



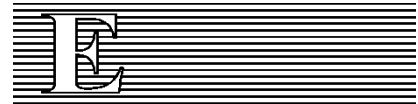
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**Report to the First Joint Session of the Committee of Directors General  
of the National Statistics Offices and the Statistical Commission for Africa  
on informal sector methodology in Africa**



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## A. Introduction

1. The informal sector forms a significant part of most African economies. Not only does informal employment provide a source of income for millions of Africans, but it also plays a major role in production and commerce. Informal activities range from food processing, street vending, cleaning and similar activities, involving little or no skills and capital, to those requiring more investment in both skills and capital, such as manufacturing, tailoring or transporting services. People are drawn to engaging in informal sector activities for several reasons. Among them are individual preference for independence and flexible working hours, the prospect of profitable income-earning possibilities, and, most importantly, insufficient job opportunities in the formal sector. In the vast majority of cases in Africa, informal activities are not necessarily intended to evade tax or social security contributions, but rather to cut costs and make enough income for subsistence.

2. According to recent estimates, the informal sector in a broad sense (including agriculture) accounted for 63.3 per cent of the gross domestic product (GDP) in sub-Saharan Africa in the 2000s, and 31.3 per cent of GDP in its restrictive sense (without agriculture).<sup>1</sup> Those indicators have been on an upward trend since the 1980s. Furthermore, depending on the definition in the different countries, the informal sector employs from 10 per cent (United Republic of Tanzania) up to 92 per cent (Chad) of the total active and employed population across Africa.<sup>2,3</sup>

3. Due to inadequate information about the informal sector and employment, the GDP of many African countries is underestimated. In addition, limited knowledge about the extent of the sector makes it difficult for policymakers to formulate appropriate social, employment and tax policies, or to improve the business environment for informal production units. Therefore, African countries need to apply more exhaustive and direct methods of data collection, and more harmonized indirect methods of measurement of this crucial and growing sector of the economy.

4. Notwithstanding its importance in both employment and production, measuring the informal sector is still a difficult exercise for national statistics offices. Although, international organizations have been working for decades on defining the informal sector and informal employment, the definition is different in almost every country. Official figures, therefore, should be compared with caution. Accounting for the production of the informal sector in national accounts, and using that data for the calculation of GDP is a complex procedure. National statistics offices and national accountants require detailed information, not just on the size of the informal sector, but also on the inputs and outputs of informal production units, along with costs, prices and productivity. The acquired data need to be extrapolated and incorporated carefully into national accounts.

5. The present report provides an overview of the informal sector methodology that has been applied in African countries. Following the introduction, the second section provides an overview of the main concepts and definitions used by countries. The third section contains reviews of the data collection on the informal sector and informal employment in Africa since the late 1980s. The fourth section contains an explanation of the placement of the informal sector and informal employment in

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<sup>1</sup> Jacques Charmes, "The informal economy worldwide: trends and characteristics", *Margin: the Journal of Applied Economic Research*, vol. 6, Issue 2, May 2012, pp.103-132.

<sup>2</sup> United Republic of Tanzania, National Bureau of Statistics, *Integrated Labor Force Survey 2006*, generated on 12 Sept 2011. Available from file:///D:/My%20Documents/Downloads/ddi-documentation-english-4.pdf.

<sup>3</sup> Chad, Institut National de la Statistique des Etudes Economiques et Démographiques, "L'emploi au Chad en 2011, Rapport final", p 3. Available from [www.inseedtchad.com/?L-Emploi-au-Tchad-en-2011-Rapport](http://www.inseedtchad.com/?L-Emploi-au-Tchad-en-2011-Rapport).

national accounts, and a discussion on how the data collected on the informal sector and informal employment are used for compiling national accounts. In the fifth section, available data about the size of the informal sector in Africa is presented. The sixth chapter contains a conclusion and the seventh provides some further topics for discussion.

