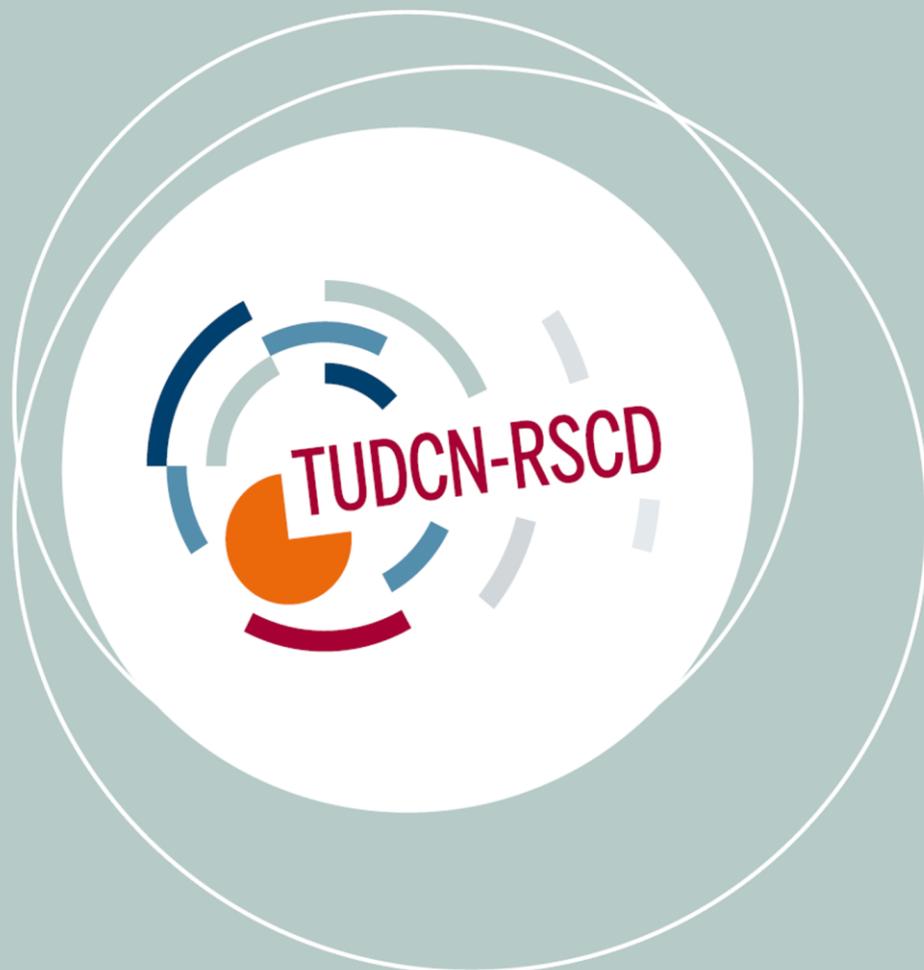


Costa Rica: building a national strategy for the transition from the **informal to the formal** economy through **social dialogue**

Draft – March 2018



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Acronyms

CCJM	National trade union centre – <i>Central Costarricense Juanito Mora</i>
CCSS	Costa Rican Social Security Fund – <i>Caja Costarricense del Seguro Social</i>
CGT	National trade union centre – <i>Central General de Trabajadores</i>
CMTC	National trade union centre – <i>Central Movimiento de Trabajadores Costarricenses</i>
CNS	National Wage Council – <i>Consejo Nacional de Salarios</i>
CCTD	National trade union centre – <i>Central Costarricense de Trabajadores Democráticos</i>
CTRN	National trade union centre – <i>Central de Trabajadores Rerum Novarum</i>
CUT	National trade union centre – <i>Central Unitaria de Trabajadores</i>
CST	High Labour Council - <i>Consejo Superior de Trabajo</i>
ECE	Rolling Survey on Employment – <i>Encuesta Continua de Empleo</i>
ENHOPRO	National Survey of Productive Households - <i>Encuesta Nacional de Hogares Productores</i>
ENEP	National Strategy on Employment and Productivity – <i>Estrategia Nacional de Empleo y Productividad</i>
FENATSEA	Freelance workers’ federation – <i>Federación Nacional de Trabajadores del Sector Autónomo</i>
FODESAF	Social Development and Family Allowances Fund – <i>Fondo de Desarrollo Social y Asignaciones Familiares</i>
IMAS	Mixed Social Assistance Institute – <i>Instituto Mixto de Ayuda Social</i>
INA	National Learning Institute – <i>Instituto Nacional de Aprendizaje</i>
INAMU	National Institute for Women – <i>Instituto Nacional de las Mujeres</i>
INEC	National Statistics and Census Institute – <i>Instituto Nacional de Estadísticas y Censo</i>
IVM	Disability, Retirement and Life Insurance Scheme – <i>Régimen de Invalidez, Vejez y Muerte</i>
MEIC	Ministry of Economics, Industry and Trade – <i>Ministerio de Economía, Industria y Comercio</i>
MIDEPLAN	Ministry of National Planning and Economic Policy – <i>Ministerio de Planificación Nacional y Política Económica</i>
MSMEs	Micro, small and medium enterprises
MTSS	Ministry of Labour and Social Security – <i>Ministerio de Trabajo y Seguridad Social</i>
NDP	National Development Plan – <i>Plan Nacional de Desarrollo</i>
UNDP	United Nations Development Programme
OECD	Organisation for Economic Co-operation and Development
ILO	International Labour Organization
SDGs	Sustainable Development Goals
SINPESCA	Artisanal fishing union – <i>Sindicato de Pesca Artesanal</i>
SITRACOPEA	Union of self-employed street vendors (both formal and informal) – <i>Sindicato de Trabajadores Comerciante Patentados Estacionarios y Afines</i>
UCCAEP	National body representing employers – <i>Unión Costarricense de Cámaras y Asociaciones del Sector Empresarial Privado</i>

Executive Summary

The economic growth seen in Costa Rica during the current decade has not led to an increase in job opportunities. The unemployment rate has stayed at around 9% and the number of people employed in the informal economy has risen at an alarming rate, going from 36% to 45%.

Until recently, there was a notable lack of any policy aimed specifically at addressing the informal economy. To fill this void, the government, employers' and workers' organisations adopted, in October 2016, the Tripartite Agreement for the Implementation of ILO Recommendation 204 on the Transition from the Informal to the Formal Economy.

A process of social dialogue was initiated, with ILO technical assistance, to jointly draw up a national strategy and an action plan to implement the content of the said recommendation. Although the formulation of the strategy is not yet complete, the present study has allowed us to identify the benefits and challenges of social dialogue in tackling the drivers of informal employment.

The Tripartite Agreement signed reflects the convergence of the various social partners' interests with regard to the informal economy (lack of social protection for vulnerable groups; unfair competition between formal and informal businesses; and the impact on the revenues collected by the Treasury). Formulating the national strategy through social dialogue has provided an opportunity to close knowledge and information gaps on the subject; to harmonise concepts and criteria; to establish priorities and to draw up joint proposals based on the needs and interests of the various social partners.

This process has, however, also highlighted the inadequate representation of informal economy actors in the social dialogue forums analysing, consulting and negotiating proposals pertaining to them. Their participation has been very limited, not only within the framework of the Tripartite Agreement but also within the process of adopting and implementing the 2030 Agenda for Sustainable Development.

Building the national strategy for the transition from the informal to the formal economy has been a politically and technically challenging task for the various actors, involving:

- a) The establishment of social dialogue structures (a high-level roundtable and thematic technical roundtables);
- b) The development of the social partners' capacities prior to the negotiation and consensus-building phase;
- c) The identification of the priority areas; and
- d) The adoption of a methodology to facilitate the social dialogue process.

The process of building the national strategy is not yet complete. It would, therefore, be premature to draw any conclusions regarding the results and the impact achieved in terms of preventing and reducing informality. The actors have, however, been able to identify a number of key recommendations and lessons learned:

- The national strategy should be built on the foundation of an exhaustive mapping of the policies, programmes, plans and initiatives related to the matter. Identifying the dialogue and decision-making institutions, bodies and forums to which the strategy should be submitted for the purposes of information, consultation and approval, increases the legitimacy, uptake and sustainability of the strategy.

