

Regional Course on Informality: Informal economy, work and employment

6 – 10 July 2015

Chiba, Japan

Integrating the informal economy into national economy

Learning objectives

- * Informal economy into GDP
 - * Underlying concept of informal economy
 - * The GDP-production boundary and the informal economy
- * Estimating GDP components of the informal economy

Informal Economy

Producing Units

Employment/Income
Generation

Low level
organization/No
distinction between
labour & capital

Household Enterprises

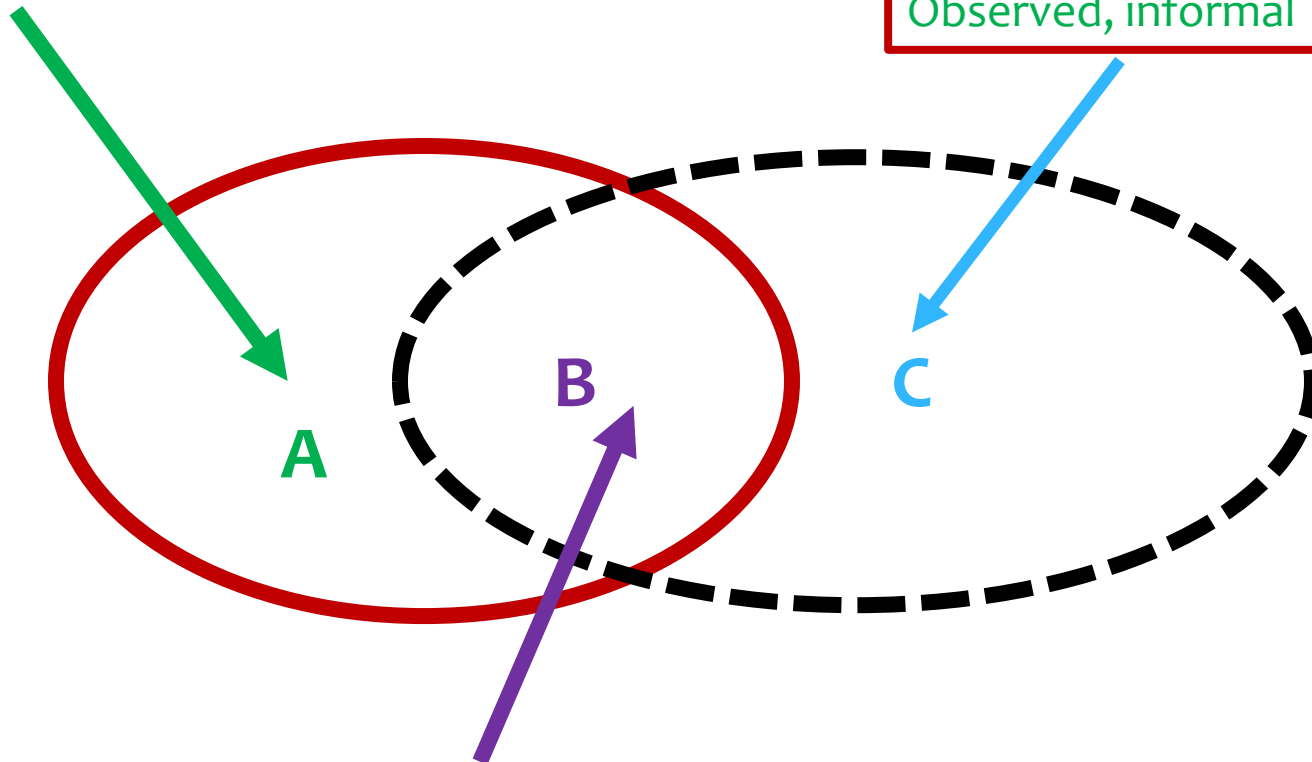
Assets belong to owners
No contracts
Owners personally liable for
finance risk