## **B. Concepts and definitions**

6. The conceptual framework of the informal sector is based on a resolution adopted by the Fifteenth International Conference of Labour Statisticians, which was held in Geneva from 19 to 28 January 1993,<sup>4</sup> and on its inclusion as a subsector of the institutional household sector in the 1993 System of National Accounts (SNA 1993).<sup>5</sup> The informal sector comprises all economic units of own-account workers and informal employers: (a) that are employing less than five permanent employees; (b) that are not registered with the authorities and are not registering their employees; and (c) which do not hold a complete set of accounts. The Seventeenth International Conference of Labour Statistics, which was held in Geneva from 24 November to 3 December 2003, completed the informal sector concept by putting forth a definition of informal employment, which has further implications for the compilation of other institutional sectors in the national accounts.<sup>6</sup>

7. There is no single definition for informal sector or informal employment across Africa. Common features of the definitions are the lack of formal accounting, the lack of registration with local authorities or tax identification number, the lack of contributions to social security schemes and the lack of entitlement to annual paid and sick leave by workers. The main differences are whether agriculture, domestic workers and subsistence farming are included; whether the maximum number of employees in the informal production unit is 5 or 10; and whether the enterprise must be in a defined location, usually in or around the household. The examples below present definitions in some African countries cited from the most recent reports covering informal activities or employment.

8. In **Botswana**, *informal sector* businesses are defined by a number of attributes, such as: (a) non registration with a registrar of companies or legal professionals; (b) informal accounts or no accounts at all; (c) five or less paid employees; (d) expenditure not easily distinguishable from household expenditure; and (e) often being temporary or mobile or located in the owner's home. Paid domestic workers and subsistence farming are excluded from the informal sector definition.

9. In **Burundi** the *informal sector* includes all production units that do not have a fiscal or statistical identification number, or, in case of employers and employees who work for their own accounts, those who do not keep formal accounts. The sector includes microenterprises with less than five employees.

10. **Cameroon, Chad, the Democratic Republic of the Congo, Madagascar and Malawi** define the *informal sector* as including all production units that do not have a registration or identification number, and/or those that do not keep formal accounts.

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<sup>4</sup> See the resolution concerning statistics of employment in the informal sector.

<sup>5</sup> Commission of European Communities and others, *System of National Accounts 1993*, Prepared under the auspices of the Inter-Secretariat Working Group on National Accounts. (Paris/Luxembourg, New York, Paris, Washington D.C., 1993)

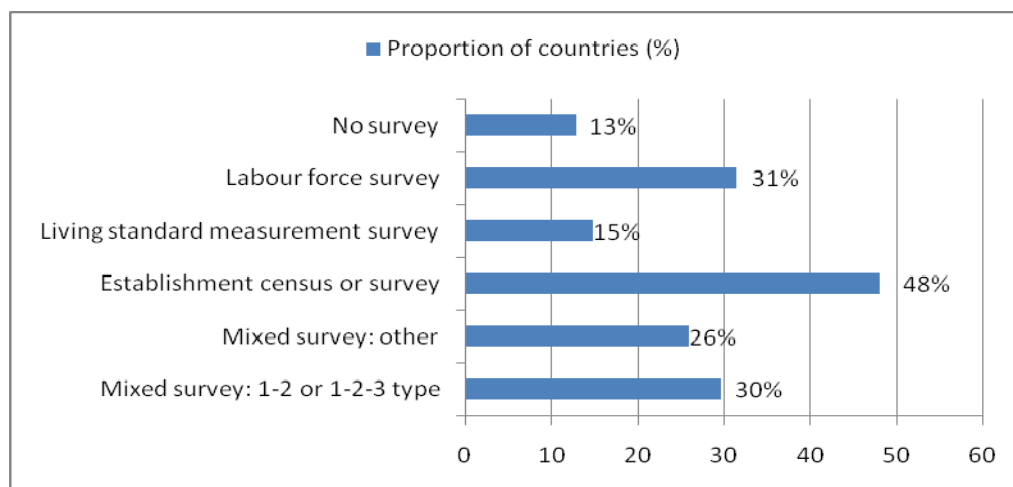
<sup>6</sup> International Labour Organization, document ICLS/17/2003/1. Available from [http://ilo.org/wcmsp5/groups/public/---dgreports/---stat/documents/meetingdocument/wcms\\_087585.pdf](http://ilo.org/wcmsp5/groups/public/---dgreports/---stat/documents/meetingdocument/wcms_087585.pdf).

