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## Statistical Commission

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**Items for discussion and decision: informal economy statistics**

## Report of the International Labour Organization on informal economy statistics

### Note by the Secretary-General

In accordance with Economic and Social Council decision 2021/224 and past practices, the Secretary-General has the honour to transmit the report of the International Labour Organization (ILO) on informal economy statistics. The report provides a summary of the background for the revision of the statistical standards of informality, as well as a presentation of the proposed new framework developed by the ILO working group established for that purpose. This includes an outline of the new structure, which includes introducing the underlying concept of informal productive activities as well as the overarching concepts of informal economy and informal market economy. The new framework, which potentially includes all activities within the System of National Accounts (SNA) general production boundary that can be considered informal, aligns statistics on the informal economy with SNA as well as with the resolution concerning statistics of work, employment and labour underutilization adopted by the nineteenth International Conference of Labour Statisticians. In the paper, the proposal to introduce new supporting statistical concepts relating to informality is presented, as are improved conceptual and operational definitions of already existing statistical concepts.

The Commission is invited: (a) to take note of the development of the new standards; (b) to encourage countries to support the processes of developing a new set of standards for statistics on the informal economy to be discussed at the twenty-first International Conference of Labour Statisticians, in 2023; (c) to provide guidance on the proposal to align the current statistical framework on informality to the SNA general production boundary; and (d) to provide guidance on the proposal to recommend that agriculture activities should be included in the scope of the informal sector.

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\* E/CN.3/2022/1.



# Report of the International Labour Organization on informal economy statistics

## I. Introduction

1. The Delhi Group on Informal Sector Statistics was set up in 1997 by the United Nations as the city group to address various methodological issues related to informal sector statistics. The Delhi Group held several meetings, most recently in October 2017, after which a report was submitted for consideration by the Statistical Commission at its forty-ninth session, in March 2018. The work of the Delhi Group strongly contributed to an improved framework of statistics on the informal sector and informal employment.

2. At the fifty-first session of the Commission, in 2020, it was decided to dissolve the Delhi Group, as it had fulfilled its mandate, and to avoid duplication in view of the International Conference of Labour Statisticians decision to create a working group for the revision of the statistical standards of informality. The working group, formed in 2019, has now made substantial work towards the development of a new set of statistical standards on the informal economy. Once adopted, the standards will replace the resolution concerning statistics of employment in the informal sector (adopted at the fifteenth International Conference of Labour Statisticians, in 1993)<sup>1</sup> and the guidelines concerning a statistical definition of informal employment (adopted at the seventeenth Conference, in 2003).<sup>2</sup>

3. The importance for all countries, irrespective of their level of development, to provide regular data on informality is underlined by the inclusion of informal employment as indicator 8.3.1 in the 2030 Agenda for Sustainable Development. This points to the continuing high relevance of the concept as part of the achievement of Sustainable Development Goal 8 to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

4. As part of the preparations for the twentieth International Conference of Labour Statisticians, a global review of country practices for measuring the informal sector and informal employment was conducted. The review, which is described in annex 1 to the background document to the present report,<sup>3</sup> highlighted that an increasing number of countries were measuring these concepts. In addition, there seems to be a general convergence in the key criteria used by countries to measure the informal sector and informal employment. At the same time, significant gaps were identified during the review, particularly among high-income countries.

5. The International Labour Organization (ILO) also carried out an assessment of the current statistical standards to identify key areas to be addressed in a revision. This highlighted the need to align the current standards to the 2013 resolution concerning statistics of work, employment and labour underutilization<sup>4</sup> and the 2018 resolution concerning statistics on work relationships.<sup>5</sup> In addition, the inclusion of agriculture activities in the informal sector, as well as a general need to strengthen

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<sup>1</sup> Available at [www.ilo.org/global/statistics-and-databases/standards-and-guidelines/resolutions-adopted-by-international-conferences-of-labour-statisticians/lang--en/index.htm](http://www.ilo.org/global/statistics-and-databases/standards-and-guidelines/resolutions-adopted-by-international-conferences-of-labour-statisticians/lang--en/index.htm).

