

UPDATED ACTIVITIES OF THE DELHI GROUP ON INFORMAL SECTOR STATISTICS

incorporating deliberations of its seventh meeting 2-4 February 2004, New Delhi

Purpose

The Delhi Group on Informal Sector Statistics was set up in 1997 as an international forum to exchange country experience in the measurement of informal sector, document the data collection practices including definitions and survey methodologies followed by member countries and recommend measures for improving the quality and comparability of informal sector statistics.

Participants

The participants in different meetings of Delhi Group included experts from statistical offices of Armenia, Australia, Bangladesh, Brazil, Colombia, Cuba, Ethiopia, France, Fiji, India, Indonesia, Korea, Malaysia, Mexico, Namibia, Nepal, Nigeria, Philippines, Poland, Sri Lanka, Thailand, Turkey, Venezuela and Zambia; international organizations of Asian Development Bank (ADB), Economic and Social Commission for Asia and the Pacific (ESCAP), International Labour Organization (ILO), Statistical Institute for Asia and the Pacific (SIAP) and United Nations Statistics Division (UNSD); and other institutions like Centre for Development Alternatives (CDA), Centre for Social Development (CSD), French Scientific Research Institute for Development and Co-operation (ORSTOM), Gujarat Institute for Development Research (GIDR), Harvard Institute for International Development (HIID), National Council for Applied Economic Research (NCAER), Self Employed Women's Association (SEWA), Socio Economic Research Centre (SERC) and Women in Informal Employment Globalizing and Organizing (WIEGO).

Meetings :

First Meeting:	20-22 May 1997 in New Delhi, India
Second Meeting:	28-30 April 1998 in Ankara, Turkey
Third Meeting:	17-19 May 1999 in New Delhi, India
Fourth Meeting:	28-30 August 2000 in Geneva
Fifth Meeting:	19-21 September 2001 in New Delhi, India
Sixth Meeting:	16-18 September 2002 in Rio de Janeiro, Brazil
Seventh Meeting:	2-4 February 2004 in New Delhi, India.

Topics considered

First Meeting: The meeting was primarily focused on evolving terms of reference of Delhi Group and presentation of papers on country experiences in the collection and publication of informal sector statistics. The importance of the

informal sector in the economies of developing nations and the developments in its measurement were also presented in the meeting.

Second Meeting: The current status of informal sector statistics, limitations of comparability, country profiles, etc. were discussed in the second meeting. A number of technical issues including definitional issues, classification and operational aspects, survey approaches and sampling designs including mixed household and enterprise surveys, etc. were discussed in detail in the meeting. In addition the contribution of informal sector in terms of employment, value added, capital formation, etc. in the economy of participating countries were also presented in the meeting.

Third Meeting: The meeting was structured to have focused discussions on the following specific technical issues:

- (i) Operationalization of the 15th ICLS/1993 SNA-International definition of informal sector;
- (ii) Strategies to address the issues relating sampling frame and weighting in informal sector surveys; and
- (iii) Methodologies for obtaining accurate measures of value added by the informal sector.

The meeting recognized that the national definitions of informal sector cannot be fully harmonized as informal sector manifests itself in different ways in different countries. However, it was recommended to use the criteria of legal organization, type of account and product destination in the definition and identification of informal sector units.

Fourth Meeting: The fourth meeting also had three technical sessions devoted to the following:

- (i) Presentation of results of Informal Sector surveys conducted by different countries and limitations of different survey methods and sampling designs.
- (ii) Methodology for developing more accurate measures of value added and estimation of the contribution of the informal sector in ISIC, Rev.3.

Fifth Meeting: The technical issues in the fifth meeting were structured along the following topics:

- (i) Application of the informal sector definition: treatment of persons at the borderline between own-account workers and employees;
- (ii) Development of criteria for the identification of persons in informal (or precarious, non-standard etc.) employment inside and outside the informal sector;
- (iii) Sampling frames and designs for mixed household and enterprise surveys;
- (iv) Evaluation of informal sector survey data and measures for quality improvement;

- (v) Country Experiences.

Sixth meeting: The Sixth meeting considered the following issues:

- (i) Operationalization of the concept of “Informal Employment” as distinct from “Informal Sector Employment”.
- (ii) Linkages of informal sector statistics with income, expenditure and poverty statistics.
- (iii) Establishment of comparable data sets on informal sector.
- (iv) Methods and procedures for the collection of informal sector statistics on a regular basis including preparation of a manual.

Seventh Meeting: The Seventh Meeting considered the following issues:

- (i) Defining informal employment and methodologies for its measurement.
- (ii) Improving the quality of Informal Sector Statistics - Country Experiences.
- (iii) Measurement of informal economy through income and expenditure surveys.

Products:

Report of the first meeting
Report of the second meeting
Report of the third meeting
Report of the fourth meeting
Report of the fifth meeting
Report of the sixth meeting
Report of the seventh meeting under preparation.

Achievements:

- 1) Stocktaking, discussion and documentation of existing country experiences in the measurement of informal sector and informal employment
- 2) Based on the 15th ICLS resolution, development of a harmonized definition of the informal sector to obtain internationally more comparable statistics.
- 3) Refinement of the 15th ICLS definition (e.g. regarding the treatment of households employing paid domestic workers).
- 4) Inputs to the revision of ISIC.
- 5) Continuous close collaboration with statistics users at national and international level, the ILO Bureau of Statistics, the ESCAP Statistics Division and the United Nations Statistics Division.
- 6) Provision of technical feedback to countries for the development of informal sector statistics.
- 7) Upon the initiative of the Delhi Group, an integrated survey of households in India was conducted in 1999/2000 on employment, unemployment, consumer expenditure and non-agricultural enterprises in the informal

sector that was the largest survey on the informal sector ever undertaken in the world.

- 8) Upon the suggestion by the Delhi Group and with support of its members, the ILO developed a conceptual framework for defining informal employment that was adopted in the form of international guidelines by the 17th ICLS as a complement to the 15th ICLS resolution.
- 9) Organization of annual meetings on specific topics agreed by the Group that take stock of the progress achieved and are documented through the publication of meeting reports (including the papers discussed in the meeting), available through the Delhi Group's web site.
- 10) Conceptual and analytical work done on measuring the links between poverty and the informal sector/informal employment.

Planned activities:

The future work programme of Delhi Group, as resolved in its seventh meeting held in New Delhi on 2-4 February 2004 include the following:

- (i) Identification, definition and development of a core set of indicators on informal sector and informal employment in line with the importance placed on informal employment by the Task Force on Education and Gender Equality of the United Nations Millennium Project.
- (ii) Operationalization of the 17th ICLS adopted definition of informal jobs of employees.
- (iii) Definition and measurement of sub-groups of the various types of informal jobs in relation to status of employment and development of methods and survey questions to reduce classification errors in respect of employment situation on the borderline of status in employment categories.
- (iv) Identification of various types of informal jobs in agriculture.
- (v) Devising a checklist for the evaluation of data quality of surveys on the informal sector and informal employment.
- (vi) Further work on the measurement of the contribution of Informal Sector/Informal Employment to GDP including work by regional and international organizations.
- (vii) Recommending more detailed categories for the updating of ISCO-1988 to cover specific description of informal activities.
- (viii) Continue conceptual and analytical work on measuring the links between poverty and informal employment.

Point of contact

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