- Capacity building is needed for the analysis, negotiation and formulation of technical proposals, which includes the socialisation of a shared conceptual framework; the harmonisation of concepts, definitions and methodologies; the development of a shared and joint vision for each group; access to good practices and success stories in other countries; the preparation of inputs and in-depth studies on the priority issues, etc.
- Support the organising processes and the development of the negotiating and advocacy skills of informal economy actors, in order to facilitate their inclusion in social dialogue structures and the integration of their interests and needs within the proposals formulated at local and national level.
- Improve the strategies for convening and configuring technical roundtables, ensuring that the representatives have the technical knowledge, decision-making powers, the mandate required to negotiate and the capacity to implement the agreements adopted.
- Building a national strategy based on pre-existing institutional programmes and projects ensures the political, technical and financial viability of the proposal in the short and medium term but limits the possibility of integrating initiatives with a long-term impact and that tackle the structural causes of the problem.
- Managing the social partners' expectations regarding the expected outcomes of the dialogue process is fundamental to securing their participation and commitment, and the consolidation and sustainability of the agreements.

1. *Introduction*

The rate of informal employment in Costa Rica has risen from 36% to almost 45% during the current decade. Concern over the potential economic, political and social impact of the progressive decrease in formal employment led the government, employers' and workers' organisations to adopt, in October 2016, the Tripartite Agreement for the Implementation of Recommendation 204 of the International Labour Organisation (ILO). The recommendation sets out strategies and guidelines regarding the policies and measures countries can adopt to facilitate the transition from the informal to the formal economy, with a view to progressing towards an inclusive and sustainable development model.

The aim of the present study is to describe, examine and systematise the social dialogue process generated around the adoption of the aforementioned Tripartite Agreement, and the contributions of this experience to the building of a national strategy to prevent and reduce informality. It also analyses the links between this process and the implementation of the 2030 Agenda for Sustainable Development.

A qualitative research approach was adopted for the study, in which the main data collection techniques used were document review and semi-structured interviews. To secure a balance of views and perceptions, representatives were consulted from government institutions, employers' and workers' organisations, along with officials from the ILO and the UNDP, which have provided technical assistance for the implementation of ILO Recommendation 204 and the 2030 Agenda, respectively¹.

There are five sections to the document, covering the following themes: the nature of the informal economy in Costa Rica; the public policy framework to promote the formalisation of the country's economy; the adoption of the 2030 Agenda for Sustainable Development in Costa Rica; the social dialogue process generated by the Tripartite Agreement for the Implementation of ILO Recommendation 204; and the main conclusions and recommendations derived from this experience.

2. *The informal economy in Costa Rica*

The rate of informal employment in Costa Rica has risen from 36% to almost 45% during the current decade. Concern over the potential economic, political and social impact of the progressive decrease in formal employment led the government, employers' and workers' organisations to adopt, in October 2016, the Tripartite Agreement for the Implementation of Recommendation 204 of the International Labour Organisation (ILO). The recommendation sets out strategies and guidelines regarding the policies and measures countries can adopt to facilitate the transition from the informal to the formal economy, with a view to progressing towards an inclusive and sustainable development model.

2.1 *General labour market indicators*

The Costa Rican economy managed to recover from the 2008-2009 financial crisis, going from a slowdown in economic growth to GDP growth rates of over 4% in the last two years. This moderate economic growth has not, however, translated into increased employment opportunities.

¹ Thirty-two people were interviewed in total. The list of the people interviewed is provided in Annex 1.

The employment rate experienced a slight increase between 2010 and 2013 (55 to 57.8%), before declining once again, reaching 54.3% in 2016. The rate of employment disaggregated by sex reveals a major gap, with seven out of 10 men in employment relative to four out of 10 women. The situation can be explained, in part, by the lack of childcare and education services for the preschool population (the school attendance rate among children under age 3 is 15%), which limits women's ability to enter the labour market (PEN, 2015).

As regards the unemployment rate, with the exception of 2013, the figures have been above 9% (9.5% in 2016), revealing the labour market's inability to absorb the existing workforce. The level of unemployment is greater among women (13.8% in 2016) than men (6.9% in 2016).

2.2 *The characteristics of informal employment*

In 2010, the National Statistics and Census Institute (INEC) launched the quarterly Continuous Employment Survey (ECE), and adopted the parameters of the ILO to measure informality (15th and 17th International Conference of Labour Statisticians - ICLS)².

The distribution of the employed population in Costa Rica by type of employment has seen slight variations during the current decade. The salaried population decreased by just less than two percentage points (77% in 2010 to 75.7% in 2016), whilst an increase was seen in the share of self-employed workers (from 17% to 18%) and employers (3.4% to 4%).

Between 2010 and 2016, the share of informal unemployment rose from 36% to 44.7%. During the fourth quarter of 2016, the employed population in informal work reached the figure of 922,000 people (62.5% men, 37.5% women). The share of informal work among the salaried population was 32.5%, whilst among self-employed workers it reached 87.5%. Of the salaried employees, 22.9% did not have employment insurance and 18.2% have earnings below the minimum wage. The situation is worse among self-employed workers, with one in every two having no employment insurance and 46.2% having earnings below the minimum wage.

As regards the gender gap, more working women (both salaried and self-employed) than men are without social security cover³.

The majority of the people in informal employment have not completed primary or secondary school (3 out of 4) and work mainly in the service sector (47%, including 16% in domestic work), retail (19%), agriculture (17%) and industry and construction (17%). (INEC, 2015a)

In 2015, out of the total employed population in informal employment, 77.3% corresponded to people living in poverty (PEN, 2016).

As regards access to the Disability, Retirement and Life Insurance Scheme (Régimen de Pensiones de Invalidez, Vejez y Muerte – IVM) of the Costa Rican Social Security Fund (CCSS), the share of workers covered has increased significantly, going from 48% of the Economically Active Population (EAP) in 2000 to 62% in 2015. The most significant growth has been seen among the self-employed population, for which cover went from 29.5% in 2000 to 89% in 2015. However, one of the sectors most affected by the lack of IVM cover is domestic work, where women form the majority. In the year 2015, only one out of ten domestic workers had IVM insurance cover. (Arias et al., 2016).

² Annex 2 includes the definitions for formal and informal employment used by the INEC to measure informality.

³ In 2016, the share of salaried women workers with social security cover was 72.4% whilst only 35.4% of self-employed women had cover. As for men, 80% of the salaried workers and 55.9% of the self-employed workers were covered.

2.3 *Companies, businesses and informal employment*

The National Survey of Productive Households (ENHOPRO) conducted by the INEC in 2015, revealed that 28% of the jobs in Costa Rica were provided by home-based enterprises (36% in rural areas)⁴. These production units include those that do not have a legally certified registered name, do not assign a salary to those working in them, among other characteristics typical of the informal economy.

The main reasons for households developing such activities are related to the need for a household income or to supplement existing earnings, especially in the case of activities conducted by women. (INEC, 2015b)

They are primarily single-member enterprises. It is estimated that 74.4% operate with one worker, 13% with two workers and 12.6% with three or more workers, including the owner.

The reasons these businesses remain informal include the administrative costs and the complexity of the procedure for starting a company⁵; the cost of formalisation, especially in terms of social contributions⁶; and the lack of financial resources and capacity to separate the productive activity from the family structure.

2.4 *Representation of informal economy workers*

The diversity of the production units and persons comprising the informal economy adds complexity to the process of identifying and organising them, with a view to including representatives from this sector in the consultation, negotiation, dialogue and coordination structures that exist at national and local level.

The Unión Costarricense de Cámaras y Asociaciones del Sector Empresarial Privado (UCCAEP), which represents employers, only groups formal businesses and, as a result, the proposals it presents primarily reflect the interests and concerns of these businesses, which include the search for ways to formalise production units operating informally.

Meanwhile, the membership base of the trade union organisations is predominantly located in the public sector⁷, where informal employment is minimal. The trade union representatives consulted stated that the informal economy was not a priority issue for the majority of the national trade unions.