<sup>2</sup> Available at [www.ilo.org/global/statistics-and-databases/standards-and-guidelines/guidelines-adopted-by-international-conferences-of-labour-statisticians/WCMS\\_087622/lang--en/index.htm](http://www.ilo.org/global/statistics-and-databases/standards-and-guidelines/guidelines-adopted-by-international-conferences-of-labour-statisticians/WCMS_087622/lang--en/index.htm).

<sup>3</sup> Available on the website of the Statistical Commission.

<sup>4</sup> Available at [www.ilo.org/global/statistics-and-databases/standards-and-guidelines/resolutions-adopted-by-international-conferences-of-labour-statisticians/lang--en/index.htm](http://www.ilo.org/global/statistics-and-databases/standards-and-guidelines/resolutions-adopted-by-international-conferences-of-labour-statisticians/lang--en/index.htm).

<sup>5</sup> Available at [www.ilo.org/wcmsp5/groups/public/---dgreports/---stat/documents/meetingdocument/wcms\\_647343.pdf](http://www.ilo.org/wcmsp5/groups/public/---dgreports/---stat/documents/meetingdocument/wcms_647343.pdf).

the definitions, was underlined. For an overview of the key issues identified, see annex 2 to the background document to the present report.

6. Based on the review of country practices and the identified issues and problems inherent in the current statistical framework on informality, the ILO working group began work to develop a more comprehensive set of statistical standards to be presented and discussed at the twenty-first International Conference of Labour Statisticians, in 2023. The present report provides an overview of the expected structure of the new framework, new concepts likely to be introduced in order to clarify the statistical framework on the informal economy, and expected main changes in terms of scope and existing concepts.

## II. Working group

7. There was a strong consensus at the twentieth Conference, in 2018, that revision of the current statistical standards on informality was a priority. Consequently, ILO established a working group to develop a coherent set of standards providing the conceptual and operational definitions for the comprehensive measurement of informality, for presentation and discussion at the twenty-first Conference, in 2023. The new standards will draw from existing definitions and country practices and be aligned to the most recent statistical standards for measuring work, contributing to increased global coverage and harmonization. The working group, comprising members from national statistical offices and ministries from more than 40 countries in all regions, international organizations and workers' and employers' representatives, held its first meeting in 2019 and has since met annually. The group has already made substantial progress and a first draft of a new resolution concerning statistics on the informal economy was discussed during the third meeting, in 2021. The new framework, while still being discussed and in need of further development, has been presented and debated at meetings and workshops held by the Economic and Social Commission for Western Asia. It has also formed the basis for a guidance note produced by the joint task team on the informal economy as part of the programmes for updating the System of National Accounts (SNA) 2008 and the sixth edition of the Balance of Payments and International Investment Position Manual.

## III. Towards a comprehensive framework on the informal economy

8. One important objective of the revision of the statistical standards on informality is to create a comprehensive framework, aligned to the latest statistical standards, that more clearly explains the statistical meaning of informality and how the different statistical concepts and components relate to each other. The framework will support the production of statistics on informality using both economic units (e.g. as a contribution to gross domestic product (GDP)) and persons/jobs (e.g. in relation to labour statistics) as reference units.

9. The present paper provides a summary of the proposal for a statistical framework on informality as developed through the ILO working group. It builds on the 2021 paper entitled "Conceptual framework for statistics on the informal economy", presented and discussed at the third ILO working group meeting. The proposal is under discussion and will be finalized at the twenty-first Conference, in 2023.<sup>6</sup>

<sup>6</sup> The draft resolution and the draft conceptual framework are available at <https://ilostat.ilo.org/events/working-group-for-the-revision-of-the-statistical-standards-of-informality/>.

