the group as informal and flexible as possible, as this is a good way to elicit greater participation from the participants.

EXAMPLE

In Togo, a representative of small carpentry workshops emphasized that a prevention message would be more easily accepted if it were combined with incentives for small entrepreneurs and workers. He suggested that tetanus vaccines be systematically provided to protect workers and management from infection in the event of an injury. When an objection was voiced that there were not enough resources, he proposed that the trade association present the idea to an NGO that might be able to administer the vaccines. Discussions with the public health department revealed that the vaccines could be given free of charge if a set process was followed. This enabled many workers in the woodworking and restaurant sectors to have an anti-tetanus vaccination - as noted during follow-up visits conducted in the town of Kara. This action not only resulted in better working conditions but also created a better image of the labour inspectorate. Thanks to this experience, informal economic units became more disposed to implementing other measures aimed at improving working conditions.

Other countries have offered incentives to businesses involved in formalization, including lowering operating costs through reduced electricity rates.



III. Assessing the situation

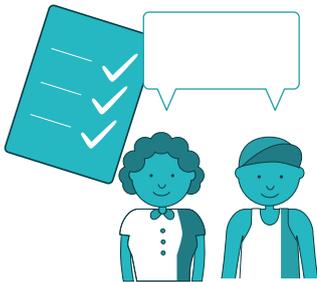
Once the sector for intervention has been selected and a meeting held with the various stakeholders, it is necessary to make a concrete assessment of the working and employment conditions in the sector to prioritize the inspection activities.



Conducting a proper assessment involves:

- observing the sector's features;
- identifying the most serious situations within the sector; and
- acknowledging and promoting existing best practices.

The assessment should address working conditions, labour relations, the respect for fundamental principles and rights at work, occupational safety and health, and social security coverage. Labour inspectors must verify the nature of the needs voiced by informal economy actors and the severity of problems within the chosen sector.



Conducting a proper assessment also involves:

- preparing a checklist to guide the visit;
- conducting pilot visits at work units;
- discussing with workers and employers; and
- analysing the data collected during the pilot visits in light of the current legislation and the sector's specific characteristics.

KEYS TO SUCCESS

- It is advisable that during these initial assessment visits, the labour inspector should be accompanied by those representatives from the informal sector who participated in the working group. This will facilitate access to the economic units and ensure a better understanding of the action being carried out.
- It is important to draw upon the technical knowledge of the professionals/actors in the informal sector.
- It is vital not only to highlight deviations from the norm and/or some prevention standards, but also the best practices that should be applied throughout the sector.

IV. Sharing the assessment with informal economy actors

After the assessment has been made, its findings should be shared with the working group, which can then determine the objectives to be reached and the most appropriate procedure to use, including:



- the type of intervention (awareness raising and/or enforcement);
- the type of strategy (either an overall intervention or one limited to a set number of microenterprises/units);
- intervention specifics (type of workplace, number of visits, procedures, and choice of tools, etc.).

PHASE 2: DEVELOPING THE ACTION PLAN

The action plan development phase consists of two stages:

- I. **Designing the action plan**
- II. **Including the action plan in the programming of the labour inspectorate**

I. Designing the action plan

The action plan should specify: (i) the actions to be undertaken; (ii) the priority of actions based on the stakeholders' needs; and (iii) the actual situation prevailing in the sectors it targets. It should also take account of the needs identified during the preparatory stage as well as:



- existing problems (for example the sector-specific accident statistics, existing occupational safety and health conditions, workers' vulnerability, and fundamental rights violations);
- the existing legal framework (for example, the lack of or inadequate social coverage, the existence of labour relations that may - or may not - be covered by legislation, and the existence of various statutes applicable to specific groups of workers); and
- the potential impact of the action on the targeted sector.

The action plan, which will serve to programme the interventions, should answer the following questions:

- What is the scope of the action plan? It should include the sector of activity, the geographical region, and the number of targeted units.
- What are its objectives and anticipated operational outcomes? The objectives should be specific, measurable, achievable, realistic, and have set timelines. They should also include, for example, the anticipated impact in the short, medium and long term.
- What are the priority activities to be conducted? These should include visits, advisory sessions, enforcement, awareness-raising meetings, advocacy and the use of communication media usage, etc.
- Who will be the interlocutors?
- Which individuals will be responsible for undertaking the actions?
- How much time will be required for the various activities stipulated in the action plan?
- What indicators will be used to measure the action's impact?
- What resources will be available?

