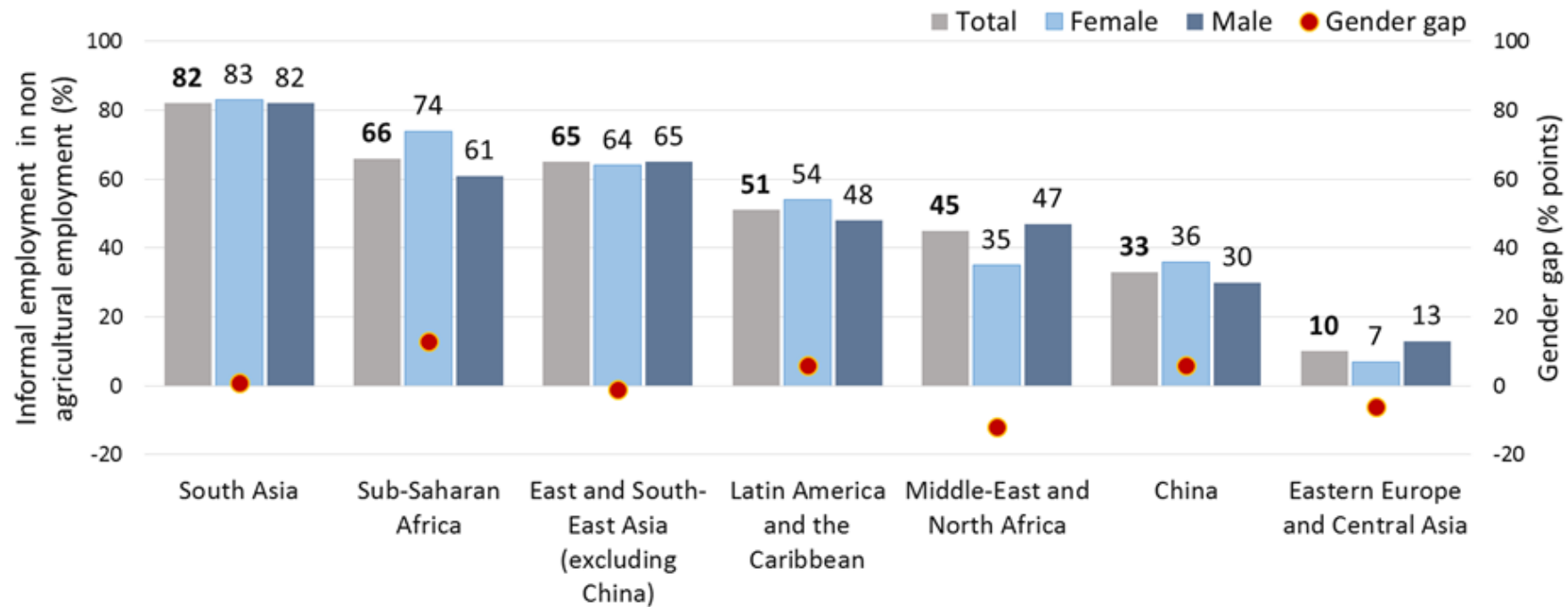


For the implementation of the 2015 ILC Resolution No.204 (concerning the Transition to the Informal to the Formal Economy)