11. In **Ethiopia** the *informal sector* is considered as a group of production units that form part of the household sector as household enterprises or unincorporated enterprises owned by households. The following criteria needs to be fulfilled: (a) at least one member of the household must be engaged in a productive activity; (b) employment status of the owner of the activity must be either an employer or a self-operated activity; (c) not registered; (d) no full written book of accounts; (e) less than 10 persons engaged in the activity; and (f) no license.
12. In **Morocco** the *informal sector* includes all production units without accounting. Agricultural activities are excluded, with the exception of commercial and artisanal activities carried out by those working in agriculture.
13. In **Nigeria** *informal jobs* are those generated by individuals or businesses employing less than 10 persons or those businesses that operate with little or no structures.
14. **Rwanda** distinguishes *informal sector* enterprises by the non-existence of formal accounting. The informal sector excludes agricultural activities, and includes the production and merchandising of goods and services in the mining, manufacturing and non-manufacturing sectors.
15. Finally, in **Zimbabwe** a production unit is considered to be in the *informal sector* if the establishment is neither registered with the Registrar of Companies nor licensed. Households employing paid domestic workers and those involved in communal farming are excluded from the informal sector enterprises.

### **C. Surveys on the informal sector**

16. Since the early 1970s, African countries have been estimating the size of the informal sector in national accounts. Since the early 1990s, an increasing number of countries have been undertaking more systematic data collection through mixed household-enterprise surveys. Based on desktop research of the African national statistics offices and the results of studies conducted by the Economic Commission for Africa (ECA), 47 of the 54 African countries were found to have already undertaken some form of data collection on the informal sector. The different types of surveys used in Africa are: (a) household surveys (labour force or living standard measurement surveys); (b) establishment censuses and surveys; and (c) different types of mixed household-establishment surveys, such as stand-alone informal sector surveys, modular surveys, integrated surveys and 1-2-3 type surveys. The proportion of countries that have undertaken different types of surveys at least one time is shown in figure 1.

Figure 1

**Proportion of countries by type of surveys in Africa**

Source: ECA based on desktop research and literature review.

Note: One country might have conducted more than one type of survey, but only one survey by type is taken into account (no repetition).

17. Below are surveys that allow the drawing of three major types of data collection approaches for the informal sector and informal employment in Africa:

- *Household surveys:* African countries that lack the resources to regularly conduct mixed surveys often measure informality as part of their household surveys. There are two major types of household surveys: *labour force surveys* and *living standard measurement surveys* (also known as household income and expenditure surveys). In the absence of data about production in the informal sector, precise knowledge about labour force components can be a useful source for national accountants in creating labour input matrices. National accountants can distinguish the various forms of employment in the different production sectors of the economy, and with the help of labour input matrices, they are able to make assumptions to balance supply and use tables.

A few African countries limit data collection to their usual household surveys, while most of them conduct other surveys in parallel. For example, Gabon, Seychelles, Zambia and Zimbabwe collect data about the informal sector only through labour force surveys, while the Sudan gathers data only through household income and expenditure surveys. Furthermore, countries often apply different approaches. The labour force survey conducted in Egypt, for example, is focused on the analysis of labour market and labour policy formulation rather than on national accounts, while in Ethiopia, data collection on the informal sector is restricted to urban areas, which is not sufficient for the purpose of compiling national accounts.

- *Enterprise or establishment censuses and surveys* may be used to monitor the number and characteristics of informal sector production units. Those surveys can entail the collection of reliable information about such features as production activities, intermediate consumption, generated value added, compensation of employees, gross and net income,



and consumption of fixed capital. Almost half of the African countries have conducted at least one establishment census or survey.

Djibouti, the Gambia and South Sudan have thus far only used the establishment approach to collect information about the informal sector, while other countries use it as a complementary method. Tunisia, for example, conducts a survey on a regular basis in line with its updates of the country's business register every five years. Rwanda organizes an establishment census followed by a sample survey of the informal sector every five years and Ghana plans to conduct its first integrated business enterprise survey in 2014.

