

**INTERNATIONAL TRAINING CENTRE  
OF THE ILO**

**PROGRAMME FOR WORKERS' ACTIVITIES**

**WORKSHOP DESCRIPTION**

**A3-52098**

**Poverty Reduction Strategies and the Informal Economy**

**Inter-Regional Programme – Asia and Africa**

**(23-25 November 2009, Bangkok)**

## **1. ABOUT THE PROGRAMME FOR WORKERS' ACTIVITIES OF THE INTERNATIONAL TRAINING CENTRE OF THE ILO (ACTRAV-TURIN)**

The Programme for Workers' Activities of the International Training Centre of the ILO (ACTRAV/Turin) is an integral part of the Bureau for Workers' Activities of the ILO Geneva. It has the specific task of assisting trade unions in strengthening their capacities for training and representing the interests of their members through education and training programmes conducted at the Turin Centre, in the field and through distance/online education.

## **2. BACKGROUND OF THE TRAINING WORKSHOP**

This workshop will address two interrelated themes namely, poverty reduction strategies and trade union strategies regarding the informal economy.

The first part of the workshop will deal with Poverty Reduction Strategy (PRSs). In the autumn of 1999, the Bretton Woods institutions undertook a policy shift and initiated the Poverty Reduction Strategy Papers (PRSP) process. With the adoption of the Millennium Development Goals by the United Nations in 2000, poverty reduction became the main international development goal. Both the World Bank and the IMF made the adoption of PRSs a condition for concessional aid to the world's poorest countries. Similarly, bilateral donors, made poverty reduction a key instrument of their donor aid. Several governments, including those who were not engaging in the PRS process, implemented policies addressed at reducing extreme poverty, social exclusion and informalisation.

Since 1999, a total of 67 African, Asian, Eastern European and Latin American countries have engaged in different phases of the World Bank and IMF's PRSs. After ten years of these poverty reduction strategies, it is time to take stock of the policies that have been implemented, what has been achieved and what the future challenges are. This analysis will be made in the light of the current global economic and social crisis.

The second part of the workshop will deal with one of the consequences of impoverishment, namely, the informal economy. Based on an analysis of the state and causes of informalisation in Asian and in Africa, as well as the ILO's international labour standards, the workshop will devote itself to reflecting on trade union strategies on informalisation. Particular attention will be paid to the situation of unprotected and unorganised workers operating in conditions of informalisation. The challenge of organising unprotected workers will be the main object of attention. This part of the workshop will draw from concrete examples of organising strategies employed by trade unions in Asia and in Africa.

Based on the ILO's Decent work agenda, the Global Jobs Pact as well as ILO International Labour Standards, deliberations during the workshop will then conclude on the policy and organising framework needed to ensure an inclusive and poverty reducing development model that create more and better formal economy jobs.

## **3. DEVELOPMENT OBJECTIVES**

The Workshop A3-52098 on "*Poverty Reduction Strategies and the Informal Economy*" will seek to:

- a) Strengthen unions' capacities for promoting a Decent Work development paradigm that reduces poverty and deals with the informal economy;
- b) Evaluate PRSs and formulate trade union policies to reduce poverty;
- c) Promote understanding of ILO's International Labour Standards, the Global Jobs Pact, and policies for promoting Decent Work;
- d) Develop trade union policies and strategies for organizing unorganised workers;
- e) Provide the opportunity for trade unionists from Asia and from Africa to share experiences and strategies on how they are dealing with poverty reduction and informalisation in their respective regions

## 5. WORKSHOP STRUCTURE AND CONTENT

The workshop will comprise the following sessions:

**A) Poverty Reduction Strategies: origins and implementation since 1999:** This session will focus on tracing the origins of poverty reduction strategies in a historical context and outline the different policy trends over the last decade.

### B) Country Reviews of PRS

This session will assess national PRSs, based on prepared contributions from participants from each country. These country reviews will seek to analyse the following:

- The Impact of PRSs on *macroeconomic* policies. Have the macroeconomic framework of PRSs changed from policies being promoted in the structural adjustment period? To what degree have disciplines of the "Washington consensus" continued through IFI lending facilities?
- Impact of PRS on *employment* creation in the period under review. Employment trends; impact of PRSs on formal/informal economy jobs; relationship between economic growth model and job creation.
- Impact of PRSs on *labour laws*. Trends in labour law reform; impact of "Doing Business" on the regulation of labour markets; PRSs and the application of core labour standards and other relevant ratified conventions
- Impact of PRSs on *collective bargaining and social dialogue* as a whole. Impact of PRSs on the application of collective bargaining agreements and the climate of social dialogue
- Trade union critique of their *participation* in national PRSs – from formulation to monitoring to evaluation
- Impact of PRSs on *trade and investment* policies (e.g. EPZ development)
- Review of *conditionalities* tied to the disbursement of IFI lending facilities and its impact on the principle of *country-ownership* and the need for policy space.

- *Overall impact of PRSs on Poverty and Equity.* Are PRSs contributing to meeting the MDG targets?
- *Critique of the specific national policies undertaken to tackle poverty reduction.*

**C) Proposals of the Labour Movement in the light of the current financial, economic and social crisis**

This session will discuss the policies needed to ensure a paradigm shift in the development model of poor countries. Using the Global Jobs Pact as a tool, specific policies will be formulated to form the basis of a new development paradigm that is employment-intensive and promotes an inclusive growth and development model which reduces poverty.

**D) Informal Economy & Decent Work: Challenges for Trade Unions**

This session will assess the specific situation of the informal economy in Africa and in Asia and trade union responses to the challenges posed by informalisation.

**E) ILO Recommendation on Employment Relationships and informal economy –**

This session will focus on union strategies for regularizing employment relationships in law and practice based on the ILO recommendation (198) on Employment Relationship.

**G) Enabling Conditions and Strategies for Organizing in the informal economy**

This session will present different organizing models and approaches in the informal economy will be made, based on the experiences of the unions in different countries. Focus will also be on how to create enabling conditions at policy/law level and also within the trade union structures. ACTRAV's manual on organizing in the informal economy will also be used during these sessions.

**H) Evaluation:**

Activities included in this workshop will be reviewed through an end-of-workshop evaluation.

**6. WORKSHOP PREREQUISITES**

It is expected that every participant will prepare in advance a country report. Once participants have been identified, the terms of reference for the reports will be sent to them. These reports will eventually be published or put on the ACTRAV web-site.

**8. METHODOLOGY**

The learning methods used in the workshop will acknowledge the participants' level of competence and experience, taking into account the proposition that they already have practical experience in the field of trade unions, organizing, negotiations and participating in the bipartite and tripartite fora. Active learning methods will be employed through the workshop, which will encourage the participants for group discussions and to be fully involved in all aspects of training.

**9. DURATION AND STARTING DATE**

The workshop is scheduled from 23-25 November 2009 in Bangkok. The accommodation and the venue of the workshop will be intimated separately.

More information on the Programme for Workers' Activities of the International Training Centre of the ILO (ACTRAV Turin) is available at the following Internet address:  
<http://www.itcilo.org/actrav/>

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