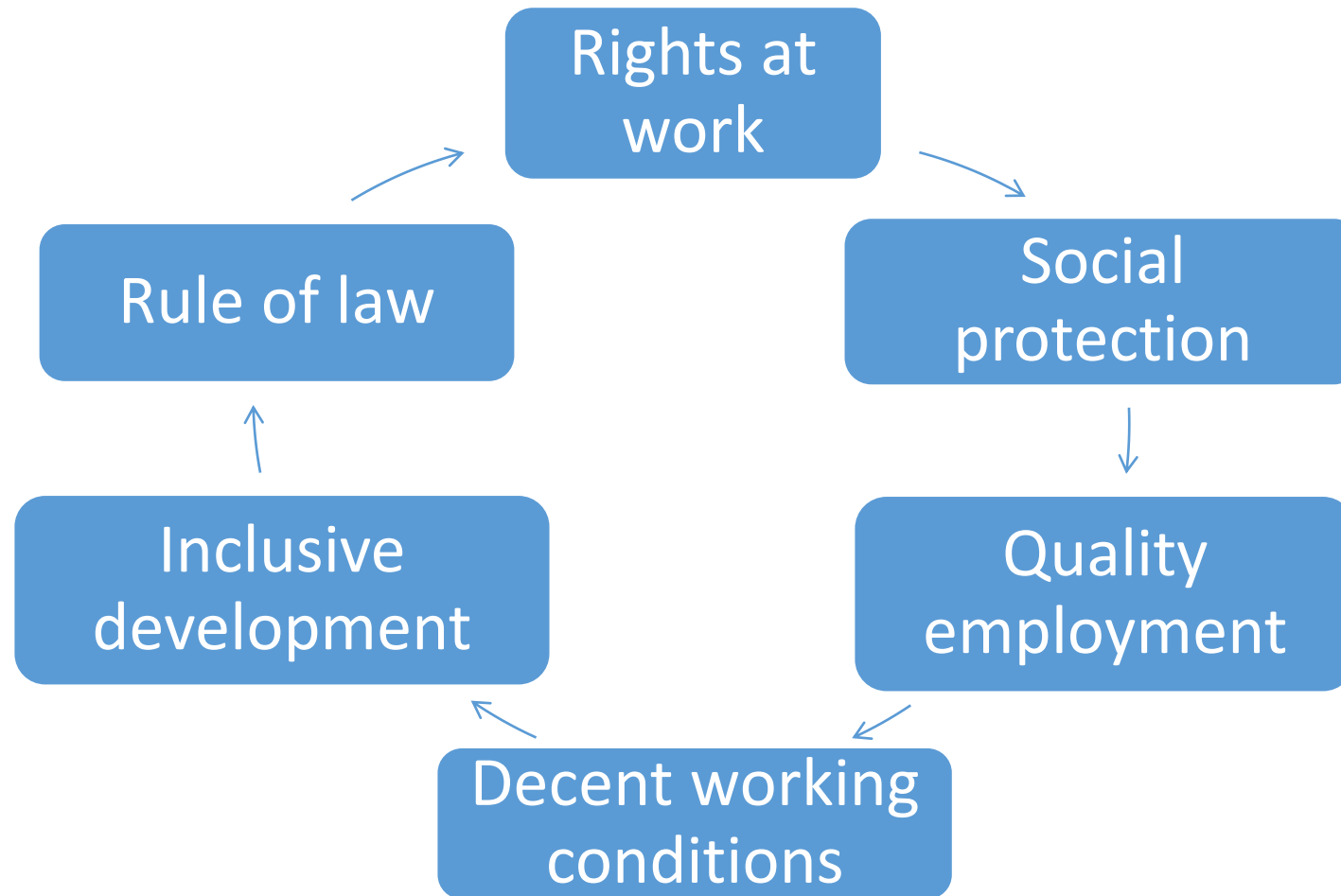
Pong-Sul Ahn
ILO ROAP, Bangkok



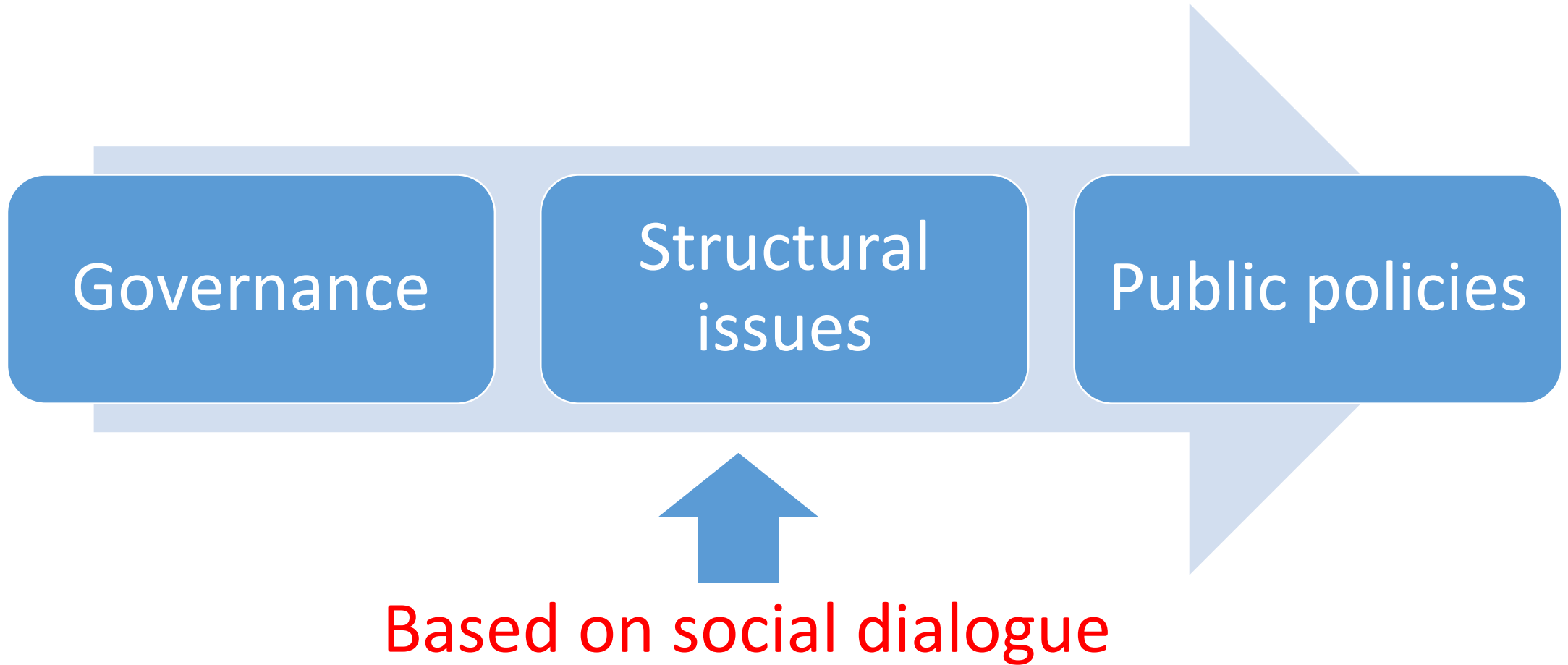
The informal economy in numbers



Major challenges in the informal economy



Process of transition to the formal economy



Objectives to facilitate the transition

- One** Respecting workers' fundamental rights and ensuring opportunities for income security, livelihoods and entrepreneurship
-
- Two** Sustainability of enterprises and decent jobs in the formal economy
Social protection and other social policies
-
- Three** Prevent the informalisation of formal economy jobs
-

Scope of the informal economy

Economic units

- Own-account workers
- Employers
- Members of cooperatives and of social and community-based

Contributing family workers

- In the formal economy
- In the informal economy

Employees holding informal jobs

- Subcontracting
- Supply chains
- Paid domestic workers

Workers in unrecognized or unregulated employment relationships

Guiding principles in facilitating the transition



Areas of a policy guide from ILC Recommendation No.204

Area of Action 1: Legal and policy framework

No.1 Assessment and diagnostics of existing laws, regulations and policies to facilitate the transition

No.2 Adopt, review and enforce national laws and regulations or other measures to protect workers and economic units

No.3 An integrated policy framework

Potential areas of the integrated policy framework

- 1) Adopt strategies for sustainable development, poverty eradication and inclusive growth
- 2) Establishment of an appropriate legislative and regulatory framework
- 3) Promotion and realization of the fundamental principles and rights at work
- 4) Organisation and representation of workers to promote social dialogue
- 5) Promotion of gender equality and non-discrimination
- 6) Access to education, lifelong learning and skills development
- 7) Effective OSH policies
- 8) Efficient and effective labour inspections
- 9) Income security, including minimum wage policies
- 10) Effective access to justice
- 11) International cooperation mechanisms

Area of Action 2: Employment policies

No.1 Formulate and implement a national employment policy in line with the Employment Policy Con. 1964 (No.122)

No.2 Implement a comprehensive employment policy framework, based on tripartite consultations

- Labour market policies (wages, social protection schemes)
 - Labour migration policies
 - Education and skills development policies
 - School-to-work transition of young people
 - Measures to promote the transition from long-term unemployment to work
-

Areas of Action 3: Rights and social protection

No.1 Promote and realise the fundamental principles and rights at work