- *Mixed household-enterprise surveys* are the most frequently used tools to account for production and employment in the informal sector simultaneously. There are several types of mixed surveys. Botswana, Mozambique, Namibia, the Niger, Nigeria and the United Republic of Tanzania have been conducting stand-alone informal surveys. Benin, Chad, Ghana, Mali, South Africa and Uganda have been conducting modular surveys that include an informal sector module to their existing labour force or household surveys. Ghana, Kenya, Lesotho, Malawi, Nigeria, Rwanda, Sierra Leone, Swaziland and the United Republic of Tanzania have been conducting integrated surveys that integrate informal sector surveys as part of a survey system with several objectives.

The 1-2 or 1-2-3 survey is clearly the most popular mixed-type survey. It is a combination of labour force or living standard surveys with a follow-up survey on informal production units. A total of 16 countries in Africa conducted such surveys: Burkina Faso, Burundi, Cabo Verde, Cameroon, the Comoros, the Congo, Côte d'Ivoire, the Democratic Republic of the Congo, Guinea-Bissau, Madagascar, Mali, Mauritania, Morocco, the Niger, Senegal and Togo. It is important to note that out of the 16 countries that use 1-2-3 surveys, all are Francophone except Cabo Verde and Guinea-Bissau, and 13 of them are members of the Economic and Statistical Observatory of sub-Saharan Africa (AFRISTAT).

18. Table 1 contains a summary of different survey types used in Africa by subregions.

Table 1

**Number of surveys conducted to measure the informal sector in Africa, by type and subregions**

	Northern Africa	Western Africa	Central Africa	Eastern Africa	Southern Africa	Total
<b>Household survey</b>	<b>5</b>	<b>5</b>	<b>1</b>	<b>4</b>	<b>10</b>	<b>25</b>
Labour force survey	4	3	1	2	7	17
Household income and expenditure survey (or living standard measurement survey)	1	2	0	2	3	8
<b>Establishment survey</b>	<b>5</b>	<b>9</b>	<b>2</b>	<b>4</b>	<b>6</b>	<b>26</b>
<b>Mixed survey</b>	<b>1</b>	<b>15</b>	<b>3</b>	<b>5</b>	<b>11</b>	<b>37</b>
Informal sector survey	0	2	0	0	4	6
Modular survey	0	3	1	1	1	6
Integrated survey	0	3	0	2	4	9
1-2 or 1-2-3 survey	1	9	2	2	2	14
<b>Total</b>	<b>11</b>	<b>31</b>	<b>6</b>	<b>13</b>	<b>27</b>	<b>88</b>

Source: ECA based on desktop research and literature review.

Note: One country might have conducted more than one type of survey, but only one survey by type is taken into account (no repetition).

## **D. Incorporating the informal sector into national accounts**

19. In 2012, the African Centre for Statistics (ACS) of ECA, AFRISTAT and the African Group on Informal Sector sent an informal sector survey questionnaire to the national statistics offices in Africa to assess the status of data collection on the informal sector and its use in national accounts. Of the 54 surveys sent, 23 countries responded.<sup>7</sup> All of them confirmed that they take the informal sector into account during the compilation of national accounts. Among the 17 countries that provided the starting date of including the informal sector in national accounts, seven – Burkina Faso, Egypt, Kenya, Lesotho, Morocco, the Niger and Senegal – began doing this prior to 1993, the year when the informal sector was internationally defined and included for the first time in the System of National Accounts.

### **1. Data sources**

20. The process for incorporating the informal sector into national accounts is often referred to as either a direct or an indirect approach. The following is a summary of responses from the above-mentioned informal sector survey questionnaire.