⁴ Home-based enterprises are production units comprising “establishments, businesses, farms or activities conducted by self-employed workers or employers, permanently or for an indefinite period, with any of the following characteristics: a) Not registered in the Property Register as a business or registered name with a legal certificate; b) Do not have formal accounting records to quantify all the income and expenditure of their activity; c) Do not have a fixed salary assigned for the work done within the business”. (INEC, 2015b)

⁵ According to the Ease of Doing Business Index (Doing Business) of the World Bank, in 2016 Costa Rica ranked 62nd out of 190 countries overall, but ranked 127th in the ease of starting a business index. Opening a company takes 23 days, relative to an average of 10 days for OECD countries. See World Bank, Doing Business: <http://espanol.doingbusiness.org/rankings> y <https://datos.bancomundial.org/indicador/IC.REG.DURS?view=chart>

⁶ The data of the CCSS on employers’ arrears reflects the impact of compulsory insurance on microenterprises. Seven out of ten employers in arrears with workers’ and employers’ contributions are microenterprises (five or less workers), which account for 43% of all employers’ arrears. See: “Microenterprises owe 43% of employers’ arrears.” December 2016. <https://www.ccss.sa.cr/noticia?microempresas-deben-el-43-por-ciento-de-la-morosidad-de-la-ccss>

⁷ According to the 2016 Statistical Yearbook of the MTSS (Ministry of Work and Social Security), the national rate of unionisation was 14.3%. The union membership rate in the private sector was 3%, whilst in the public sector it was 83.7%. See MTSS (2017), p. 113. http://www.mtss.go.cr/elministerio/transparencia/estadisticas/documentos-estadisticas/Anuario_estadistico_mtss_2016.pdf

The exception to the rule is the Central Movimiento de Trabajadores Costarricenses (CMTC), which launched a process, in 2009, to organise the informal economy, and managed to set up the Sindicato de Trabajadores Comerciantes Patentados Estacionarios y Afines (SINTRACOPEA), which brings together self-employed workers doing business (both authorised and informal activities) on the street. This trade union has become the main affiliate of the autonomous workers' federation Federación Nacional de Trabajadores del Sector Autónomo (FENATSEA), founded in 2012. FENATSEA also has affiliates from other sectors with a large informal workforce, such as the artisanal fishing union Sindicato de la Pesca Artesanal (SINPESCA), a housing projects association, ASUMOPROVI, and a cooperative of street vendors selling merchandise for the Christmas period, COOPETRAVEN R.L. (TUCA, 2015)

A number of government initiatives exist, such as Proyecto Emprende, implemented by the National Institute for Women (INAMU), aimed at developing the organising and advocacy skills of women running their own businesses and microenterprises – mainly in the informal economy – with a view to promoting their participation in municipal and community consultation and decision-making structures⁸. Their representation within national social dialogue mechanisms is, however, non-existent.

The Planning Ministry, which is in charge of coordinating and monitoring the implementation of the 2030 Agenda, has expressed concern over the informal economy's lack of representation in the process of prioritising and nationalising the sustainable development goals. This issue will be examined later in the report.

3. *Public policies on formalising the economy*

There is no specific public policy in Costa Rica addressing the informal economy.

The National Development Plans drawn up by the government for the periods 2010-2014 and 2015-2018 set out the goals of boosting productivity, economic growth, unemployment reduction and the creation of more and better jobs. During the current decade, however, the country has seen moderate yet volatile economic growth, unemployment rates that have stayed at around 9%, and a sharp increase in informal employment (MIDEPLAN, 2010 and MIDEPLAN, 2014).

The 2014 - 2018 National Employment and Production Strategy (ENEP) has been the main instrument used by the current administration to implement the National Development Plan. This strategy was formulated by the Ministry of Labour and Social Security (MTSS), in coordination with the Ministry of Economy, Industry and Trade (MIEC), with the support of the ILO. Social partners were neither consulted nor invited to take part in the process of building the strategy. The government based its formulation on documents such as the proposed National Employment Policy of 2004, drawn up by the Higher Labour Council, or the Decent Work Programme of the Republic of Costa Rica: management, monitoring and assessment 2013-2017, among others⁹. (MTSS, ENEP, 2014)

⁸ See INAMU, Proyecto Emprende: Building the entrepreneurial capacities of women to promote their economic independence. <http://www.emprende.inamu.go.cr/resultados-logros>

⁹ See MTSS, ENEP, 2014. The process of formulating the strategy is described in the presentation of the document. <http://www.mtss.go.cr/elministerio/despacho/Estrategia%20Nacional%20de%20Empleo%20y%20Produccion.pdf>



The strategy established the goal of reducing the open unemployment rate from 8.5% to 7% by 2018; the creation of at least 217,000 new jobs during the same period; and achieving “a significant reduction in informal employment”, by “strengthening SMEs, increasing their productivity, and significantly increasing the number of undertakings receiving technical and business support, as well as promoting new enterprise through the social and sharing economy”. (MTSS, ENEP, 2014)

This general labour market policy framework has been supplemented with ad hoc institutional initiatives taken by entities such as the CCSS, whose 2015-2018 Strategic Plan defines one of the key expected outcomes as a rise in social protection cover through its health insurance and pensions scheme. In its Regulatory Improvement Plan for 2017, the CCSS sets out actions directly aimed at facilitating the registration of persons affected by informal employment, such as domestic workers and self-employed workers (CCSS, 2017). This Strategic Plan was discussed and approved by the institution’s management board, which is tripartite, and its guidelines have provided relevant inputs for the building of the national strategy for the transition from the informal to the formal economy.

Both the quarterly data from the ECE, as well as the observations of bodies such as the ILO, have alerted the authorities to the urgent need to tackle the informal employment issue. The gravity of the situation was confirmed by the results of the first public policy review conducted by the OECD within the framework of Costa Rica’s accession to the organisation. The results of this review, presented in February 2016, identified one of the main challenges facing Costa Rica as achieving more inclusive growth, especially for informal workers and women, and recommended “improving the quality of the education system; improving the incentives for employers and workers to stay in or move to the formal economy; facilitating the acquisition of new skills by unemployed workers; and raising women’s participation in the labour market”. (OECD, 2016)

As regards the informal economy, the organisation highlighted the high rate of informal employment in the country relative to OECD standards, as well as the upward trend in the informalisation of the labour market. It recommended that Costa Rica: “Adopt a comprehensive strategy to reduce high labour market informality by strengthening enforcement, reducing administrative burdens on start-ups, and enabling the poor to become formal workers.”

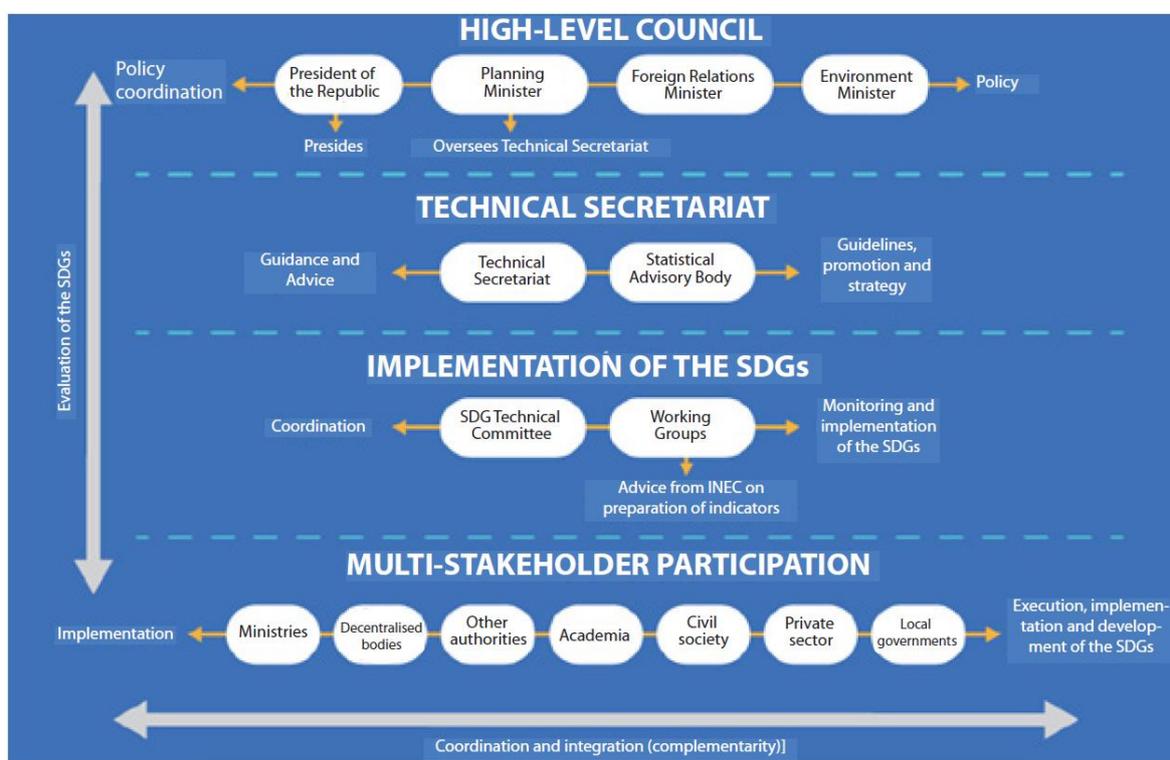
It is against this background that the government, together with workers’ and employers’ organisations and technical support from the ILO, initiated the process of building a tripartite agreement to address the challenges involved in reducing the informal economy, on the basis of ILO Recommendation 204 on the transition from the informal to the formal economy (2015).

