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**JOINT ECA/UNITED NATIONS STATISTICS DIVISION**

**WORKSHOP ON SERVICES  
IN THE INFORMAL SECTOR**

**OPENING STATEMENT**

**BY**

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## **Distinguished participants,**

It is with great pleasure that I welcome you all to the Headquarters of the Economic Commission for Africa and to this important Workshop on Statistics on Services in the Informal Sector. The workshop is being organized jointly by the Statistics Division of the United Nations Department for Economic and Social Information and Policy Analysis (DESIPA) and ECA, with the financial support of the United Nations Regular Programme for Technical Cooperation.

As you know, the term "Informal Sector" describes a variety of activities involving production of goods as well as services whose units usually operate at a low level of organization and on a small scale. The Informal Sector is now recognized as having dynamic factors which contribute to economic development. Its contribution to the Gross Domestic Product (GDP) is considered to be quite substantial, accounting for about 40 per cent in some cases. As the formal sector continues to face difficulties in generating high levels of income and employment in most developing countries, the Informal Sector has become a viable alternative for promoting sustainable socio-economic development.

Research on Informal Sector activities has involved not only aspects of income generation and employment, but also human capital formation, mobilization of financial resources, working conditions and legal and social protection of Informal Sector workers, etc. Recent United Nations Conferences such as the World Summit for Social Development and the Fourth World Conference on Women held in 1995 have highlighted the importance of the economic dimension as well as the social and political aspects of the Informal Sector.

## **Ladies and gentlemen,**

As you may be aware, substantial work on the development of services statistics began at the international level forty years ago when the United Nations Statistical Commission adopted, at its ninth session in May 1956, a programme for the collection of distributive-trade statistics aimed at providing technical guidance to Governments undertaking work in this area. In adopting this programme, the United Nations Statistical Commission emphasized the need for improved, reliable and comprehensive statistics on the distributive trades.

In 1974, an expanded and updated version of this programme was adopted by the United Nations Statistical Commission at its eighteenth session to take account of further developments and needs of both developed and developing economies. The revised international recommendations, conceived as a set of standards aimed at building an integrated system of statistics on the wholesale, retail and related service trades, were supplemented in 1977 by a manual on the organization and conduct of distributive-trade surveys.

In subsequent years, two major steps were taken at the international level to improve services statistics. The first was a resolution on statistics on employment in the Informal Sector which was adopted in 1993 by the fifteenth International Conference of Labour Statisticians. This resolution addressed the operational definitions of the Informal Sector and recommended

data collection programmes and methods which provide useful guidelines for the development of Informal Sector statistics.

The other major step towards improvement of services statistics was the establishment, in 1994, by the United Nations Statistical Commission, of an international Task Force on Services Statistics in view of the important emerging policy concerns of trade in services. The Task Force has worked out a plan for an inventory of available data on trade in services as a first step towards the development of data in this area.

It is also worth mentioning that two important regional workshops on methods of collecting and analyzing statistics on women in the Informal Sector and their contribution to National Product were jointly sponsored in 1990 by the International Research and Training Institute for the Advancement of Women (INSTRAW) and ECA, in close cooperation with the United Nations Statistical Office. These workshops were convened within the framework of the UNDP financed project "Improving African Women's Role in the Informal Sector-Production and Management". They undertook an in-depth review of the conceptual and analytical approach to the measurement of the Informal Sector, as well as sources of data and techniques for compiling and analyzing statistics on gender participation in the sector with special emphasis on industry, trade and services.

The recommendations that emerged from both workshops emphasized the need to establish, at the regional level, a common methodological framework focusing on harmonized basic concepts and definitions. Also stressed was the need for an integrated approach to the development of statistics on women in the Informal Sector, to ensure consistency of data collected from sources such as population censuses, employment, time use, household and establishment surveys.

**Ladies and gentlemen,**

Your present workshop forms an integral part of the efforts being deployed at the international level to improve services statistics. It also offers the opportunity to focus on specific issues pertaining to statistics on services in the Informal Sector of developing countries.

In this connection, it should be recalled that at the 1994 special session of the United Nations Statistical Commission, several developing countries requested that a working group be set up to examine and consider service industry statistics in view of the emerging nature of that sector in developing economies. The Working Group should also identify the problems of measurement and accounting associated with the Informal and Household Sectors in those economies. In response, the Statistical Commission at its twenty-eighth session in 1995, endorsed the plan of the United Nations Statistics Division, in cooperation with ECA, to organize the present Workshop.

The main purpose of the Workshop is to help in defining the different components of the services sector, including the collection, processing and dissemination of data on services in the Informal Sector and in identifying problems associated with those activities.

Therefore, the present Workshop is expected to carefully and thoroughly review national perspectives on the particular problems of statistics on services in the Informal Sector and formulate a strategy for the improvement of data availability, scope, coverage and comparability. Also, your meeting should provide guidance for further work in this area at the national, regional and international levels.

In this regard, I would like to point out that a limited number of countries in the African region have been able to conduct Informal Sector Surveys, which have led to improvement of their statistical system.

In exchanging views on the modalities for setting up an integrated system for the collection, processing and dissemination of statistics on services in the Informal Sector in your respective countries, it is essential that you bear in mind the recommendation by the ninth session of the Conference of African Planners, Statisticians and Population and Information Specialists that ECA should establish a regional Household Data Service Centre; this will require specific measures to be taken at the national level to significantly improve household data in general and services statistics in particular. In this context, I would also like to draw your attention to the new Strategic Directions for the Economic Commission for Africa which were laid down by the twenty-second meeting of the ECA Conference of Ministers, in particular the focus on harnessing information for development.

**Distinguished participants,  
Ladies and gentlemen,**

Your meeting has a heavy agenda and I will not take any more of your time. However, before I end my statement, let me express my sincere thanks to the United Nations Statistics Division for its technical support to this Workshop. I hope that your deliberations will result in practical and useful recommendations for the development of statistics on services in the Informal Sector of African countries.

I now declare this Workshop open. Thank you for your attention.