21. A direct survey approach involves conducting surveys/censuses at the national level on employment and production of informal sector as described in section 3. These include the mixed (household/establishment) or combined (household and establishment) surveys, which provide national accountants with the requested data. Eighteen among the 23 countries that responded to the survey, or 78 per cent of them, have conducted multi-stage surveys. The actual percentage may be higher because pure establishment of multi-stage surveys also exists (for instance, when an establishment census is followed by a sample survey of small establishments); not all mixed surveys are 1-2 or 1-2-3 surveys and not all multi-stage surveys have been conducted at the national level.

22. In addition, some countries use indirect approaches for measuring the informal sector, such as the estimation of aggregates on the informal sector based on exogenous or auxiliary data sources. The indirect approach of measuring the contribution of the informal sector to GDP has been applied since the origin of national accounts in some countries, such as Burkina Faso, Kenya, and Senegal. In general, the three sources for the indirect approach include : labour force statistics, mentioned by 16 countries, including, among them, Cabo Verde, Lesotho, Mauritius, Morocco, Mozambique; and South Africa; other official data sources, used by Burundi, Cameroon, Mauritania, and Mozambique; and other information including expert opinions, used by Burkina Faso, Cabo Verde, Lesotho, Mauritania and Seychelles. Among other official data sources/surveys mentioned were household surveys, such as living standard surveys, household budget surveys and income expenditure surveys. A total of 17 countries (74 per cent) mentioned other types of surveys and 15 (65 per cent) indicated that they used those surveys for national accounts.

### **2. Data series**

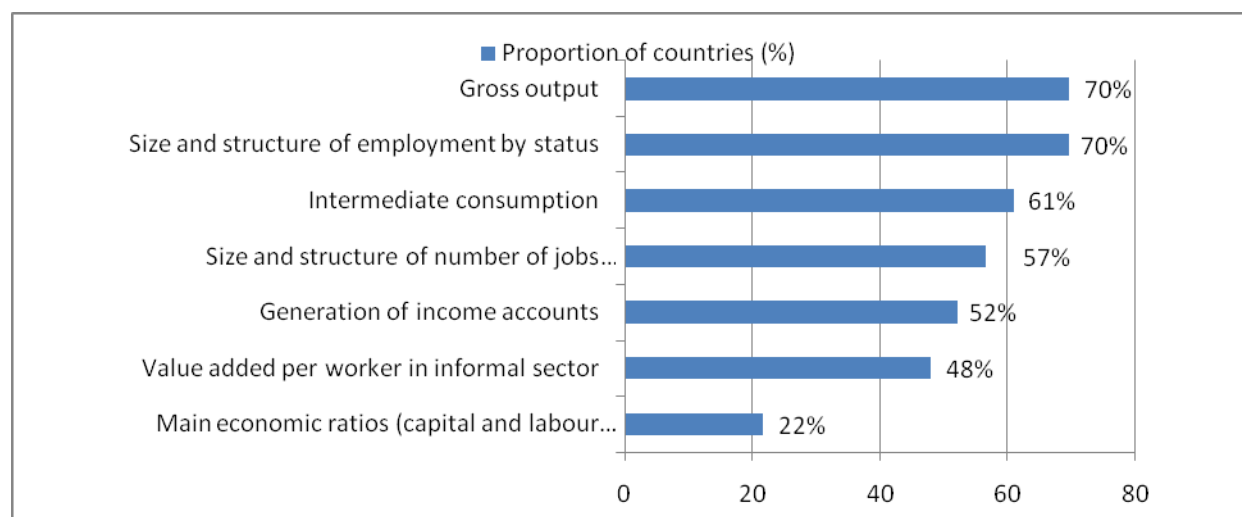
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<sup>7</sup> Respondent countries: Burkina Faso; Burundi; Cabo Verde; Cameroon; the Congo; the Democratic Republic of the Congo; Egypt; Ghana; Kenya; Lesotho; Madagascar; Mali; Mauritania; Mauritius; Morocco; Mozambique; the Niger; Senegal; Seychelles; Sierra Leone; South Africa; South Sudan; and the United Republic of Tanzania.

