



ONLINE

ENTERPRISES

ENTERPRISE FORMALIZATION

SELF-GUIDED DISTANCE LEARNING COURSE

 5 HRS

Information Note

INTRODUCTION TO THE COURSE

More than 60 per cent of the world's employed population earn their livelihoods in the informal economy. Out of these 2 billion workers in informal employment, 85% work in informal sector economic units. It is estimated that 8 out of 10 economic units are part of the informal sector. Globally, those informal sector units provide employment to 52 % of all people in employment.

Informal workers and economic units depend on the informal economy for their livelihoods. They contribute to economic and social development through activities that are not protected, regulated, well recognised or valued. This leaves a majority of informal economy workers and their families outside the benefit of public policy.

Informality has a harmful effect on workers' rights, social protection, decent working conditions and the rule of law. It also has a negative impact on the development of sustainable enterprises, public revenues and governments' scope of action.

In June 2015, the International Labour Conference adopted ILO Recommendation No. 204 concerning the Transition from the Informal to the Formal Economy. With respect to the formalization of micro and small economic units, Recommendation 204 calls on Member states to undertake business entry reforms, reduce compliance costs, promote access to public procurement, improve access to inclusive financial services, improve access to entrepreneurship training, skills development and tailored business development services as well as to improve access to social security coverage.

GOAL

The purpose of this distance-learning course is to inform and capacitate ILO staff, constituents and other partners on effective approaches towards the formalization of enterprises and the workers they employ.

LEARNING OBJECTIVES

By the end of the course participants should be able to:

- Describe the scope of informality among enterprises and the importance of fostering formalization;
- Identify the various dimensions that determine informality among enterprises and their workers as well as definitions and key concepts and terminologies;
- Analyse promising practices to foster formalization of enterprises and their workers.

At the end of this self-learning guide, participants will have:

- Developed a conceptual framework of why a transition to formality for enterprises and their workers is important for decent work and what it means for governments, workers, enterprises and society as a whole;
- Increased their understanding of concepts and definitions in relation to formalization of enterprises and their workers;
- Be able to identify success factors and challenges of an enterprise formalization strategy.

TARGET AUDIENCE

POLICY MAKERS

Such as ministries responsible for trade and industry, SME development, labour and social affairs, finance

SOCIAL PARTNERS

Representatives of employers' organizations and workers' organizations

OTHERS

- International organizations
- Development partners
- Practitioners working on enterprises formalization initiatives, private sector development, workforce development, regulatory delivery.

COURSE CONTENT

1. Introduction to informality in small enterprises

What are the key issues, facts and figures around informality?

2. Business registration, licensing and compliance

How can administrative processes be simplified?

3. Incentives

How can entrepreneurs be motivated to formalize?

4. Enhancing productivity

How can productivity growth initiatives be linked with formalization?

5. Enforcement and compliance

How to strengthen regulatory delivery of administrations and increase compliance?

6. Integrated approaches

How can representative organizations be involved?

LANGUAGE

The course is available in English. French and Spanish versions of the course are upcoming.

INFORMATION AND REGISTRATION

For registration and more information, contact:

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INFO

**FOR FURTHER INFORMATION
PLEASE CONTACT**

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