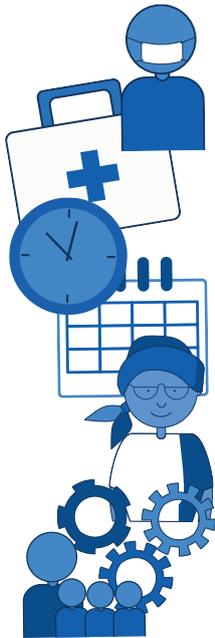
Generally speaking, it is important that the objectives are agreed through consensus among the actors concerned and that they should be achievable in the short term. In the case of more ambitious objectives - such as the total elimination of child labour in the sector or the formalization of all economic units - these may be set in the medium or long term. All objectives must be reviewed periodically, based on the outcomes achieved.

At this stage, it is necessary to identify the indicators (activity, or pertaining to outcomes, and impact) to facilitate the evaluation of the action plan (see the chapter on Phase 4, which includes examples of indicators).

EXAMPLE

In Togo, teams made up of labour inspectors and sector representatives visited carpenters' workshops. Following these visits, a meeting was held, during which the participants drafted a table of checks carried out. On the basis of these observations, it was agreed that minimum labour standards should be established for carpenters' workshops in the informal sector. It should be pointed out that was not an attempt to constitute a derogation from the existing legislation, but rather to set priorities in common agreement with the labour inspectorate and the representatives from the sector, with a view to achieving specific progress in the short and medium term.

A number of specific aspects requiring improvement were identified:



- the condition of the premises: avoid clutter to facilitate the movement of workers;
- the risk of cuts associated with using woodworking machinery: use “push sticks”;
- electric shock hazards: keep electrical cupboards shut and avoid exposing bare wiring;
- fire hazard: ensure that fire extinguishers are available;
- sawdust: clean the workshop daily;
- chemical hazard: learn to read pictograms and product user manuals;
- other hazards: wear personal protective equipment (for example, dust masks, gloves, safety glasses, and sturdy, closed-toe footwear);
- health: ensure that a first-aid kit and vaccines are available;
- work schedule: ensure a weekly rest period of at least twenty-four hours; and
- social protection: provide information on existing social security programmes.

The second phase of the plan consisted of follow-up visits carried out exclusively by the labour inspectors. It was observed during this phase that even the minimal recommendations listed above might be too ambitious or difficult to implement for a good number of the economic units visited. Consequently, it was agreed that the requirements be adapted to align them with the feasibility of implementation, given the size and resources of each woodworking facility.

As such, the following safety and health requirements were identified:

- a basic change in hygiene habits (insist on hand washing);
- compliance with minimum occupational health measures (implement a vaccination plan and have a first-aid kit on hand);
- personal protective equipment requirements (facilitate and insist on the use of sturdy, closed-toe footwear); and
- upkeep of the technical facilities (a minimum level of order and cleanliness in the workplace).

The plan was to provide support to these small carpentry workshops so that they might gradually improve their occupational safety and health conditions, adding additional requirements in the process.

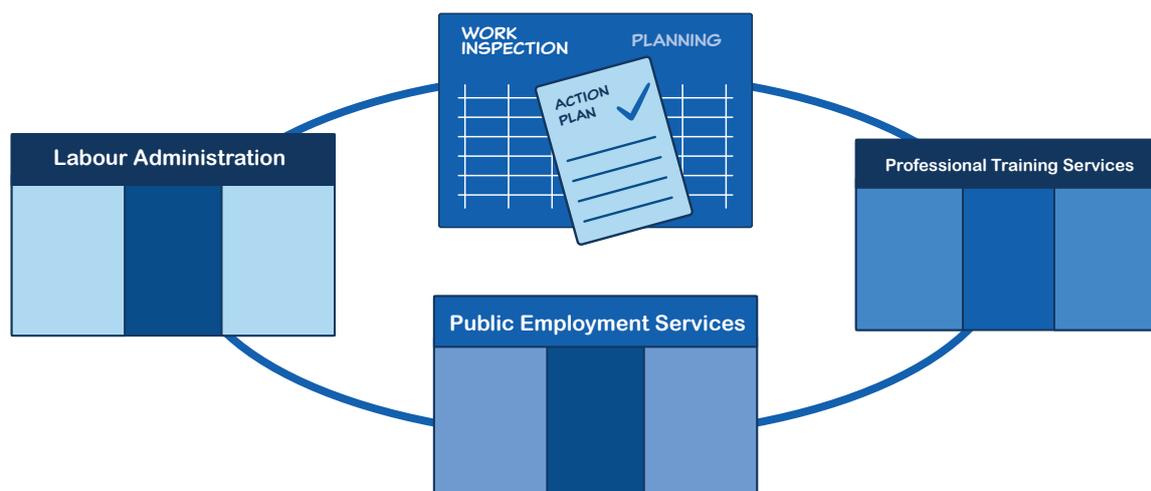
II. Including the action plan in the programming of the labour inspectorate

The action plan must be included in the labour inspectorate's usual programme of work, at the national, regional or local levels. As such, each department in the labour inspectorate must identify the economic units it will visit and the frequency of these visits (weekly or monthly), as well as the number of inspectors and other resources needed.