23. Figure 2 shows which indicators are calculated by countries from the data collected on informal employment and the informal sector. Almost two-thirds of the countries use data to calculate gross output by branch of activity and the size and structure of employment by branch of activity and status in employment (formal and informal). More than half of the countries estimate intermediate consumption by branch of activity, the size and structure of number of jobs performed by branch of activity (formal and informal) and generation of income accounts by branch of activity. Less than half of the countries calculate value added estimates for the informal sector, and one-fifth calculate productivity indicators based on the data collected through the surveys.

Figure 2

**Data used from surveys on employment and the informal sector for compilation of national accounts (% of respondent countries)**



Source: The joint informal sector survey questionnaire 2012.

### 3. Methodology

24. At the end of the informal sector survey questionnaire, some of the countries gave comprehensive descriptions of the methodology they used to incorporate available data on the informal sector to national accounts. The general picture arising from those experiences is that, notwithstanding the quality of coverage of the informal sector surveys, African countries tend to derive indicators to strengthen the underlying assumptions made about production by the informal sector. Labour input matrices are a key instrument for national accountants. Secondary activities are being integrated in these matrices. Below is a short summary of the methodologies used by Cameroon, Mauritius, Senegal and South Africa.

25. **Cameroon** conducts regular mixed 1-2 surveys that are used directly in the compilation of national accounts. The methodological approach varies depending on whether the national accounts are compiled for the same year as with the 1-2 survey (EESI). If it is in the same year, the EESI data are integrated, as they result from the survey with possible adjustments. For the other years, the EESI results are retrapolated or extrapolated by applying related coefficients based on the 2005 population census. Employment in the informal sector is projected with the population growth rate while employment in the formal sector is done based on the structures of the country's statistical and fiscal declarations. Wages or compensation of employees are extracted from phase 2 of EESI for the informal

sector and from statistical and fiscal declarations for the formal sector and projected with the population growth rate. Marketed output is also extracted from phase 2 of EESI by commodity for industries and services, and trade margins for trade activities; projections are based on population growth rate and the inflation rate by product. The treatment of non-market output is the same for the production of the informal units that are consumed by the informal producer.

26. **Mauritius** conducts a census of economic activities covering all production units, including the informal sector, but excluding agriculture, government units, domestic activities, and concealed or illicit activities, every five years. The most recent one was carried out in 2007 and the next one was scheduled to be conducted in 2013. During the census of “large” units, those that engage at least 10 persons the coverage is 100 per cent, while for “small” units, those with less than 10 employees a sample survey is conducted. To identify the informal sector, a set of questions are presented to the head of the enterprise about ownership, legal organization and the availability of accounts. From the small entities identified as forming part of the informal sector, the number of establishments, employment, gross output and value added are estimated. The census estimates, for both small and large units, are used as a benchmark for each activity group. Each year, sample surveys of large units and administrative sources are used to make annual estimates for large units. For activities in which the contribution of small production units are significant, such as the production of bakery products, structural metal products and furniture, land transport, travel agencies, forwarding agents and personal services, indirect indicators are used to estimate the output of the small units. For the remaining activities, small units are assumed to grow at the same pace as the large ones. Another source used for estimating employment in the informal sector is the Continuous Multipurpose Household Survey (CMPHS), which is carried out monthly. Since 2007, the same set of questions has been included in the CMPHS questionnaire annually, allowing for employment in the informal sector as estimated from CMPHS to be compiled annually.

27. In **Senegal** the available data on the informal sector come from a mixed 1-2 survey at the capital city level. The strategy to integrate the informal sector in national accounts is described in three stages: (a) adaptation of the classifications used in the survey with the classifications of activities and products used in national accounts; (b) adaptation of the concepts used in the survey with the operations in national accounts (for instance, payments in kind are incorporated in the compensation of employees); and (c) arbitration between aggregates obtained from the informal sector survey and those obtained from the income-expenditure survey at the sector level. In order to reconstitute data series of indicators, arbitration is done with the help of population growth rates and inflation rates between projections and the direct estimates of value added per worker or the rate of value added.