## A. Structure of the framework

10. To create a comprehensive statistical framework of the informal economy, the underlying theoretical concept of “informal productive activities” will be introduced, defined as all productive activities carried out by persons and economic units that are – in law or in practice – not covered by formal arrangements. The concept contributes to the explanation of the statistical meaning of informality and creates a linkage between the different statistical components of the framework. The concept of the informal economy can thus be understood as including all informal productive activities of persons and economic units. The underlying concept of informal productive activities and the overarching concept of the informal economy set the statistical boundaries of informality, as well as enable the integration of the different paid and unpaid forms of work in the framework.

11. Such a broad definition of the informal economy expands the current boundaries of informality by also recognizing that activities outside the SNA production boundary but within the SNA general production boundary can be considered part of the informal economy. While the measurement of informal employment, as defined in the standards adopted at the nineteenth International Conference of Labour Statisticians, will remain central to the new framework, the new broader scope of the informal economy and informal productive activities will enable the compilation of statistics that go beyond the core concepts of the informal sector and informal employment which would, for example, be needed for the compilation of statistics on all informal productive activities within the SNA production boundary as an input to GDP. In addition, it provides the possibility to identify essential groups of workers outside employment but within the informal economy to complement the core concept of informal employment.

12. The broad concept of informal economy creates a need to introduce a more focused complementary concept restricted to the statistical concepts of informality that typically would be a target for formalization and therefore have a strong policy relevance. The more restricted concept of “informal market economy” that includes all informal productive activities, carried out by workers and economic units for pay or profit, is designed to include the core concepts of informal employment and the informal sector, as shown below.

## Scope of statistics on the informal economy

	Informal productive activities							
Production	For pay or profit					Not for pay or profit		
Workers	Liable to become formal or already formal					Partial regulated or not at all but liable to be regulated		
	Informal work							
	Formal employment with partly informal activity		Informal employment			<ul style="list-style-type: none"> <li>• Own use</li> <li>• Unpaid trainee</li> <li>• Volunteer work carrying out informal productive activities (<b>essential categories</b>)</li> </ul>		
	Either main or secondary formal jobs with partly informal activity		Either main or secondary informal jobs					
Carry out the work for economic units in:	Formal sector	Households with paid domestic workers	Formal sector	Informal sector	Households with paid domestic workers	Informal sector	Formal sector	Households, non-formal non-profit institutions
Informal market economy	Employed persons in the informal market economy							
Informal economy	Workers in the informal economy							
Economic units	Informal production							
	Formal sector with partly informal production for pay or profit		Informal sector		Household own-use and community sector			
					Household engaging employees	Households producing for own-final use		
					Non-formal non-profit organizations			
Labour input	Informal employment		Informal employment		Informal employment		Informal volunteer work	
	Informal unpaid trainee work		Informal unpaid trainee work				Own-use production work	
	Informal volunteer work		Informal volunteer work					
Relation to 2008 SNA	SNA production boundary					Goods		Services
	SNA general production boundary							
Informal market economy	Economic units in the informal market economy							
Informal economy	Economic units in the informal economy							

## B. Formal sector, informal sector and household own-use and community sector

13. The three different sectors, namely the formal sector, the informal sector and the household own-use and community sector, are defined on the basis of two underlying dimensions: the intended destination of the production and the formal status of the economic unit (see table 1).

14. The intended destination of the production reflects whether the production is mainly intended for the market with the purpose of generating a profit. Types of production that are not intended for the market with the purpose of generating a profit include: production that is mainly for own final use, production mainly intended for

the market but with a non-profit purpose, and non-market production that is mainly for final use by other households.

15. The formal status of the economic unit reflects whether the unit is formally recognized by government authorities as a distinct producer of goods or services and thus covered by formal arrangements put in place to protect the activities of the economic unit as a producer as well as for regulating its actions.

Table 1

**Conceptual derivation of the three sectors based on the two dimensions**

		Production mainly intended for the market	
		Yes	No
<b>Formally recognized economic unit</b>	<b>Yes</b>	Formal sector	Formal sector
	<b>No</b>	Informal sector	Household own-use and community sector

16. Based on the two dimensions, the three sectors can be mutually exclusively defined as follows:<sup>7</sup>

**Formal sector:** comprising economic units that are formally recognized as distinct producers of goods and services for the consumption of others, irrespective of the intended destination of the production.