Implementing social dialogue as an instrument for negotiating and building agreements on social and labour issues has been a constant challenge in Costa Rica. According to the representatives from the three groups involved, despite the existence of legally constituted tripartite bodies (such as the High Labour Council (CST), the National Wage Council (CNS) and the management boards of institutions such as the CCSS and the INA, as well as ad hoc structures set up to examine and debate specific issues, dialogue has not always led to relevant agreements, or to the successful implementation of the tripartite decisions adopted.

4. The 2030 Agenda for Sustainable Development in Costa Rica

In September 2016, with a view to “mobilising the resources needed to implement the 2030 Agenda for Sustainable Development”, the government promoted the signing of the “National Pact for the SDGs within the framework of the 2030 Agenda for Sustainable Development in Costa Rica”.¹⁰ The multi-stakeholder agreement was signed by representatives of the three executive branches of the Republic, the Supreme Electoral Court, civil society organisations, faith-based organisations, public universities, local governments and the private sector. Trade union organisations also later joined the National Pact and will be included in the consultation and dialogue structures set up within the framework of the 2030 Agenda.

Figure 1. Levels of coordination and linkage for the governance and implementation of the SDGs



Source: Taken from MIDEPLAN (2017). Costa Rica: Building a shared vision of sustainable development. Voluntary National Review of the Sustainable Development Goals.

The governance structure created to implement the National Pact is composed of: a) The High Level Council for the SDGs, as a body for policy coordination and decision making; b) the SDG Technical Secretariat, in charge of strategic advice and guidance; c) the Technical Committee and Working Groups with expertise on the various issues, in charge of implementing the SDGs; and d) the Consultative Council (a dialogue and consultation body tasked with advising the High Level Council) and the National SDG Forum (a public forum bringing together the various signatories of the Pact (a public forum to ensure accountability for actions taken within the framework of the 2030 Agenda). This process is supported by the United Nations Development Programme (UNDP), in coordination with all the agencies in the United Nations System. (See Figure 1).

¹⁰ The National Pact for the SDGs within the framework of the 2030 Agenda for Sustainable Development in Costa Rica (2016). http://ods.cr/sites/default/files/documentos/pacto_nacional_por_los_ods_final_firmado_0.pdf



One of the concerns, however, of the Technical Secretariat for the SDGs is identifying and integrating representatives from the informal economy in the process of nationalising the 2030 Agenda and the National Forum for the SDGs, precisely because of the diversity, dispersion and lack of organisation characterising this sector.

Hitherto, the government has made efforts to incorporate the SDGs in the National Development Plan as well as to assess the availability of the information required to follow up on the targets and indicators for each goal. As regards the SDGs prioritised, initiatives that stand out include those linked to SDG 1 (no poverty), 2 (zero hunger), 3 (good health and wellbeing), 5 (gender equality), 9 (industry, innovation and infrastructure), and 14 (life below water). (MIDEPLAN, 2017)

An examination of the Voluntary National Review of the SDGs presented by the government in June 2017 reveals that very few initiatives have been directed at reducing the informal economy. Under SDG 5, the actions that stand out are those designed to improve women's access to employment and to support their income-generating initiatives. Under SDG 9, reference is made to the Formalisation Programme of the MIEC, which includes simplifying the administrative procedures for micro, small and medium enterprises (MSMEs); promoting a bill on reduced social security contributions for micro-enterprises during their first four years in operation, and advice and capacity building for MSMEs.

Coordination has not yet been formally established between the Tripartite Agreement for the implementation of ILO Recommendation 204 and the process of implementing and monitoring the 2030 Agenda. The aims set out in the Tripartite Agreement, as well as the priority areas established (as examined in section 5.4), could directly contribute to poverty reduction (SDG 1), gender equality (SDG 5), the promotion of decent work and economic growth (SDG 8) and the reduction of inequalities (SDG 10).

5. *Social dialogue in formalising the economy*

5.1 *Tripartite Agreement for the Implementation of ILO Recommendation 204*

According to MTSS officials, the commitments arising from the National Development Plan (NPD) and the National Strategy on Employment and Productivity (ENEP), as well as the OECD's observations regarding the rise of the informal economy in the country, stirred the minister's interest in establishing a mechanism that would enable joint efforts in this area. Following a process of negotiation with employers' and workers' representatives, with the support of the ILO, the Tripartite Agreement for the Implementation of ILO Recommendation 204 on the Transition from the Informal to the Formal Economy (2015) was signed on 3 October 2016. This agreement, signed by the MTSS and representatives of the employer group and six trade union centres¹¹, established the key objective of formulating a strategy and an action plan to implement the Recommendation.

The following were established as the guiding principles of the strategy: a) facilitating the transition of workers and economic units from the informal to the formal economy, respecting workers' fundamental rights and ensuring opportunities for stable incomes, means of survival and enterprise; b) promoting the creation, preservation and sustainability of companies and decent jobs in the formal economy, as well as the consistency of macroeconomic, employment, social protection and other social policies; and c) preventing the informalisation of jobs in the formal economy.