To ensure the best outcomes (to the extent possible), the plan must be compatible with or included in other areas of labour administration, such as the public employment agency or vocational training institutes - for example, by adding a module on occupational safety and health to the professional training curriculum.

KEYS TO SUCCESS

- It is advisable to count on the highest-level support possible from the most relevant institutions within the sector, at the national, regional and local levels.
- It is important to try and maintain cooperation with sector professionals throughout the process, especially during the actual development of the action plan.



PHASE 3: IMPLEMENTING THE ACTION PLAN

This phase consists of visiting economic units as well as the other planned actions, including awareness-raising activities.

During this phase, the following data should be collected: (i) the situation prior to the intervention; (ii) the activities carried out; and (iii) the situation or impact following the intervention. These data will be needed during the evaluation phase (Phase 4).

Inspection visits

Type of visit

The labour inspectorate is chiefly responsible for two functions: (i) supervising compliance and enforcement; and (ii) providing information and advice on how to comply with labour legislation. Normally the inspectorate has a variety of punitive and preventive tools to facilitate this work.

In many countries, the actors (in both the formal and informal economy) are not aware of these two complementary roles of the labour inspectorate. For that reason, and in keeping with the aim of this intervention guide and the nature of the informal economy (especially the subsistence economy), the first visit should focus more on providing advice than enforcement.

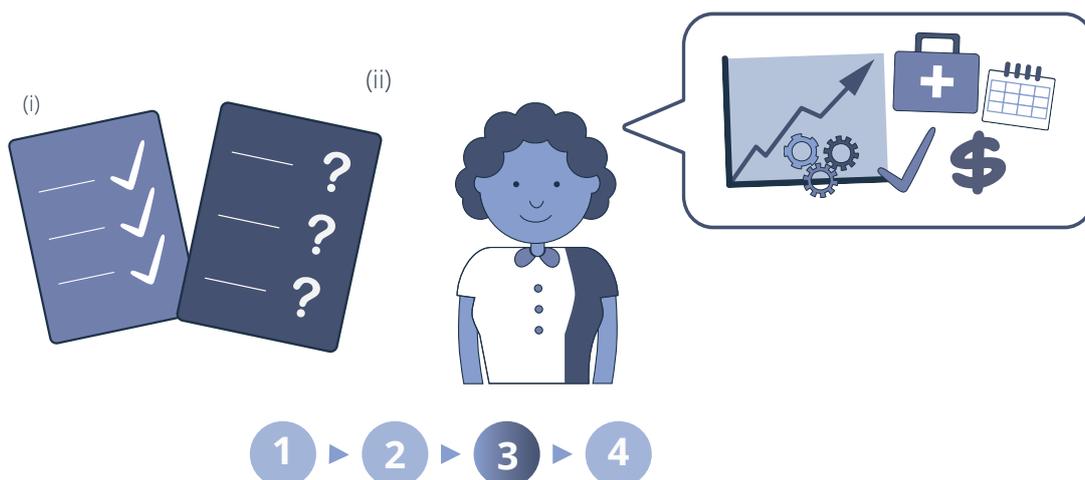
This initial contact with the labour inspectorate will help change the perception of the various stakeholders, especially the employers, and help them better understand that its main role is to help bring about improved working conditions. To achieve this, the labour inspectorate must send a clear message of prevention and compliance with regulations - but at the same time it must be anchored in reality and supported by best practices in the same sector and area of activity.

EXAMPLE

In Tunisia, the labour inspectors' visit consisted of providing information about the different benefits granted by the State with respect to social security, taxes, training and apprenticeships, as well as payment facilities or credit arrangements granted by various establishments.

However, inspectors can tailor their approach to suit the situations encountered. While dialogue and advice should be the priority, inspectors must nonetheless carry out their enforcement duties, including in case of:

- flagrant violations of workers' fundamental rights;
- imminent danger to the safety and health of workers; and
- any other serious violation.