Production &
household
expenditure
indistinguishable

Informal sector and Un-observed Economy

Not observed, informal

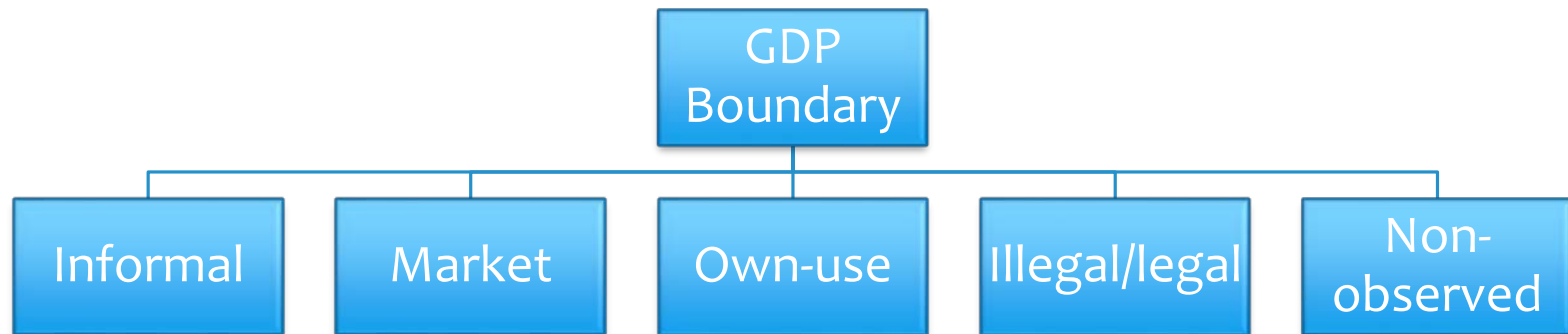
Observed, informal



Not Observed and informal

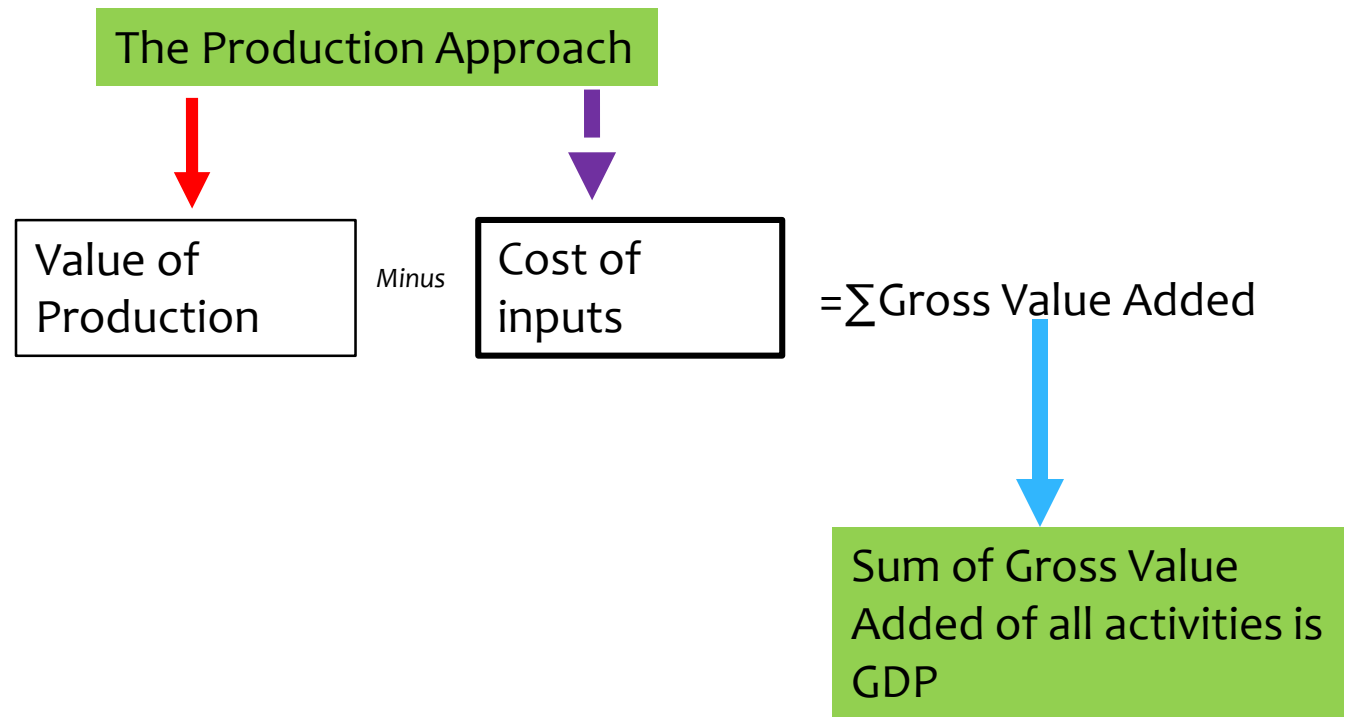
Estimating GDP

Gross Domestic Product (GDP) is value of goods and services produced in an economic territory