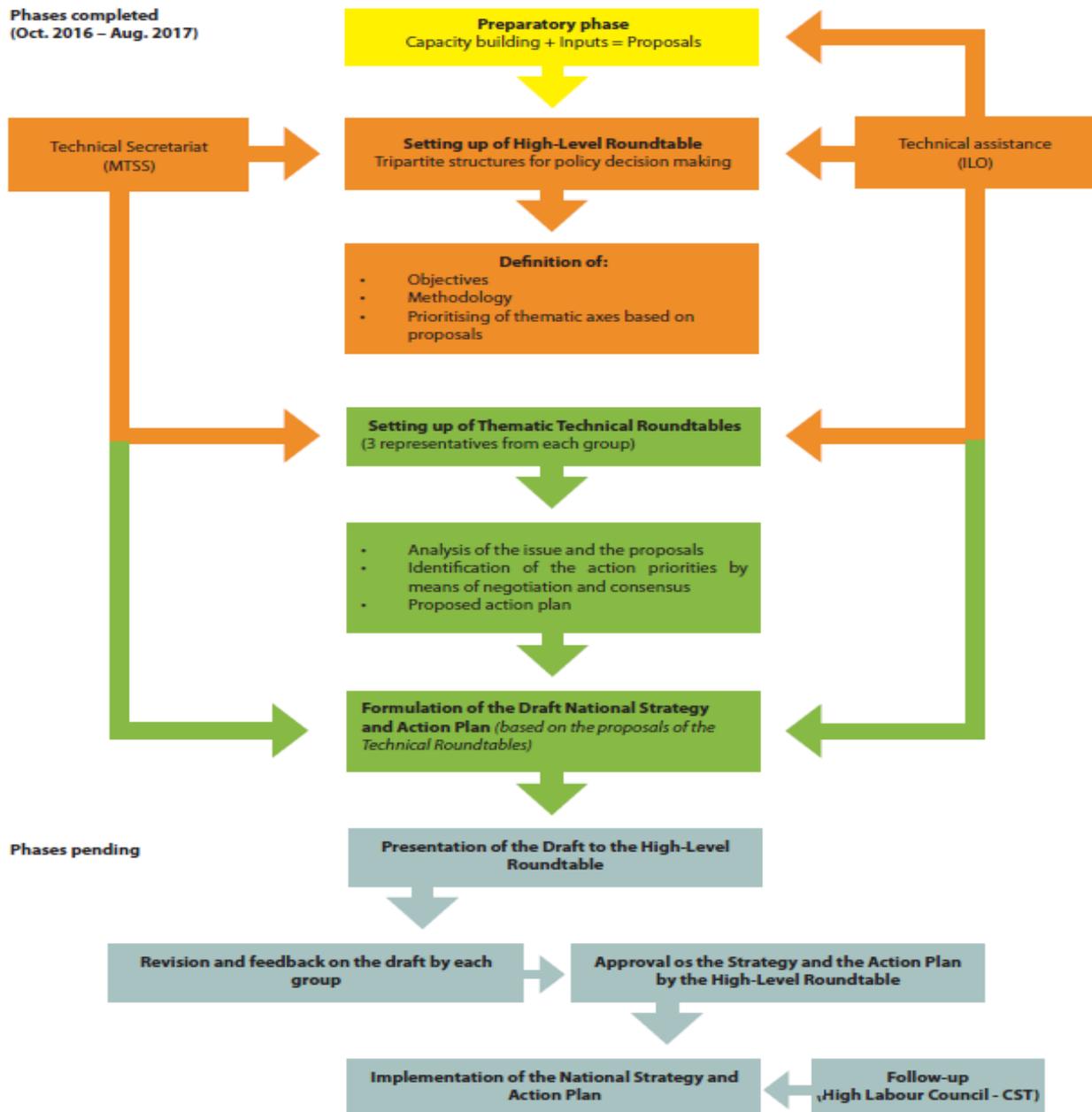
A six-month deadline was set for the formulation of the strategy. In addition, technical assistance was requested from the ILO, and the High Labour Council (CST), in its capacity as a permanent tripartite body established with the purpose of proposing and promoting national policies in the areas of work, employment and social protection, committed to follow up on the implementation of the Agreement.

According to ILO officials, the Tripartite Agreement reflects the convergence of the various social partners' interests with regard to the informal economy, such as the workers' concerns regarding the lack of social protection for vulnerable groups, the employers' concerns regarding the unfair competition created between formal and informal businesses, and the government's concerns regarding the impact of the informal economy on the revenues of the Treasury.

The actors interviewed recognised that the process of implementing the agreement represents an opportunity to contribute to the formulation of a first national public policy on the informal economy, as it allows them to set their level of commitment to the issue; to close the gaps in knowledge and information about the issue; to harmonise the concepts and criteria; to establish priorities and formulate common proposals based on the interests and needs of the different groups.

¹¹ The president of the UCCAEP signed the agreement on behalf of the employers, whilst the workers were represented by the CMTC, CCJM, CTRN, CCTD, CUT and CGT. The president of the Legislative Assembly and the subregional director of the ILO also signed the pact as honorary witnesses. To reinforce the commitment undertaken by the government, the MTSS was accompanied by the heads of the CCSS, MEIC and the INAMU.

Figure 2 illustrates the phases of the process undertaken to build the national strategy for the transition from the informal to the formal economy, which has been a politically and technically challenging task for the various actors. This process has involved: a) establishing social dialogue structures and mechanisms; b) developing the capacities of the social partners; c) identifying the priority areas; and d) adopting a methodology to facilitate social dialogue.



5.2 Social dialogue mechanisms and structure

The High Labour Council (CST) has not managed to hold regular sessions since the year 2014. According to representatives of the MTSS and the trade unions, the situation arose as a result of disagreements regarding the procedures used by the MTSS to convene and select the representatives from the worker group. The social partners, as a result of this dispute, agreed to set up ad hoc structures to address various social and labour issues. It is for this reason that the “Roundtable on the Transition from the Informal to the Formal Economy in Costa Rica” was officially established, in March 2017, with a view to implementing the Tripartite Agreement on ILO Recommendation 204.

The social dialogue tasks of the Roundtable were divided between two types of tripartite structure, to facilitate the building of the national strategy and the associated action plan. The High-Level Roundtable¹² was set up as the body in charge of policy negotiation and decision making, whilst the technical roundtables¹³, dealing with specific issues, have focused on analysing and formulating consensus-based proposals to submit to the High-Level Roundtable for discussion and approval.

The social partners consider these ad hoc structures to offer greater flexibility (than the more formal structures) as well as greater scope for developing their positions, generating concrete agendas and fostering the involvement and commitment of the participants.

A fundamental aspect has been the social partners' understanding of the scope and the limitations of the social dialogue process, and the impact, in particular, of the limited financial resources and the setting of short deadlines to secure the expected outcomes. In this respect, although the actors recognise the complexity of the issue, and the need for more comprehensive approaches capable of tackling the causes of informal employment, the majority considers the option of formulating a short to medium term strategy and action plan as the best way of establishing a minimum, common foundation on which actions with a wider scope and impact can be built in the future.

5.3 Capacity building and the preparation of information inputs

Given the diversity in the social partners' levels of knowledge and standpoints regarding the informal economy, a process of prior technical assistance was required, which included - in accordance with the needs of each group - capacity building sessions on the topic; the systematisation of information and the drawing up of prior studies by external consultants; coordination meetings to determine the action priorities, the harmonisation of criteria and the construction of technical proposals in accordance with the interests and needs of the actors involved, among other actions.

This prior preparation phase, which took place between October 2016 and March 2017, allowed for information and knowledge gaps regarding the issue to be filled, as well as a levelling out of the actors' negotiating skills, which are fundamental to ensuring that social dialogue processes generate quality results. Nevertheless, the time limits and the knowledge gaps on the subject were the main obstacles to the actors' expectations being met.

The government and employers' representatives indicated that the prior studies conducted were superficial and did not provide sufficient inputs for the development of well-founded technical proposals. The workers' representatives felt they did not receive sufficient capacity building and information to be able to participate more proactively, especially regarding complex matters such as tax systems or the simplification of administrative procedures.

5.4 Priority areas

Given that the informal economy is a multicausal phenomenon affecting a wide range of groups and sectors, priority areas had to be identified. The specific task of reducing informality or formulating a joint strategic framework was not set as the starting point; each group was, rather, called on to identify its priorities, bearing in mind criteria such as time limits and technical and political viability, drawing on existing initiatives and the knowledge acquired on the matter.

¹² The High-Level Roundtable comprises the heads of the MTSS, MEIC, CCSS and the INAMU in representation of the government, as well as by the president of the UCCAEP and the general secretaries of the six trade union centres that signed the Agreement.

¹³ Four technical roundtables were constituted, on which the participation of at least three representatives from each group is promoted.

The priority areas were then defined on the basis of the points where the priorities proposed by the different groups converged. Four priority areas were thus set: a) Social protection; b) Vocational training; c) Simplified administrative procedures; and d) Simplified tax. Priority focus groups were selected for each of the priority areas.