28. In **South Africa**, Statistics South Africa, (Stats SA), the national statistical service of South Africa, includes estimates of the informal sector in the GDP estimates, although they are not shown separately. A number of data sources are consulted for the annual estimates of the informal sector production. Information obtained from the survey of employers and self-employed (SESE) and the labour force surveys are used to project the levels and trends of the informal sector. Individuals operating businesses are screened during the country’s quarterly labour force survey and persons that qualify to be classified as part of the informal sector form part of the SESE sample. For example, in 2001, 5,702 individuals that operated businesses were identified in the quarterly labour force survey and were included in the SESE sample. Based on the sample, it was then estimated that 2.3 million people were operating non-value added tax (VAT) registered businesses in 2001. In 2009, 2,761 individuals that operated businesses were identified to represent the 1.1 million people operating non-

VAT registered businesses. The sampling weights for the data collected are constructed in a manner that enables the responses to be expanded to properly represent the entire civilian population of South Africa.

### E. Shares of the informal sector in national accounts

29. Table 2 contains a summary of the contribution of the informal sector in various regions of the world and in some African countries, based on detailed national publications and essentially on the compilation of national accounts by the United Nations Statistics Division.

Table 2

#### Contribution of informal sector to the gross domestic product by region and in selected African countries, years

Countries (years)	Informal sector gross value added (including agriculture) in % of total GDP	Informal sector gross value added (excluding agriculture) in % of non-agricultural GVA	Informal sector gross value added (excluding agriculture) in % of total GDP
<b>Sub-Saharan Africa, in particular:</b>	<b>63.6</b>	<b>50.2</b>	<b>31.3</b>
Benin (2000)	71.6	61.8	33.6
Burkina Faso (2000)	55.8	36.2	21.7
Cameroon (2003)	57.6	46.3	36.0
Niger (2009)	72.6	51.5	29.0
Senegal (2000)	51.5	48.8	35.1
Togo (2000)	72.5	56.4	32.2
<b>Middle East and North Africa, in particular:</b>	<b>36.2</b>	<b>29.2</b>	<b>26.2</b>
Algeria (2003)	37.9	30.4	27.1
Egypt (2008)	27.8	16.9	14.7
Tunisia (2004)	41.8	34.1	29.8
<b>India</b>	<b>54.2</b>	<b>46.3</b>	<b>38.4</b>
<b>Latin America</b>	<b>29.2</b>	<b>25.2</b>	<b>24.0</b>
<b>Transition countries</b>	<b>19.5</b>	<b>13.9</b>	<b>10.7</b>

Source: Jacques Charmes, "The informal economy worldwide: trends and characteristics", *Margin: the Journal of Applied Economic Research*, vol. 6, Issue 2, May 2012.

30. The informal sector in Africa has the highest share of GDP observed in developing regions, except in Southern Asia – especially in India – where the informal sector accounts for 38.4 per cent of total GDP, but only 54.2 per cent if agriculture is included. As a share of non-agricultural GDP (or rather non-agricultural gross value added), the informal sector is at its highest in sub-Saharan Africa (50.2 per cent). In Benin, Togo and the Niger, the share of the informal sector in non-agricultural GDP is above the regional average, while in Burkina Faso, Cameroon and Senegal, it is below the average.

31. The share of the informal sector in non-agricultural GDP has shown a noticeable increase throughout Africa over the past three decades, with the increase in sub-Saharan Africa being the most

dramatic, especially during the last decade. The dramatic increase may be attributable to better measurement of the informal sector by the national statistical systems, thanks to both an improvement in data collection and surveys and more comprehensive capture in national accounts.

32. The size of the informal sector, in terms of people employed in the informal sector and informally employed persons, varies greatly among countries depending on the scope and coverage of definitions applied. According to the latest surveys, the United Republic of Tanzania<sup>8</sup> (10.1 per cent), Swaziland<sup>9</sup> (17.7 per cent) and Kenya<sup>10</sup> (23.3 per cent) have the lowest share of informal or informal sector employment out of total employment, but only non-agricultural activities are taken into account. Chad<sup>11</sup> (92.2 per cent), Cameroon<sup>12</sup> (90.5 per cent) and Benin<sup>13</sup> (89.5 per cent) have the highest rates of informal sector employment, but their figures include both agricultural and non-agricultural activities.