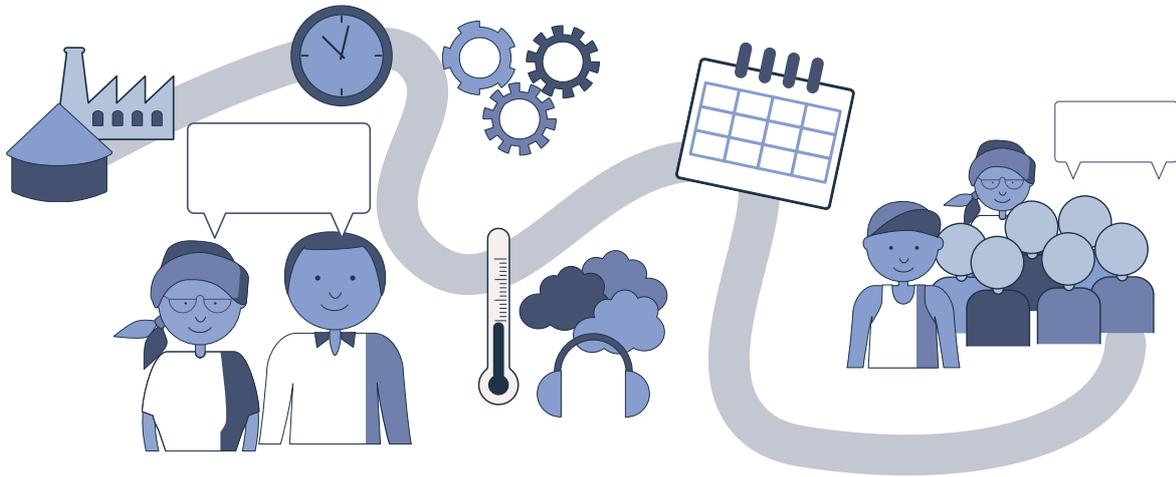


The site visit team

The composition of the site visit team depends on the topics to be addressed. If necessary, the inspector or inspection team might ask to be accompanied by representatives from the sector, or from institutions likely to support its activities.

Timing of the site visit

When deciding upon the appropriate time to undertake a site visit, account should be taken of the nature of the activities carried out at the unit to be inspected. It is important, whenever possible, to visit at a time when the workers are present and when it will cause a minimal disruption to the establishment's operations. For example, in the restaurant sector, it would be prudent to conduct the visit some time before or some time after the midday meal.



The site visit itself

In the informal economy, inspection visits should be neither general nor exhaustive; they should rather focus on the most important aspects requiring urgent action.

Upon arrival, inspectors should introduce themselves (and the team) and show identification and credentials. They should then explain the labour inspectorate's role as a public authority and agent for change. Similarly, inspectors should specify the purpose of the visit and explain why the unit being visited was chosen, while placing the visit in the context of activities aimed at formalizing the informal economy.

The purpose is to prevent the inspectorate being perceived purely as a monitoring body of the public authority, which might give rise to possible opposition to its activities.

The inspectors may then continue the visit, following the verification process described below.

- Premises: the inspector must observe the condition of the premises and any outbuildings, as well as fire prevention measures (especially escape routes and unobstructed emergency exits).
- Machines and tools: the inspector must check the condition of machines and tools to assess any dangers that might arise when they are being used.
- Pollutants: the inspector must flag any conditions that could be harmful to the health of workers (noise, lighting, temperature, smoke, dust, and gas, etc.).
- Organization of work: inspectors must review how work is organized (working hours, work postures and movements, support, and supervision) in order to monitor how this impacts the workers' physical and psychological health.
- Personnel: inspectors should observe the relationship between workers and the work environment. They must also verify whether workers are equipped with the appropriate personal protective equipment for the duties to be performed.

When conducting visits, inspectors must also take the opportunity to identify any fundamental principles and rights at work violations (the presence of children at work, young workers entrusted with dangerous tasks, forced or compulsory labour, discrimination, as well as a lack of freedom of association and collective bargaining).

Social and communication skills

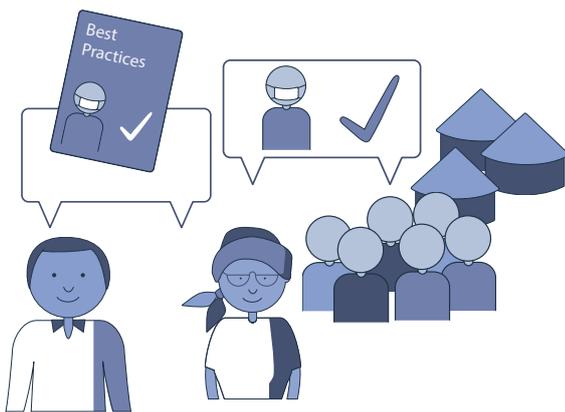
It is recommended that inspectors adopt an open and approachable attitude (especially on first visits) and avoid an authoritarian air, to gain the confidence of the other stakeholders.