**Informal sector:** comprising economic units whose production is mainly intended for the market with the purpose of generating a profit, but that are not formally recognized as producers of goods and services distinct from the own-use production of the owner-operators' household.

**Household own-use and community sector:** comprising economic units that are not formally recognized as distinct producers of goods and services, whose production is not mainly intended for the market.

*Changing the scope of the informal sector*

17. The change of the threshold of market production from “some” production being intended for the market, which is the threshold used in the current informality standards, to “mainly” reduces the scope of the informal sector. This is an important alignment of the concept of market production with the definitions used in SNA and the resolution concerning statistics of work, employment and labour underutilization adopted at the nineteenth Conference. The use of a threshold based on the main intended purpose of the production excludes households producing for own final use from the informal sector. Own-use production work as defined in that resolution would therefore not take place within the informal sector but in the household own-use and community sector.

18. The current definition of the informal sector includes the option to exclude agriculture activities from the informal sector owing to practical challenges such as increased costs for data collection, and the need to adapt data-collection methods, among others. However, given the importance of recognizing and measuring informal agriculture production mainly intended for the market as part of the informal sector, the proposal is to remove this option from the new standards. This is in line with the

<sup>7</sup> For more detailed definitions of the three sectors, see annex 3 to the background document to the present report.

current practice of most countries and would contribute to a more comprehensive measurement of the informal sector as well as informal employment. The proposal is therefore to underline that enterprises in the informal sector can engage in any kind of productive activity, agriculture as well as non-agriculture, insofar as they are mainly intended for the market. The same set of criteria for inclusion in the informal sector is proposed to be used for agriculture activities as well as non-agriculture activities. Countries might, however, have special regulations surrounding agriculture activities, including special requirements for registration or specialized agriculture registers. This might call for countries to adapt the criteria to ensure that such national specificities are taken into account.

*Strengthening the operational criteria for defining the informal and formal sectors*

19. The operational criteria for defining the formal status of the economic unit are to a large extent built on the already existing criteria used for defining the informal sector in the resolution concerning statistics of employment in the informal sector adopted at the fifteenth Conference. However, several minor clarifications of the various criteria are proposed, including removing the current possibility for informal enterprises to have formal employees, clearer recommendations for what countries should consider when operationalizing the key criterion of registration, and linking the criterion of having a complete set of accounts to having accounts for tax purposes. These changes are intended to strengthen the criteria by connecting them more strongly to the underlying concept of informal productive activities and to increase harmonization between countries by providing improved input for how to operationalize the criteria when taking national contexts into account.

*Household own-use and community sector*

20. The household own-use and community sector completes the categorization of economic units. Firstly, it includes productive activities produced by the household or undertaken by family members outside the household that are mainly intended to be consumed by the household or by family members living outside the household. Secondly, the sector also includes direct volunteer work, which refers to non-market production by one household for the use of other households, as well as non-formal non-profit organizations. The inclusion of not only own-use production but also some types of volunteer work in the sector is reflected in the proposed term “household own-use and community sector”, indicating that the sector includes the production of households for own use as well as for the use of other households.

### **C. Informal work**

21. Informal work, defined as all productive activities performed by persons that are – in law and practice – not covered by formal arrangements, is a broad overarching concept that reflects the informal economy from the perspective of persons/workers. It would include productive activities defined as employment that are in law and in practice not covered by formal arrangements put in place to stipulate the responsibilities, obligations and protection of the economic units and the workers. In addition, the broad concept of informal work would include productive activities carried out with a different intention than to generate pay or profit. This would include own-use production work, volunteer work, unpaid trainee work and other work activities that are not covered by formal arrangements such as regulations and provisions that promote or facilitate the work and protect and regulate the actions and functions of the worker.