## F. Summary and conclusion

33. The informal sector is an important part of an economy. This is especially true in Africa. In recent years, Africa has focused heavily on measuring the non-agricultural informal sector. Half of the 54 African countries have undertaken at least one ad-hoc informal sector survey, and most of them have collected at least some information on informal employment and employment in the informal sector in their periodic or episodic household surveys. In this case, the construction of labour input matrices seems to be useful for national accounts.

34. Another lesson learned from the present survey is that mixed multi-phase surveys, recommended since the Fifteenth International Conference of Labour Statisticians in 1993, have flourished on the continent and have been useful to national accountants in providing data. This is clearly shown in countries' practices and experiences. Mixed surveys have also provided more comprehensive knowledge of the labour force in countries where labour force surveys do not exist or cannot not be conducted on a regular basis.

35. However, the treatment of the household institutional sector in national accounts remains perplexing and requires more attention and research, given the importance of the informal sector in African economies. Some African countries have extensive experiences in measuring the informal sector and accounting for it in national accounts, while others have none. This calls for a handbook devoted to African examples of the compilation of the household institutional sector in national accounts, as well as of the treatment of informal employment in the other institutional sectors.

## G. Issues for further discussion

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<sup>8</sup> The United Republic of Tanzania, National Bureau of Statistics, *Integrated Labor Force Survey 2006*, generated on 12 Sept 2011, p. 15. Available from [http://nbs.go.tz/tnada/index.php/catalog/4/related\\_materials](http://nbs.go.tz/tnada/index.php/catalog/4/related_materials).

<sup>9</sup> International Labour Organization, "Decent Work Country Program for Swaziland 2010 to 2014", Available from [www.ilo.org/public/english/bureau/program/dwcp/download/swaziland.pdf](http://www.ilo.org/public/english/bureau/program/dwcp/download/swaziland.pdf).

<sup>10</sup> Kenya, National Bureau of Statistics, "Kenya Population and Housing Census 2009: Main Employer by County and District", p. 9.

<sup>11</sup> Chad, Institut National de la Statistique des Etudes Economiques et Démographiques, "L'emploi au Chad en 2011, Rapport final", p 3. Available from <http://www.inseedtchad.com/?Secteur-Formel-au-Tchad-en-2011>.

<sup>12</sup> Cameroon, Institut National de la Statistique, "Deuxième enquête nationale sur l'emploi et le secteur informel 2010, phase 1: Enquête sur l'emploi, rapport principal", October 2011, p. 48. Available from [www.statistics-cameroon.org/news.php?id=137](http://www.statistics-cameroon.org/news.php?id=137).

<sup>13</sup> Benin, Institut National de la Statistique et de l'Analyse Economique, "Evaluation de la pauvreté au Bénin, draft provisoire", October, 2013, p. 136. Available from [www.insae-bj.org/recensement-entreprises.html](http://www.insae-bj.org/recensement-entreprises.html).

36. **Guidelines for common definition in Africa.** Current data comparability problems result from the following: differences in the concepts from which the statistics are based; differences in the kind of economic activities covered, non-agricultural or all activities; use of different cut-off points for the employment size criterion; the inclusion or exclusion of paid domestic workers employed by households, or of producers for own final use; inclusion or exclusion of persons with a secondary job in the informal sector; and inclusion or exclusion of persons engaged in professional or technical activities.

What is the best approach for harmonizing the different concepts and definitions of the informal sector into a common one for better comparability in Africa?

37. **Survey methods.** In the present report, the three main approaches for conducting surveys on the informal sector: household surveys (labour force survey and surveys on household income and expenditure); establishment surveys; and mixed surveys (informal sector survey, modular survey, integrated survey and 1-2-3 survey). Although the 1-2-3 survey is the most popular single approach, it should be noted that mainly Francophone countries use them.

Which is the most suitable sampling and surveying method for Africa?

38. **Including informal sector in national accounts.** In the present report, the need for guidelines on how to incorporate information about the informal sector and employment in national accounts is raised.

How should the procedure for incorporating the informal sector into national accounts be standardized and rationalized?

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