The success of these site visits is contingent upon the inspectors' communication skills. It is important to impart a message in keeping with the size and characteristics of the sector to which the unit belongs. Similarly, the language and terminology used should be easy for clients to understand.

EXAMPLE

In many workshops, dangerous tasks are undertaken simply because “things have always been done that way”, or because workers are not aware of the hazard. To counter these false perceptions of hazards, inspectors must tailor their information to suit the audience. They should speak in simple and clear language; be very attentive to the shareholders' concerns; and behave in an understanding, conciliatory and flexible manner. They must also, to the extent possible, avoid making value judgements or systematically rejecting any former practices, and adopt an attitude that will allow the other parties to see and understand for themselves the need to improve work practices.

Erroneous beliefs often pose a risk for the health of workers. Inspectors can refute them by explaining why such beliefs are false.



During a visit to a carpentry workshop in one country, a carpenter agreed that there was a need to prevent the inhalation of sawdust, but he argued that some types of sawdust had “curative properties” and it was not necessary to wear a mask in these cases. These false ideas of inherent hazards, deeply rooted in tradition, cannot be changed overnight. It is not a matter of giving up or circumventing the prevention message (all types of sawdust are potentially carcinogenic), but of being aware of the different perceptions people have in order to get the same message across more effectively (for example, taking the time to explain the existence of invisible health risks that are quite serious in the medium or long term).

KEYS TO SUCCESS

- Clients are often unfamiliar with the labour inspectorate and its work. Labour inspectors must therefore prepare themselves psychologically for the possibility of encountering unit managers with aggressive attitudes.
- Inspectors should dress in an appropriate manner, based on the circumstances of each visit, in order to project the image of an authority that is aware of the realities of the informal economy, and with whom dialogue is possible.
- Inspectors are advised to work with a limited number of economic units.
- Specific experience acquired at similar units should be put to good use by sharing best practices in a convincing manner. For example, improvements made at a neighbouring unit may be suggested.

Tools required for the visit

It is extremely useful to prepare specific tools to be used during visits. For example, forms or guidelines for inspection visits facilitate the collection of data, which can subsequently be evaluated and analysed.



The tools developed for this purpose must contain the following basic information:

- date of the visit;
- name and identification papers of the inspector responsible for the visit;
- type of visit (general, targeted, routine, requested, first, or follow-up visit);
- name or business name of the unit;
- employer's name;
- address; and
- sector of activity.

The form may cover a number of areas to guide the inspectors in the controls they have to carry out - the content of which will depend on the priorities identified in the action plan. For information purposes, the following elements may be included:

- occupational safety and health: to indicate, for example, the condition of the facilities (the layout and state of the premises, ventilation, and lighting); the presence of physical, chemical, or biological pollutants; the condition of the work machines and tools; as well as any hazards and measures in place to protect against them;
- register of workplace accidents and occupational diseases;
- child labour: the age of workers and types of work they do, etc.;
- social security coverage: for example, data concerning affiliation with a mutual health insurance plan, social security agency, and insurance;
- forced labour: for example, indicators of forced labour such as confiscation of workers' identity documents or restriction of workers' movements;
- labour relations: for example, nature of the relationship, existence of a contract, apprenticeship contract, as well as the parties' rights and obligations;
- remuneration: including whether workers are paid or not, payment of minimum wage, pay arrangements and frequency, etc.;
- freedom of association and collective bargaining: existence or otherwise of a trade union and framework for discussing working conditions, etc.;
- protection for vulnerable workers: for example, pregnant women, migrant workers, persons with a disability, and young workers;
- working hours: for example, usual work schedule, number of hours per week, night shifts, weekly rest period, leave days and statutory holidays, etc.; and
- integration - or not - into a supply chain.



Concluding the visit

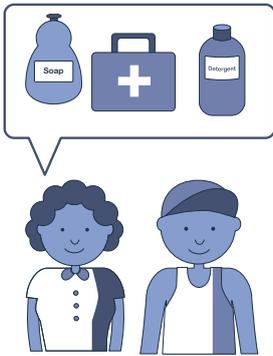
At the end of the visit, it is important to speak with all persons at the unit in order to:

- explain the different observations and shortcomings noted;
- recommend the corresponding corrective measures;
- raise awareness, and provide advice and information on the best way to improve working conditions at the unit.