The proposed draft of the strategy presented to the High-Level Roundtable on 10 August 2017 set out the following actions:

- a) **Social protection:** Costa Rica's social security model was designed for formal employment and, accordingly, the changes in the production landscape and types of employment have created challenges in terms of cover and financial sustainability. With the objective of expanding social security cover to groups currently excluded, the following action priorities were set:
 1. Diversification of the insurance models for groups with low cover: domestic workers¹⁴; seasonal coffee harvesting workers¹⁵; and self-employed workers¹⁶.
 2. Collective insurance schemes: improvement and expansion of this type of scheme that offers insurance cover for self-employed workers belonging to trade unions or cooperatives, which are responsible for registering the workers, collecting their contributions and auditing the production activities of the people registered.
 3. Improved labour inspection.
 4. Bill no. 19805 to temporarily exempt microenterprises operating informally from the employer contribution to the Social Development and Family Allowances Fund (FODESAF) and the Mixed Social Assistance Institute (IMAS) (Legislative Assembly, 2015). The initiative aims to benefit companies with up to five workers, with special emphasis on women and young people.
- b) **Vocational training:** One of the main difficulties facing informal economy actors is access to vocational training, as they are not able to fulfil the requirements, or the education options available do not meet their needs in terms of content or form. Furthermore, the imbalance between labour supply and demand is attributable to the lack of up-to-date and accurate information on the labour needs of the production sector, which would enable vocational training and education programmes to be adapted accordingly. For the national strategy, priority was given to short and medium-term measures, such as:
 1. Implementing a National Employment Survey System that offers information about the labour market's needs in terms of vocational training.
 2. Improving informal workers' access to and perseverance within the vocational training system, especially women and self-employed workers.
- c) **Simplified administrative procedures:** The switch from the informal to the formal economy does not only rely on simplified administrative procedures but also requires a range of incentives, designed according to the characteristics and the environment in which the business competes. The national strategy proposes focusing on the following initiatives to support this process:
 1. Develop a national plan for improved regulations and to simplify administrative procedures, including a "regulatory guillotine" pilot project.
 2. Pilot a one-stop-shop for formalising production units in the municipality of San José.

¹⁴ The initiative came into effect in August 2017 and provides for insurance with a reduced contributory base, for effective days worked, multiple employers and electronic registration. See the Regulation concerning the registration of employers and contributory insurance for domestic workers and reduced minimum contribution bases and rates, exclusively for domestic workers. La Gaceta, Year CXXXIX, No. 179. San José, Costa Rica, 21 July 2017, pp. 24 to 28. https://www.imprentanacional.go.cr/pub/2017/07/21/ALCA179_21_07_2017.pdf

¹⁵ Allows for multiple employers, given the mobility of this population.

¹⁶ Simplifies registration and the updating of data on income. In addition, the development of a protocol for insurance by the hour or for a partial day, based on a minimum earnings threshold for contributions.

3. Create an award that recognises the efforts of public bodies that simplify the procedures for formalising businesses.
- d) **Simplified tax:** This was a difficult matter to tackle for the social partners, given that the Legislative Assembly is in the midst of extensive tax reforms, leaving little scope for other proposals. In addition, the technical roundtable did not manage to incorporate representatives from the Finance Ministry, and the participants' knowledge about the taxation system is very limited – barring a few exceptions. Two initiatives were prioritised in this area:
1. Conducting a comparative policy study to identify the strengths and weaknesses of establishing a single tax in Costa Rica to facilitate the formalisation of micro and small enterprises.
 2. Improving the country's current simplified tax system.

5.5 *Establishing a methodology to facilitate social dialogue*

A key contributor to the effectiveness of social dialogue is the methodology used to facilitate the process. In this respect, the social partners agreed that the strengths of this experience had been the following:

- a) Clear delimitation of the purpose, objectives and expected outcomes.
- b) Organisation of political and technical bodies with distinct tasks, which has expedited the analysis and formulation of proposals as well as the decision-making processes.
- c) Setting of relatively short deadlines, as a way of preventing absenteeism and a loss of interest among the participants.
- d) Technical assistance for each group through the hiring of outside consultants and the establishment of a Technical Secretariat, under the auspices of the MTSS, to convene the representatives and to follow up on the agreements.
- e) Facilitation and moderation of the dialogue by a neutral body such as the ILO, which brings legitimacy to the project, as well as the technical elements required to guide the discussions.
- f) The convening and inclusion of officials and representatives from forums addressing similar themes, to ensure the consistency of the positions and proposals presented.

The actors involved also highlighted certain issues with the methodology employed, as well as suggestions for improvement:

- a) According to the CCSS and employers' representatives, more in-depth discussion was needed during the preparatory phase regarding the characteristics of the formalisation model sought for the Costa Rican economy, which would have enabled a comprehensive examination of the implications of the economic, social and labour policy instruments involved in such a model. In the view of all the actors, formalisation proposals linked to social contributions, revenue collection and taxation dominated this social dialogue process, at the expense of policies to promote and stimulate production.
- b) In some instances, the technical roundtables did not manage to convene and incorporate key sectoral representatives for the specific theme, which meant that the participants lacked the technical inputs required for the task and were not able to check on the positions of the relevant institutions regarding some of the proposals formulated. In this respect, most relevant was the absence of representatives from the Ministries of Finance, Public Education and Health, as well as local government representatives. The problem was exacerbated in cases where the participants did not have the technical knowledge, the decision-making power or the ability to implement the proposal, which meant that their contribution to the dialogue was very limited.

- c) The expert technical assistance given to the social partners, especially in areas where their organisations did not have experts on the matter, was not sufficient to ensure the effective participation of certain representatives in the technical roundtables. According to the representatives from the workers' and employers' organisations, the preparation of technical inputs and access to success stories from other countries would have been helpful in improving the quality of the technical proposals, especially in the areas of simplified administrative procedures and taxation.
- d) The actors pointed to the need to clarify the roles and competencies of the Technical Secretariat of the High-Level Roundtable, given that this role is filled by the same MTSS officials that took part in representing the government within the framework of the thematic roundtables. This dual role led to confusion regarding whether they were taking part as representatives of the government's position or as members of the Technical Secretariat in charge of facilitating and following up on the process.
- e) The lack of regularity in the participation of actors in the various technical roundtables affected the continuity of the process. However, some technical roundtables adopted virtual coordination, consultation and feedback mechanisms, enabling the representatives having difficulties attending the face-to-face meetings to participate and contribute remotely.
- f) The representation of informal economy actors in the social dialogue process was very limited. As the representatives of the employers' organisations pointed out, the latter are made up of formal companies and the trade unions are largely made up of public sector and formal private sector workers, with the exception of the CMTC trade union centre. The social partners recognised the need to take on board the views and interests of the many and varied groups operating informally, especially those with the technical and financial capacity to formalise their activities. In this respect, their participation could contribute to building more effective strategies with a greater focus on consciousness and awareness raising rather than coercion.
- g) The strategy building process for the implementation of ILO Recommendation 204 is taking place during a pre-electoral year¹⁷, which has generated a degree of uncertainty among the actors regarding the continuity of the existing initiatives and the adoption of the new proposals by the incoming authorities. There is also the view, however, that the situation could be utilised to present the new administration with a strategy that has the legitimacy of being founded on a tripartite consensus.
- h) Inadequate linkages between the process of building the national strategy on the informal economy and the dialogue forums set up to nationalise the 2030 Agenda for Sustainable Development and to follow up on the targets and indicators of the SDGs.

¹⁷ Presidential and legislative elections will be held in February 2018.

5.6 Sustainability, impact and linkages between social dialogue forums

The social partners proposed that the Technical Secretariat and a technical committee, to be appointed, should take care of monitoring and assessing the National Strategy. Although this mechanism could contribute to the sustainability of the strategy and to keeping the issue of the informal economy on the public agenda, the actors consider it crucial that the said strategy be endorsed by tripartite bodies, and that the initiatives be integrated within the institutional programmes, plans and policies of the bodies responsible for its implementation.

In this respect, the adoption of the Strategy by bodies such as the CST, the management boards of the CCSS and the INA (the aspects that fall within their remit), and the Presidential Councils for Competition and Innovation¹⁸, would give the Strategy greater legitimacy and increase its prospects of being carried forward by the new administration.

Another mechanism to ensure the sustainability of the results arising from this social dialogue process is the incorporation of the actions within the institutional programmes of the relevant bodies, as well as within the new National Development Plan (2019 – 2022), a measure that public officials are in a position to promote.

In addition, linking the National Strategy with the process of nationalising the implementation of the 2030 Agenda and the SDGs, a task still pending, would place the strategy within a broader and more far-reaching public policy framework.

Finally, it should be pointed out that the development of tripartite proposals to reduce informality has not been limited to the Roundtable for the Transition from the Informal to the Formal Economy, and the issue is also being addressed in other social dialogue processes.