22. Informal work needs to be viewed as an overarching concept not intended to be measured in its totality. It is a broad concept that allows the identification of a subset

of essential components that need to be measured regularly to provide the statistics needed for policy purposes. Beyond the core concept of informal employment, this would include essential categories of unpaid work, such as unpaid trainee work and subsistence foodstuff production, that complement the core concept of informal employment.

## D. Informal employment

23. Based on the underlying concept of informal productive activities and the definition of informal work, informal employment can be defined as any activity carried out by a person to produce goods or provide services for pay or profit that is not effectively covered by formal arrangements. Informal employment would consist of activities in relation to informal jobs that are not effectively covered by formal arrangements such as commercial laws, procedures to report economic activities, labour laws and social security laws aimed at regulating and protecting the economic units and workers. This creates a link between the definition of informal employment, the definitions of informal jobs and the international classification of status in employment as defined in ICSE-18, due to the fact that the definition of informal jobs needs to be in relation to the type of job held by the person. For a more detailed overview of the proposed operational definitions of informal and formal jobs, see annex 3 to the background document to the present report.

24. For independent workers, the definition of informal/formal jobs follows from the categorization of the economic unit owned and operated by the independent worker. As shown in table 2, this implies that independent workers have a formal job if their enterprise is a formal economic unit and an informal job if they own and operate an informal enterprise. This link is to some extent less direct for dependent workers. Dependent workers, that is, dependent contractors, employees and contributing family workers, have informal jobs when categorized in the informal sector but may have informal or formal jobs in the formal sector. In the case of dependent contractors and contributing family workers, however, this is still under discussion. In addition, employees can have informal/formal jobs working for a household.

Table 2  
Status in employment of informal/formal jobs by sector

Sector in which the worker is categorized	Job by status in employment										
	Independent workers (employers, own-account workers)					Dependent workers					
	Owner-operators of corporations		Independent workers in household market enterprises			Dependent contractors		Employees		Contributing family workers	
	Formal	Informal	Formal	Informal	Formal	Informal	Formal	Informal	Formal <sup>a</sup>		
Formal sector				1 <sup>a</sup>	<sup>a</sup>	2			3		
Informal sector		4		5		6		7			
Household own-use and community sector						8					

Note: Cells shaded in dark grey refer to jobs which, by definition, do not exist in economic units located in the specific sector.

Cells shaded light grey refer to formal jobs. Informal employment consists of informal jobs in the cells numbered 1 to 8.

<sup>a</sup> The recognition of the existence of formal jobs among contributing family workers and the definition of informal/formal jobs for dependent contractors categorized in the formal sector is still under discussion.



*Strengthening the definition of informal/formal jobs for employees*

25. The definition of informal/formal jobs for employees in the current standards includes a relatively high degree of flexibility regarding how countries can operationalize the definition. To further strengthen that definition, it would be essential to contribute to increased harmonization between countries by providing clearer recommendations for the criteria that countries should prioritize. At the same time, it will be necessary to retain a certain degree of flexibility to create space for countries to develop effective operationalization that takes national labour laws and social protection systems into account.

26. The proposal is to build on common ground across countries that tend to favour the use of employers' contribution to social insurance and access to paid annual leave and sick leave by recognizing that these should be prioritized criteria that, depending on the country context, can be supported by additional criteria if deemed useful. This approach is aimed at striking a balance between the need to retain some flexibility for countries to adapt the operational definition of informal jobs held by employees and at the same time increase the level of harmonization between countries and ensure the possibility of creating global and regional estimates as well as harmonized series on informal employment.

*Integration of dependent contractors*

27. "Dependent contractors" is a new category in ICSE-18 that was introduced with the adoption at the twentieth Conference, in 2018, of the resolution concerning statistics on work relationships. Dependent contractors are on the borderline between being employees and own-account workers. They are defined as workers with commercial agreements that are employed for profit who are dependent on another entity that exercises control over their activities, and that directly benefits from the work (resolution concerning statistics on work relationships, para. 35).