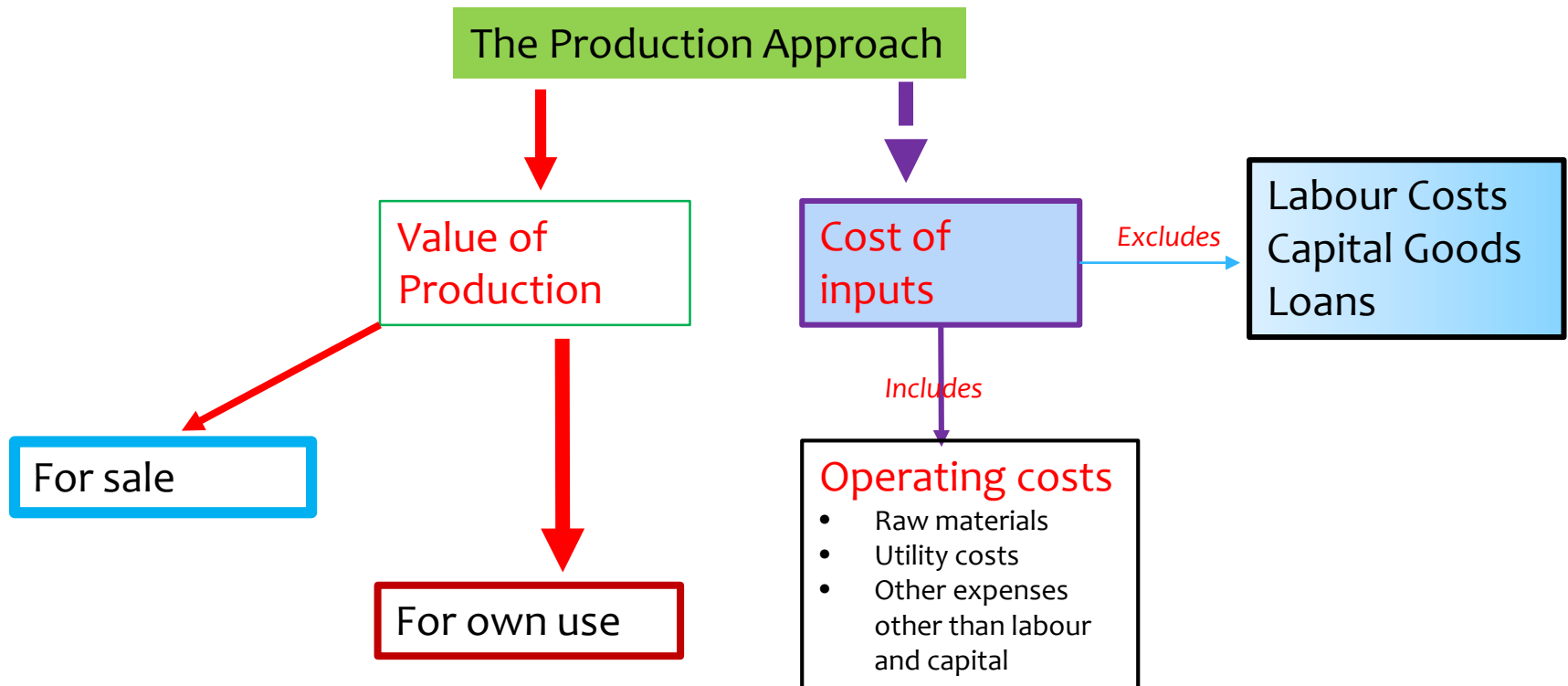


Potentially all goods/services that can be sold or be supplied to another unit

Estimating GDP



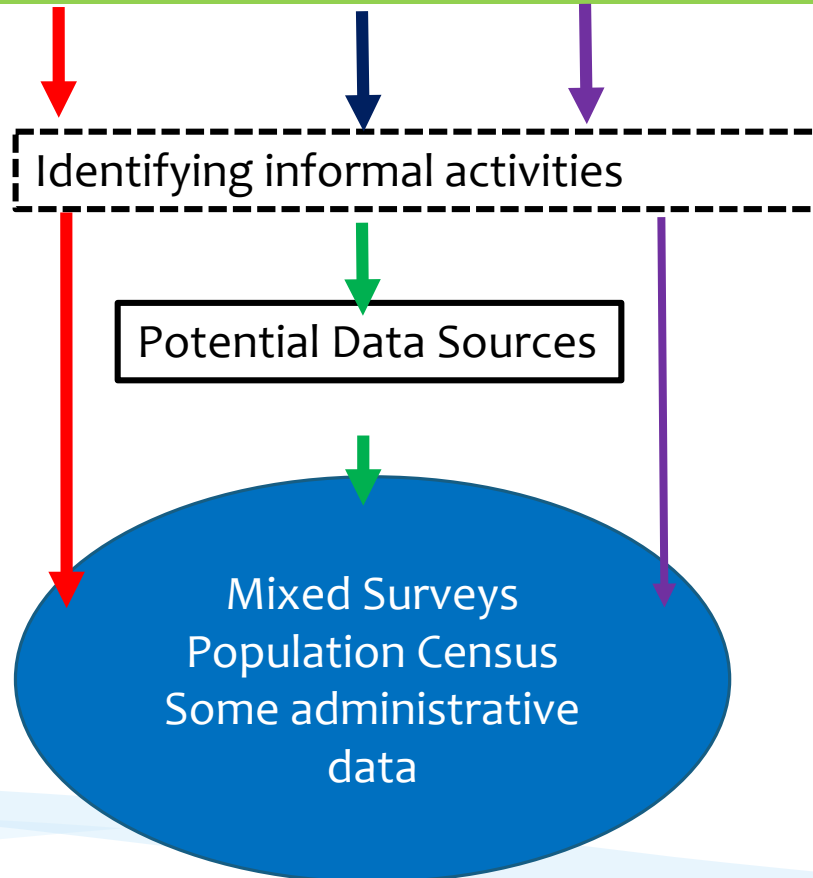
Estimating GDP