It is important to create a real dialogue in which both workers and employers can share their opinions on the cases noted that did not comply with the labour legislation; the corrective measures to be taken; and the time needed to implement them. The corrective measures are more likely to be implemented if they emerge from a dialogue than if they are dictated unilaterally by the inspector. By being open to dialogue, inspectors reinforce the notion of their role as an agent for change regarding enforcing the law and improving working conditions in economic units in the informal economy.

When the inspectors recommend measures after the visit, they must take into account the unit's economic, material and regulatory circumstances, so that the measures recommended are realistic, simple, inexpensive; although few in number, they must nevertheless be significant.

For example, with respect to the perception of occupational hazards, inspectors can easily suggest the following:



- implementing basic hygiene measures (hand washing);
- implementing health measures (vaccinations, and first-aid kit);
- using basic protective equipment (sturdy, closed-toe footwear);
- improving housekeeping (order and cleanliness);
- using simple and inexpensive techniques to protect against the hazards of working with dangerous machines; and
- using simple occupational risk assessment techniques.

It may be advisable to involve other institutional or private stakeholders in providing economic units with assistance and advice on ways to put recommendations into practice (for example, safety and health departments).

EXAMPLE

In many carpentry workshops, craftspeople use “push sticks” to avoid the risk of cutting themselves when handling circular saws and planers; this involves using a piece of wood to push the boards to be cut, thereby avoiding any accidental contact with the blade. The inspector could easily recommend the use of this tool, which would not involve any further cost and might prevent serious accidents.

Furthermore, it is necessary to plan visits to follow up on the measures implemented in response to the recommendations and, where applicable, suggest corrective measures when the enterprise has not complied with the measures proposed. The inspector must decide on the type of follow-up appropriate for each situation, with a view to achieving a real change in working conditions. The strategy to be adopted, which may consist of applying the sanctions stipulated by law, will depend on a number of factors, such as the reasons why the measures were not implemented or the spirit of cooperation demonstrated by the economic unit.

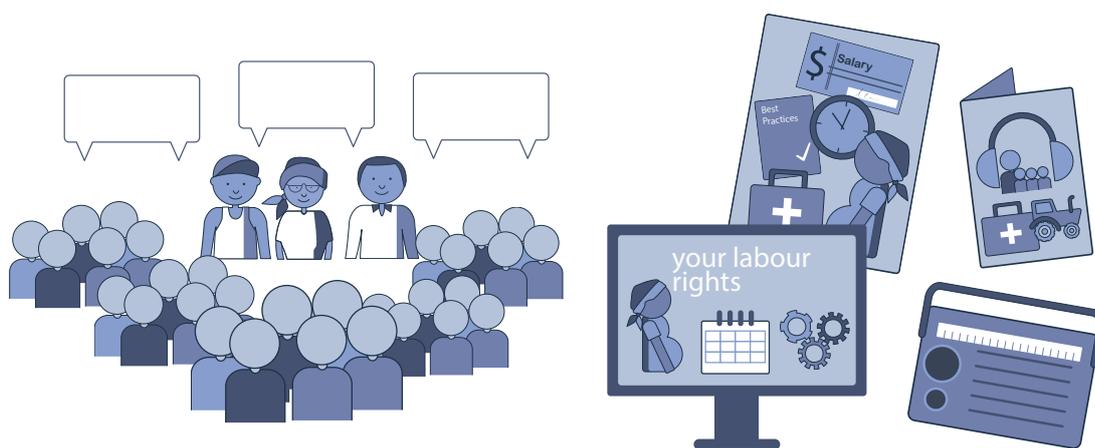
Awareness-raising activities

Awareness-raising activities must deliver the message that improving working conditions results in a win-win situation for all. To be truly effective, the strategy must be part of a long-term approach and allow for the participation of all the parties concerned.

In addition, these activities can be used to reach people who are not covered by the legislation, but who should also have decent working conditions and support from the labour administration.

Awareness raising and providing information to informal economy employers and workers on the role of the labour inspectorate, the prevention of occupational hazards and respect for working conditions, should occur before the visits start.

Such awareness-raising activities should, to the extent possible, be conducted in partnership with other departments, such as the state occupational safety and health department, social security and the medical labour inspectorate, as well as any others involved with the theme in question.