28. Based on the discussions within the ILO working group, it seems that registration of the economic unit and registration of the dependent contractor for tax purposes are useful criteria for defining informal jobs for these workers. If the dependent contractor has a formal enterprise or is registered as a worker for tax purposes, then the dependent contractor can be considered as formally recognized and therefore part of the formal sector. If this is not the case, however, then no formal recognition of the enterprise or the worker exists and the worker is categorized in the informal sector. While it seems clear that dependent contractors categorized in the informal sector (i.e. they do not have a formal enterprise and are not registered in relation to tax) have informal jobs, the set of circumstances under which they can be regarded as having formal jobs needs further discussions within the ILO working group.

*Operational definition of informal and formal jobs for contributing family workers*

29. According to the current definition of informal employment, contributing family workers, by default, have informal jobs owing to the informal nature of their jobs. This practice would be relevant to maintain because many countries would not have any formal arrangements in place for contributing family workers, such as providing the possibility to register the worker and contribute to social insurance and providing access to employment benefits. At the same time, there are countries (albeit likely to be few) that have implemented formal arrangements targeting that group. In those countries, it could be of relevance to allow for the possibility for contributing family workers to be considered to have formal jobs and thereby be able to provide data on the extent of such arrangements. The proposal to retain the current approach, that is, jobs held by contributing family workers by default are defined as informal while

allowing for an exception in countries where formal arrangements exist, whereby those jobs could be considered formal, is currently being discussed within the working group.

#### **Informal productive activities within formal jobs and formal economic units**

30. The concept of “partly informal productive activities” is proposed as a complementary concept to the core concepts of informal employment and the informal sector that, depending on the country context, could be of relevance to estimate. Partly informal productive activities in relation to formal jobs would include situations where a person has a formal job in which parts of the work performed by the worker are covered by formal arrangements while other parts are not (e.g. when part of the work is undeclared and not covered by social protection, employment benefits, etc.).

### **E. Informality and unpaid forms of work**

31. The underlying concept of informal productive activities would potentially include all activities defined as work, paid as well as unpaid. This is not a change as such compared with the definition of informal employment in the guidelines concerning a statistical definition of informal employment adopted by the seventeenth Conference, which, at least conceptually, includes all activities within the SNA production boundary. In other words, part of the activities that are now defined as own-use production work, unpaid trainee work and volunteer work are also included in the current definition of informal employment. The main difference is that, with the nineteenth Conference resolution concerning statistics of work, employment and labour underutilization, all activities carried out by persons within the SNA general production boundary are now recognized as work. The concept of informal work is therefore extended to also include, for example, own-use provision of services as well as direct volunteer work.

#### **Identifying informality among forms of work other than employment**

32. From a statistical point of view, it seems clear that the objective of including forms of work other than employment within the framework of informality is not for countries to derive estimates on all informal work and its different components, including informal volunteer work and informal own-use production work, among others. Such data would not be meaningful to inform policies, given that the default situation for forms of work other than employment is likely to be informal. At the same time, there seem to be strong arguments for statistically recognizing that unpaid work is informal and, in some cases, can also be considered formal unpaid work.

33. The recognition that informality also exists in relation to unpaid forms of work would be important from the perspective of SNA to have a comprehensive estimation of all informal productive activities as an input to GDP. Informal productive activities other than employment that are within the SNA production boundary are still part of GDP and an important contribution to countries’ economies. A concept of informal work aligns the framework with the needs of SNA and acknowledges that informal unpaid work is labour input to economic units in the formal sector, informal sector and household own-use and community sector.

34. From a social statistical perspective, the overarching concept of informal work would likely have less relevance in itself. However, the concept creates the space for the statistical identification of essential categories of informal unpaid work that are of special statistical interest, and their measurement with some regularity, to complement the concept of informal employment. The essential categories would

include subsistence foodstuff producers and unpaid trainees, two important groups that previously were included in the concept of informal employment but currently are excluded from employment.