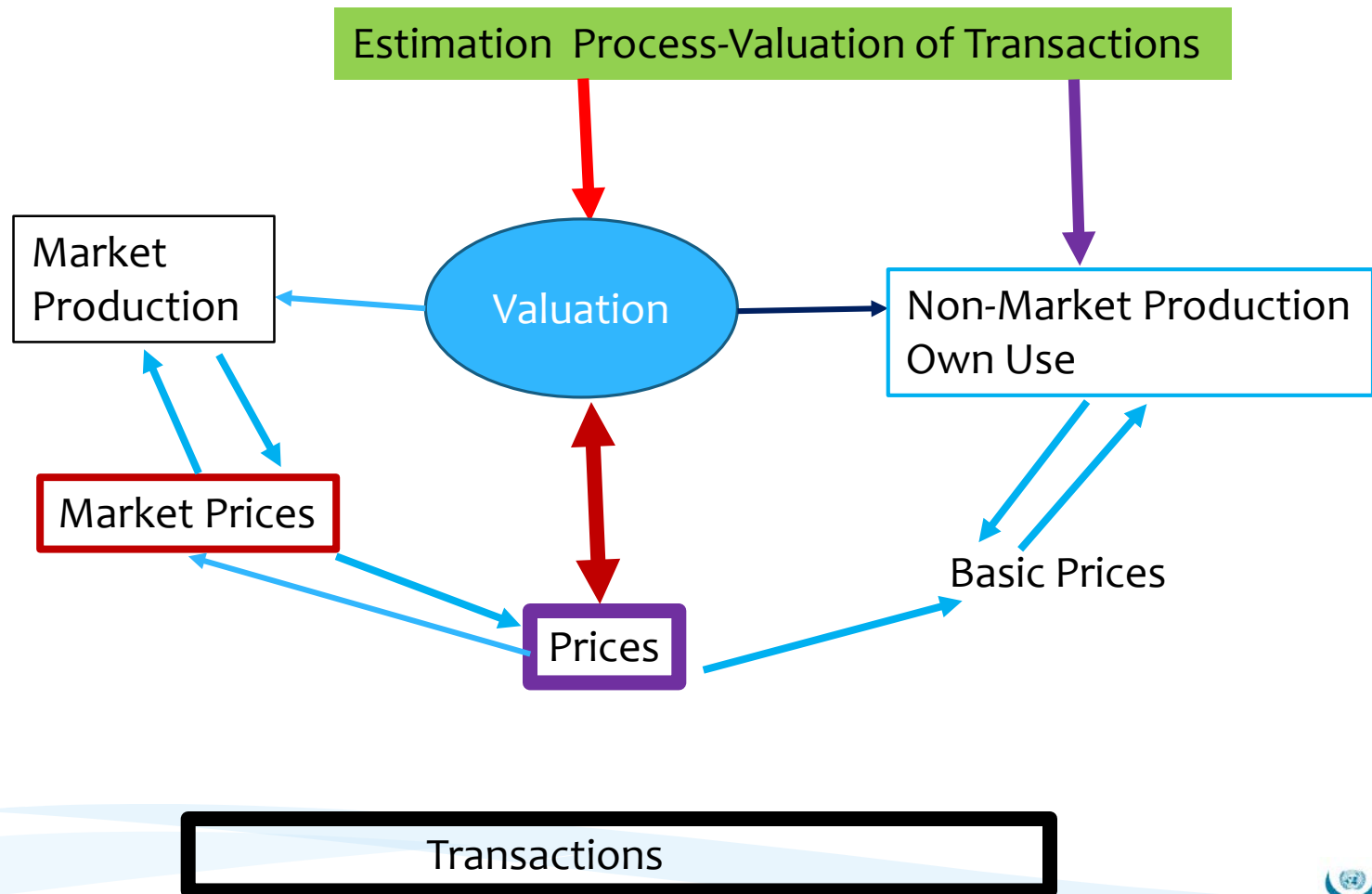
For all informal activities

Estimating GDP

Estimation Process-Concept & Data Sources



Estimating GDP



Estimating GDP

When there is no data: What should you do?