Communication channels

Apart from the inspection visit itself, the labour inspectorate may conduct awareness raising activities using other channels, including opportunities presented by:

- official events on prevention;
- meetings with craftspeople and employers, organized by the chambers of craft trades;
- trade fairs;
- workshops organized by civil society;
- street theatre and other cultural events;
- with support from cooperatives or trade associations; and
- with support from workers' and employers' organizations.

In addition, the more broadly the message is disseminated (using posters, brochures, or radio and television ads), the greater will be the acknowledgement of the need to respect fundamental rights at work. All communications, whether oral or written, should adapt the message and language to the reality of the sector in question, and to those for whom the message is intended, also using local dialects if necessary.

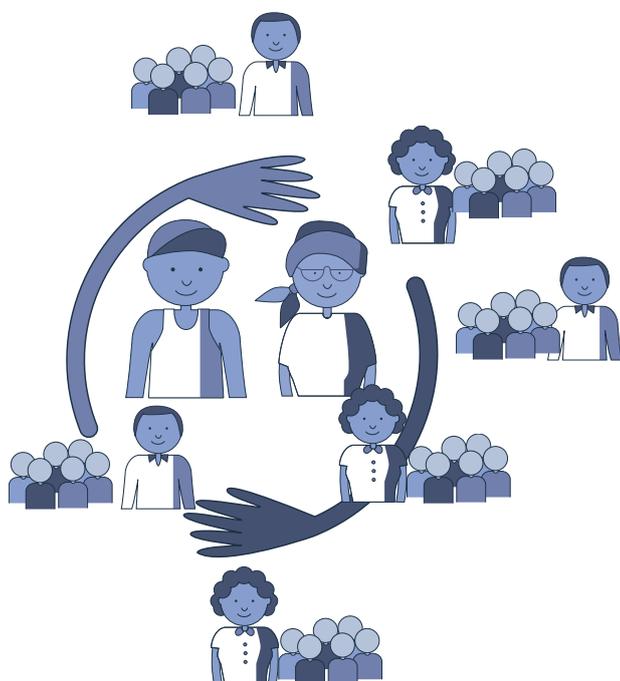
Content of information and awareness-raising activities

Based on the priorities identified, awareness-raising activities can address good practices in the following areas:

- minimum wage and pay (basic wages, pay frequency, pay arrangements, and payslips, etc.);
- occupational safety and health (prevention as well as control and risk management);
- labour relations (contracts, rights and obligations of the parties);
- social security (mutual insurance, social security agencies, and universal social coverage);
- fundamental principles and rights at work; and
- benefits of and procedures for formalization.

Collaborating with other officials

Partnerships should be developed with other institutional actors to strengthen the effectiveness of the labour inspectorate's actions in the informal sector. To this end, it is strongly recommended that multidisciplinary teams be involved in visits with informal economy actors. Similarly, the inspection services should collaborate with workers' and employers' organizations, as well as with ministerial departments and institutions that intervene in the informal economy. Entities with potential for involvement, depending on the national context, include:



- Parliament;
- social security agencies;
- local authorities (Office of the Mayor, for example);
- ministries of commerce, crafts, the environment, health, public finance, and women's rights;
- the administrative service responsible for organizing the informal sector, if it exists;
- the organizations involved in combating child labour;
- microfinance organizations;
- non-governmental organizations;
- trade associations and chambers of commerce;
- the media;
- occupational medicine and psychology departments;
- vocational training funds or institutions; and
- technical and vocational training institutions.

Small economic units in the informal economy could also receive support from larger units in the same sector and area, with respect to good practices and compliance with the labour legislation.

EXAMPLE

A train the trainer session on the WISE (Work Improvements in Small Enterprises) method was delivered in Senegal to labour inspectors. The WISE method is used to help informal units implement simple, effective, and inexpensive measures aimed at improving occupational safety and health conditions. The network of WISE trainers provides advice and regular follow-up in the workplace to promote improvements to working conditions in small and medium-size enterprises and informal units in an effort to promote a culture of preventive safety and health in the workplace.

This method, involving the use of a simple and participatory tool, resulted in occupational safety and health improvements at some informal units in the metalworking industry. Awareness-raising sessions on the use of blowtorches and gas cylinders, as well as the importance of wearing closed-toe footwear or athletic shoes, has reduced the number of accidents in this sector.