In March 2017, the Education Ministry, assisted by the ILO, set up the Tripartite Dialogue on Dual Education, aimed at defining the guiding principles for the development of this system. Although one of the key aims of this dialogue was to examine and reach a consensus on Legislative Bill No. 19019 to regulate dual technical-vocational training or education in Costa Rica (Legislative Assembly, 2013), the focus has been shifted towards the development of a dual national training model. It is essential that the proposed legislation and programmes arising from this model be in line with the National Framework for Vocational Training and Education (2015) proposed by the government, one of the aims of which is “to contribute to transforming the activities of the informal economy into decent work, through the implementation of measures that formally recognise and value experiential learning”. (Government of the Republic of Costa Rica, 2015).

In April 2017, a Roundtable of Social Partners for the Sustainability of the Pensions Insurance of the CCSS was set up with a view to examining and formulating medium and long-term proposals for strengthening the IVM¹⁹ scheme. This roundtable emerged from the results of the various actuarial studies indicating the need to reform the scheme in order to ensure its financial sustainability. Among the measures recommended, and being studied by the roundtable, is the increase in social security cover in sectors affected by informality, such as domestic work and unsalaried work.

¹⁸ A bipartite body (government - private sector established by Decree No. 38662 MP-PLAN-MTSS, comprising three councils: the Competition Council, Innovation Council and the Alliance for Production Development and Employment. La Gaceta No. 215, of 7 November 2014. http://www.imprentanacional.go.cr/pub/2014/11/07/COMP_07_11_2014.html#_Toc403057243

¹⁹ Information on the composition of the roundtable, its objectives and workings are available at: <http://www.ccss.sa.cr/pensiones/dialogo>. The minutes of the meetings can be accessed at: http://www.mtss.go.cr/elministerio/transparencia/mesa-de-dialogo-ivm/mesa_dialogo_IVM.html

6. *Conclusions and recommendations*

The Tripartite Agreement for the Implementation of ILO Recommendation 204 constitutes a key instrument for placing the issue on the public agenda, raising the commitment levels of the various social partners, and promoting a range of initiatives capable of preventing and reducing informality.

The social dialogue process generated by the Tripartite Agreement has brought together a range of institutions with a view to tackling the issue and developing a short and medium term strategy mobilising efforts and resources around relevant and viable proposals for the institutions involved in the process.

The initiatives being developed under the national strategy on the informal economy constitute a contribution to the efforts being made by the public institutions, and are in line with the SDGs, particularly in terms of promoting gender inequality (SDG 5) and decent work (SDG 8) for vulnerable groups such as domestic workers, indigenous peoples, migrant labourers working in the coffee sector and low-income self-employed workers, by broadening access to social protection (SDG 10).

In addition, support measures for production units operating informally include greater access to vocational training, temporary exemptions from social contributions and reduced administrative costs thanks to simplified procedures. These measures contribute to the empowerment and economic inclusion of groups with scarce resources (SDG 1), as well as to reducing the equality gap between formal and informal employment (SDG 10).

The process of building the national strategy is not yet complete. It would be therefore premature to draw any conclusions regarding the results and the impact achieved in terms of preventing and reducing informal economy activity in Costa Rica. A number of recommendations can, however, be made, based on the opinions of the actors involved and the analysis of the experience so far, with a view to strengthening the contributions of social dialogue within the framework of defining national policies to address the informal economy:

- Conduct exhaustive mapping of the policies, programmes, plans and initiatives related to the issue, to identify initiatives that can be developed under the national strategy on informality. Identify the dialogue and decision-making institutions, bodies and structures to which the new strategy should be submitted for the purposes of information, consultation and approval, with a view to increasing the legitimacy, uptake and sustainability of the proposals set out in the national strategy.
- Develop the social partners' capacities to analyse, negotiate and formulate technical proposals. This process should include the establishment of a shared conceptual framework; the harmonisation of the concepts, definitions and methodologies; the construction of a shared and joint vision for each group; access to good practices and success stories from other countries; the preparation of inputs and in-depth studies on the priority areas, etc. The institution in charge of leading the social dialogue process should ensure the availability of personnel specialised in facilitating social dialogue and formulating public policies.
- Expand, strengthen and create mechanisms to effectively integrate the voices, interests and needs of informal sector actors, including the groups most vulnerable to informal employment, such as women, indigenous peoples, people with disabilities and migrants, both documented and undocumented, etc. This would enable the formal economy actors to understand the motivations and obstacles surrounding the transition to the formal economy. In this respect, action is required to strengthen the processes organising informal economy actors, be they salaried workers, self-

employed workers or employers, along with measures to develop their capacities to negotiate and advocate both at local and national level.

- Improve the strategies for convening and configuring technical roundtables, starting out by defining the profile of the participants, which should at least have the required technical knowledge, decision-making power, room for negotiation and the ability to engage in advocacy with the authorities and to implement the initiatives within their own institutions or organisations. The signing of inter-institutional agreements in the case of public bodies and the official appointment of officials by the higher authorities is fundamental to ensuring the legitimacy, the commitment to and sustainability of the agreements adopted in these forums.
- Build a national strategy based on pre-existing institutional programmes and projects that ensures the political, technical and financial viability of the proposal in the short and medium term but limits the possibility of integrating initiatives that have a long-term impact and that tackle the structural causes of the problem. To remedy this weakness, it is essential that a model be adopted for managing the strategy that ensures follow up, assessment and the ongoing adaptation of the actions taken to the changing needs of the environment. In this respect, a short and medium term strategy could constitute the minimum basis for agreements that could, through social dialogue, be improved and adapted to the needs and interests of the social partners. Meeting the short-term goals is essential to renewing the social partners' commitment and motivation to continue taking part in the social dialogue process.
- Manage the social partners' expectations regarding the expected outcomes of the dialogue process. It is fundamental to ensuring their participation and commitment, and the consolidation and sustainability of the agreements. Defining the nature of the dialogue; clearly establishing the participants' duties and roles; agreeing the rules of procedure; setting realistic and concrete targets and objectives, and establishing deadlines are fundamental to ensuring the effectiveness of the process. In addition, the key role of the person or body in charge of facilitating the dialogue is to promote a climate of trust, enabling the actors to make proposals and negotiate on equal terms, as well as providing the technical inputs required to establish neutral counterpoints and to recall the standards and good practices that exist on the matter. Balanced and evidence-based social dialogue leads to more viable and sustainable agreements.

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- Government of the Republic of Costa Rica: <http://presidencia.go.cr/>
- Instituto Nacional de Estadísticas y Censos (National Statistics and Census Institute): www.inec.go.cr
- Ministerio de Planificación Nacional y Política Económica (Ministry of National Planning and Economic Policy): www.mideplan.go.cr
- Ministerio de Trabajo y Seguridad Social (Ministry of Labour and Social Security): www.mtss.go.cr
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8. Annexes

8.1 List of people interviewed

Government group

1. Ana Isabel Garita, INAMU
2. Álvaro Coto, Consejo Superior de Trabajo (High Labour Council), MTSS
3. Gloria Acuña, Deputy Technical Manager, INA
4. Gustavo Picado, Financial Manager, CCSS
5. Luis Ramírez, Minister's Office, MEIC
6. Francisco Chavarría, Regulatory Improvement, MEIC
7. Luis Rivera, SICERE, CCSS
8. Marcia Montes, Vice Minister of Economy, Industry and Commerce
9. María del Pilar Garrido, Vice Minister of Planning, MIDEPLAN. Technical Secretariat for the Sustainable Development Goals.
10. Martha Arguello, Technical Secretariat of the High-Level Roundtable on the Implementation of Recommendation 204, MTSS
11. Mauren Navarro, INAMU
12. Mauricio Corrales, Technical Secretariat of the High-Level Roundtable on the Tripartite Agreement for the Implementation of Recommendation 204, MTSS.