35. In addition, the recognition that the dichotomy of informality and formality can exist in relation to the different forms of unpaid work can be viewed as an important recognition in itself. It creates the possibility for assessing, depending on the country context and need, the extent of any formal arrangements put in place to facilitate and protect specific types of unpaid work and for applying the dichotomy in domains that go across different forms of work, if there is such a need. Such domains could include an assessment of care work, agriculture production or digital platform work from the perspective of informality/formality, if relevant.

#### **Providing further guidance on statistical definitions of informal/formal unpaid work**

36. While formal arrangements in relation to employment are a relatively clear concept, it is more challenging to identify formal arrangements in the different forms of unpaid work. In addition, there is only limited experience among national statistical offices in establishing informality/formality in relation to work other than employment. Taking this situation into account, the way forward seems to be to create flexible definitions linked to the underlying concept of informal productive activities to facilitate how informality/formality can be statistically understood in relation to the different unpaid forms of work.

37. Introducing flexible definitions will allow countries and other data collectors to further elaborate how informality should be statistically understood and operationally measured, depending on the specific objective and data need, and thereby gain valuable experience. It can be viewed as a first important step towards providing statistical standards on informal work in relation to unpaid forms of work that ensures that the framework is sufficiently robust to respond to a possible increased policy interest in formal arrangements in relation to these types of activities, beyond addressing the current need for data on the essential categories of informal unpaid work.

## **IV. Indicator framework**

38. One of the most essential objectives in collecting data on informality is to support and monitor policies aimed at improving the working conditions of workers in both informal and formal employment, contributing to the formalization of the informal market economy and addressing decent work deficits. While the dichotomy of informality and formality contributes to achieving that objective, there is still a strong need to provide more granular data that give a better understanding of the situation of informal and formal workers.

39. To meet that need, an indicator framework is being developed in support of the new resolution. The indicator framework is organized around five different dimensions: extent of informality, structure of informality, decent work deficits, contextual vulnerability, and other structural factors. Each dimension includes a set of main indicators characterized as being highly essential indicators that typically would already be included in existing data sources, as well as additional indicators that, depending on the national context, needs, prioritization and available statistical sources, could be relevant to support analysis. While some of the most essential key main indicators will be included in the resolution, many of the indicators will be included in the supporting indicator framework. This ensures flexibility and creates

the space to further develop the indicator framework beyond the twenty-first Conference, in 2023.

## V. Next steps

40. The work of developing the new standard concerning statistics on the informal economy is not yet finalized. In 2022, it is envisaged that a fourth and final working group meeting will take place to make further progress on some of the remaining issues. Ahead of that meeting, a series of regional meetings will be held in all regions to get region-specific input on the proposal, an essential step to ensure that the new framework is efficient and can be adapted to differences between regions.

41. At the beginning of 2023, the proposal will be discussed by a formally convened tripartite meeting of experts consisting of representatives from countries, workers' representatives and employer representatives. The proposal for a new set of standards will then be put forward to the twenty-first Conference for discussion, amendments and adoption.

42. In parallel with the ongoing revision, ILO is developing improved data-collection methods for the measurement of informal employment. The results will be used to support countries in implementing the new standards and improve the measurement of informality, particularly with a gender lens. The project to engender informality statistics, through which the methodological work is being conducted, is further described in annex 4 to the background document to the present report.

## VI. Action to be taken by the Statistical Commission

43. **The Commission is invited:**

(a) **To take note of the work carried out by ILO and its working group for the revision of the standards for statistics on informality;**

(b) **To encourage countries to support the processes of developing a new set of standards for statistics on the informal economy to be discussed at the twenty-first International Conference of Labour Statisticians, in 2023;**

(c) **To provide guidance and views on the proposal to expand the current statistical framework on informality by recognizing that own-use production of goods and own-use provision of services can be considered informal productive activities within the informal economy;**

(d) **To provide guidance and views on the proposal to recommend that agriculture activities should be included in the informal sector when these activities fulfil the conditions for being considered an informal market producing unit.**