- Promotion of eight ILO core conventions

No.2 Address unsafe and unhealthy working conditions
Promote and extend OSH protection

No.3 Build national social protection floors
- Maternity protection
- Affordable childcare and other care services
- Decent working conditions
- Extension of coverage of social insurance

Area of Action 4: FOA, CB and social dialogue

- No.1 Promote the principle of FOA & CB in the informal economy
- Promote the formation of workers' organisations at all levels
 - Extend union services to workers in the informal economy
-
- No.2 Create an enabling environment to allow workers/ employers to participate in social dialogue in the transition
-
- No.3 Strengthen the capacity of the representatives of workers' and employers' organisations in collaboration with the ILO
-

Area of Acton 5: Incentives, compliance and enforcement

- No.1 Law enforcement and effective sanctions
- To address tax evasion and avoidance of social contributions, labour laws and regulations
 - Capacity building for relevant actors
-
- No.2 Adequate inspection system and extension of labour inspection to all workplaces in the informal economy
-
- No.3 Establish efficient and accessible complaint and appeal procedures
-

Area of Action 6: data collection and monitoring

- No.1 Collect, analyse and disseminate statistics of the informal economy
- In consultation with workers' and employers' organisations
-

- No.2 Monitor and evaluate the progress towards formalisation
-

- No.3 Review the effectiveness of policies and measures
to facilitate the transition to the formal economy
-

Concluding: Tips for consideration

Start

- make a concrete action plan for on-going key labour issues/ include DWCPs
- Conduct analytical studies, if needed, to build the capacity of unionists and strengthen a union position

Process

- The process of facilitating the transition takes from a minimum of 2 years to more than 4-5 years
- There is the need to set an appropriate timeframe to bring tangible results

At action

- Need to develop strategies to constantly mobilise trade unions during the process
- Strengthening a partnership with relevant institutions (ex., labour-friendly organisations) would be also useful to maximize support to the partner unions and create a synergy effect

Dialogue

- Effectively use existing bipartite and tripartite dialogue mechanisms to build a tripartite consensus

Publicity

- Mobilise the media (press release or press conference) for public awareness and for gaining public support

Political support

- Align with a political party in case a legislation has to be enacted or revised/ or the ratification process of any ILO convention will take place

THANK YOU