Employers' group

13. María del Mar Mungía, Employer Group Consultant
14. Valentina Obando, UCCAEP, Vocational Training Roundtable
15. José Salas, CICR, Social Protection Roundtable
16. Fiorella Bulgarelli, CICR, Simplified Administrative Procedures Roundtable
17. Pedro Morales, CICR, Simplified Taxation

Workers' group

18. Jonatan Monge, CMTC, Vocational Training Roundtable
19. Rose Mary Rodríguez, CTRN, Vocational Training Roundtable
20. Miguel Marín, CCTD
21. Olman Chinchilla, CMTC
22. Randall Zúñiga, CMTC

ILO

23. Gerson Martínez, Employment Specialist
24. Fernando García, Labour Administration, Legislation and Social Dialogue Specialist
25. Carla Rojas, National Official, ENEP
26. José Francisco Ortiz, National Official, Social Security
27. Álvaro Ramírez, Vocational Training and Entrepreneurship Specialist
28. Randall Arias, ACTEMP Specialist
29. Natalia Álvarez, Support Consultant to the Technical Secretariat of the Roundtable for the Transition from the Informal to the Formal Economy
30. Ricardo Zúñiga, ILO Consultant, Alliance for Production Development and Employment, ENEP
31. Katia Gil García, former coordinator of the project promoting respect for labour rights of informal economy workers in Costa Rica, El Salvador and Honduras (2012-2016)

Others

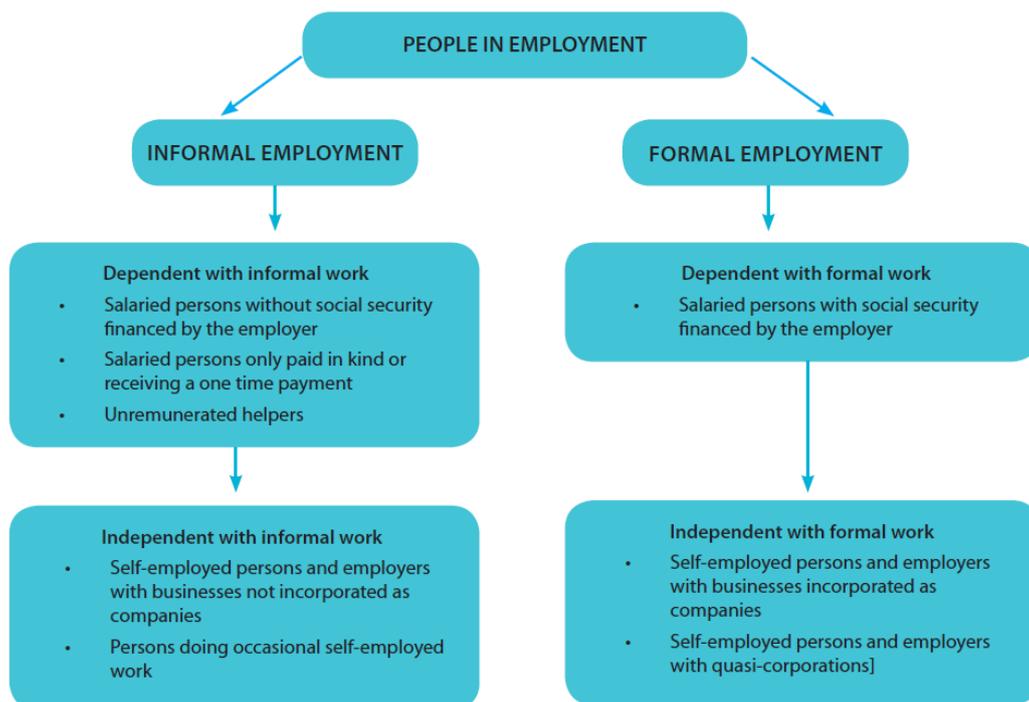
32. Madai Linkemer, UNDP. National Coordinator of the 2030 Agenda and the SDGs.

8.2 Definition adopted by the INEC for measuring formal and informal employment

The National Statistics and Census Institute (INEC) of Costa Rica, based on the recommendations of the ILO and the 15th and 17th International Conference of Labour Statisticians (ICLS), adopted the following definitions for measuring formal and informal employment, applied in the Continuous Employment Survey (ECE) conducted on a quarterly basis since 2010.

Definition of formal employment	Definition of informal employment
<p>Covers all jobs that meet the following criteria, according to job status:</p> <ul style="list-style-type: none"> • Salaried persons with social security financed by their employer, in other words, who have social security contributions. • Self-employed persons and employers with enterprises incorporated as companies, in other words, registered in the National Property Register and keep formal accounts on a regular basis. • Self-employed persons and employers with quasi-enterprises, in other words, that are not registered in the National Property Register but are registered with another public authority and that keep formal accounts on a regular basis. 	<p>Covers all jobs that meet the following criteria, according to job status:</p> <ul style="list-style-type: none"> • Salaried persons without social security financed by their employer, in other words, who have no social security contributions. • Salaried persons who are only paid in kind or receive a one-time payment, those persons who by the nature of their contractual arrangement are not considered to be subject to social security contributions. • Unpaid helpers. • Self-employed persons and employers with enterprises not incorporated as companies, in other words, not registered in the National Property Register and that do not keep formal accounts on a regular basis. • Self-employed workers with occasional work (less than a month), who by the nature of their work are not subject to registration or to keeping formal accounts on a regular basis.

The following diagram illustrates the composition of the employed population according to the type of employment:



Source: Taken from the INEC. Informal employment in Costa Rica. Continuous Employment Survey, 2015.

The conceptual framework used by the INEC for measuring informal employment, based on the guidelines of the 17th ICLS, is set out in the following table:

Production units by type	Jobs according to employment type						
	Independent				Dependent		
	Criteria: Legal organisation of the company and keeping of accounts on a regular basis				Criteria: Social security financed by the employer		
	Self-employed worker		Employer		Unpaid helpers	Salaried workers	
	Informal	Formal	Informal	Formal	Informal	Informal	Formal
Formal sector enterprise					3	4	
Informal sector enterprise	1		2				
Homes ^{1/}	5					6	

1/ Homes that produce goods exclusively for their own final consumption and those that employ paid domestic workers.

	Not considered as work categories for the type of production unit.
	Represent formal jobs
	Represent informal jobs

Source: Taken from the INEC. Informal employment in Costa Rica. Continuous Employment Survey, 2015.

The ENE is faced with some limitations in the calculation of employment in the informal sector and outside of the informal sector, as it does not know whether the unpaid and salaried helps work in a formal or informal sector enterprise. The ECE does not inquire into the company where these segments work, and does not therefore have the requirements to generate the variable.

The Trade Union Development Cooperation Network (TUDCN) is an initiative of the International Trade Union Confederation (ITUC), bringing together affiliated trade union organisations, solidarity support organisations, regional ITUC organisations, the Global Union Federations (GUFs), the European Trade Union Confederation (ETUC) and the Trade Union Advisory Committee to the OECD (TUAC). TUDCN's objective is to bring the trade union perspective into the international development policy debates and improve the coordination and effectiveness of trade union development cooperation activities.

Le **Réseau syndical de coopération au développement (RSCD)** est une initiative de la Confédération syndicale internationale (CSI) réunissant des organisations syndicales affiliées, des organisations de solidarité, les organisations régionales de la CSI, ainsi que les Fédérations syndicales internationales (les fédérations sectorielles - FSI), la Confédération européenne des syndicats (CES) et la Commission syndicale consultative auprès de l'OCDE (TUAC). Le RSCD a pour but de traduire la perspective syndicale dans les débats sur la politique en matière de développement international et d'améliorer la coordination et l'efficacité des activités syndicales dans le domaine de la coopération au développement.

La **Red Sindical de Cooperación al Desarrollo (RSCD)** es una iniciativa de la Confederación Sindical Internacional (CSI), que agrupa a diversas organizaciones sindicales afiliadas, organizaciones solidarias (OS), organizaciones regionales de la CSI, las Federaciones Sindicales Internacionales (FSI), la Confederación Europea de Sindicatos (CES) y la Comisión Sindical Consultiva ante la OCDE (TUAC). El objetivo de la red es aportar la perspectiva sindical a los debates políticos y mejorar la coordinación y la eficacia de las actividades sindicales relacionadas con la cooperación al desarrollo.



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