EXAMPLE

The labour inspectorate organized a mass awareness-raising activity in Abidjan, Côte d'Ivoire, in collaboration with the partners involved, and based on the method described in this guide. In order to generate the interest of informal economy actors, coaches were made available to take them to the activity site. A lunch was also served after the discussions had come to an end. Some themes, such as social coverage for independent workers, universal health coverage, and the benefits to be gained by collaborating with labour inspectors and medical labour inspectors, elicited a great deal of interest.

The activity was covered by the media and the impact was such that many more than the expected number of informal economy actors attended the workshop to evaluate the pilot project for this guide.

EXAMPLE

In Tunisia, the arguments put forth for supporting a transition to the formal economy were as follows:

- *Civic arguments: these include the concepts of citizenship and social conscience;*
- *Legal arguments: being part of the formal economy is not an option but rather a legal obligation; rights do not exist in the absence of obligations;*
- *Social arguments: being part of the formal economy results in social security benefits (care and surgical procedures that are free of charge or very inexpensive, access to a pension fund); promoting decent work; and*
- *Financial arguments: benefiting from credits available to formal enterprises, benefits granted under the Tunisian investment incentive code (for example, receiving donations and employer contribution exemptions), and the possibility of participating in trade fairs.*

PHASE 4: MONITORING AND EVALUATION

Planning an evaluation phase is essential to determine the extent to which the objectives have been achieved, and to assess the effects and impact produced by the entire set of actions undertaken. There should be a regular evaluation of the action plan to identify any adjustments that might be needed.

For an effective action plan follow-up, inspectors must keep a record of the actions carried out and the outcomes achieved. This information should subsequently be compiled at the regional and national levels. The central administration should develop suitable management tools and distribute them to the inspectors before implementing the plan, so that all involved can systematically collect relevant information.

The central administration should also determine how often, and by what means, the data should be collected. For example, for an annual plan, the follow-up frequency could be monthly or quarterly to facilitate the final evaluation. Generally speaking, there is a department responsible for planning and coordinating labour inspection activities, which could carry out these functions.

The final evaluation will be used to identify the outcomes achieved and obstacles encountered and, consequently, to improve the planning of future activities. It is essential that qualitative and quantitative indicators be used as part of this process. The indicators should be developed in Phase 2, gathered in Phase 3, and then analysed in Phase 4.

The evaluation results should be shared with those actors involved in the plan at any point, especially the key actors in the informal economy and other public administrations.

For illustrative purposes, some examples of indicators that might be included, once they have been adapted to national circumstances, are listed below.

Operational indicators (work done)



- number and types of sectors chosen;
- number of economic units visited;
- total number of visits;
- number of visits per inspector;
- number of follow-up visits;
- number of recommendations or warnings issued;
- number of information sessions organized; and
- number of participants in the information sessions.

Short- to medium-term outcome indicators



- number of recommendations and warnings implemented (number of changes made at economic units);
- number and percentage of economic units where improvements were made to working conditions following an intervention by the labour inspectorate;
- number and percentage of workers who saw an improvement in their working conditions following an intervention by the labour inspectorate;
- number and percentage of participants in information sessions who indicated an improved knowledge of the applicable standards, as compared to the total number of participants; and
- number of informal workers who had been formalized at the economic units visited.



Long-term impact indicators

These indicators may provide information on the effectiveness of the inspection, but they do not contribute, in and of themselves, to outcomes. These include:



- a reduction, expressed as a percentage, in the number of disputes at the economic units visited (this requires information on the situation prior to the intervention by the labour inspectorate);
- a reduction, expressed as a percentage, in the number of fatal occupational accidents in the sectors and regions visited (this requires information on the number of reported accidents);
- a lack of fundamental principles and rights at work violations for a fixed period following the labour inspectorate's intervention in the sectors identified; and
- the number of formalized informal workers in the sector and region.

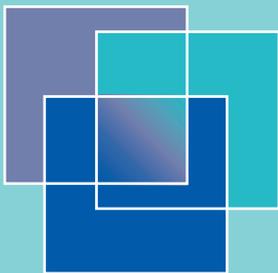
The evaluation process should end with a final report listing the activities carried out, a description of the analysis of the outcomes achieved, the best practices identified, and conclusions and recommendations.

Finally, the content of this report should be included in the labour inspectorate's annual report, so it can be taken into consideration when planning future interventions.



This guide outlines a method of intervention in the informal economy by the labour inspectorate that is practical and easy to implement; its purpose is to broaden the application of labour law for the protection of all informal economy workers.

This participatory method of intervention by the labour inspectorate has been implemented in some low- to middle-income countries. It has been effective in improving working conditions, mainly in the informal subsistence economies.



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