

Is informality a growing challenge?

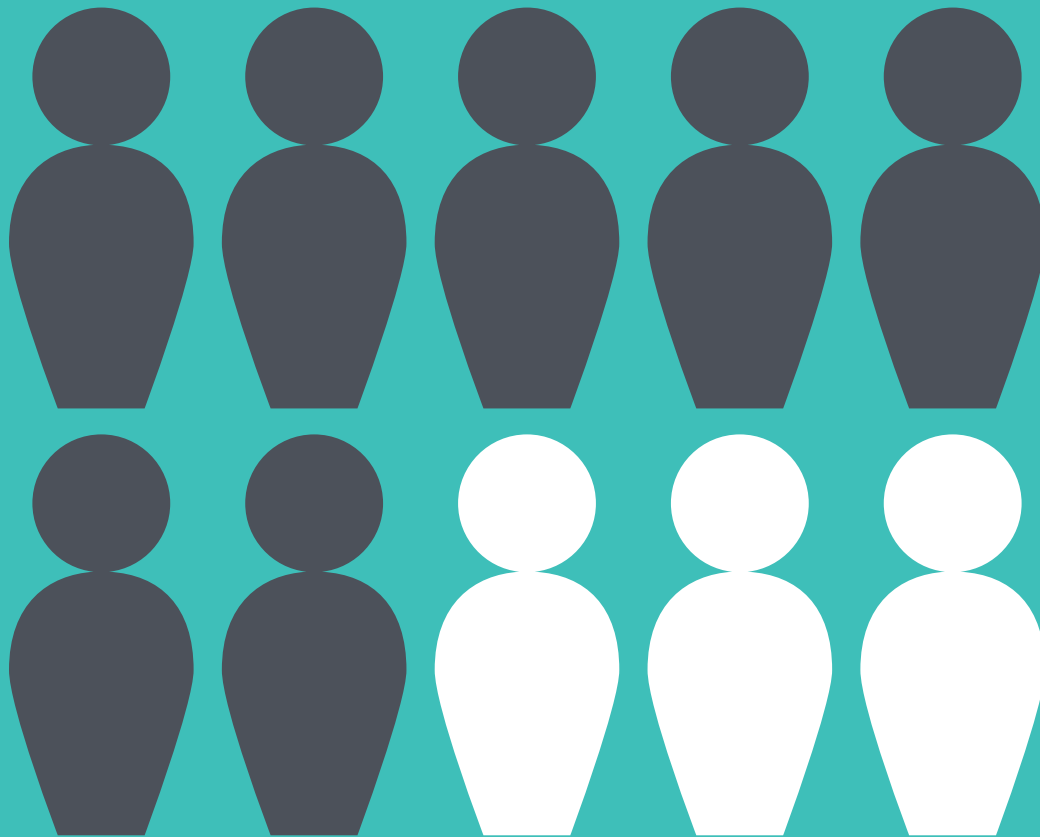


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The majority of non-farm employment in developing countries is informal

In sub-Saharan Africa and Southern and South-East Asia,
7 in 10 non-farm workers are in the informal economy

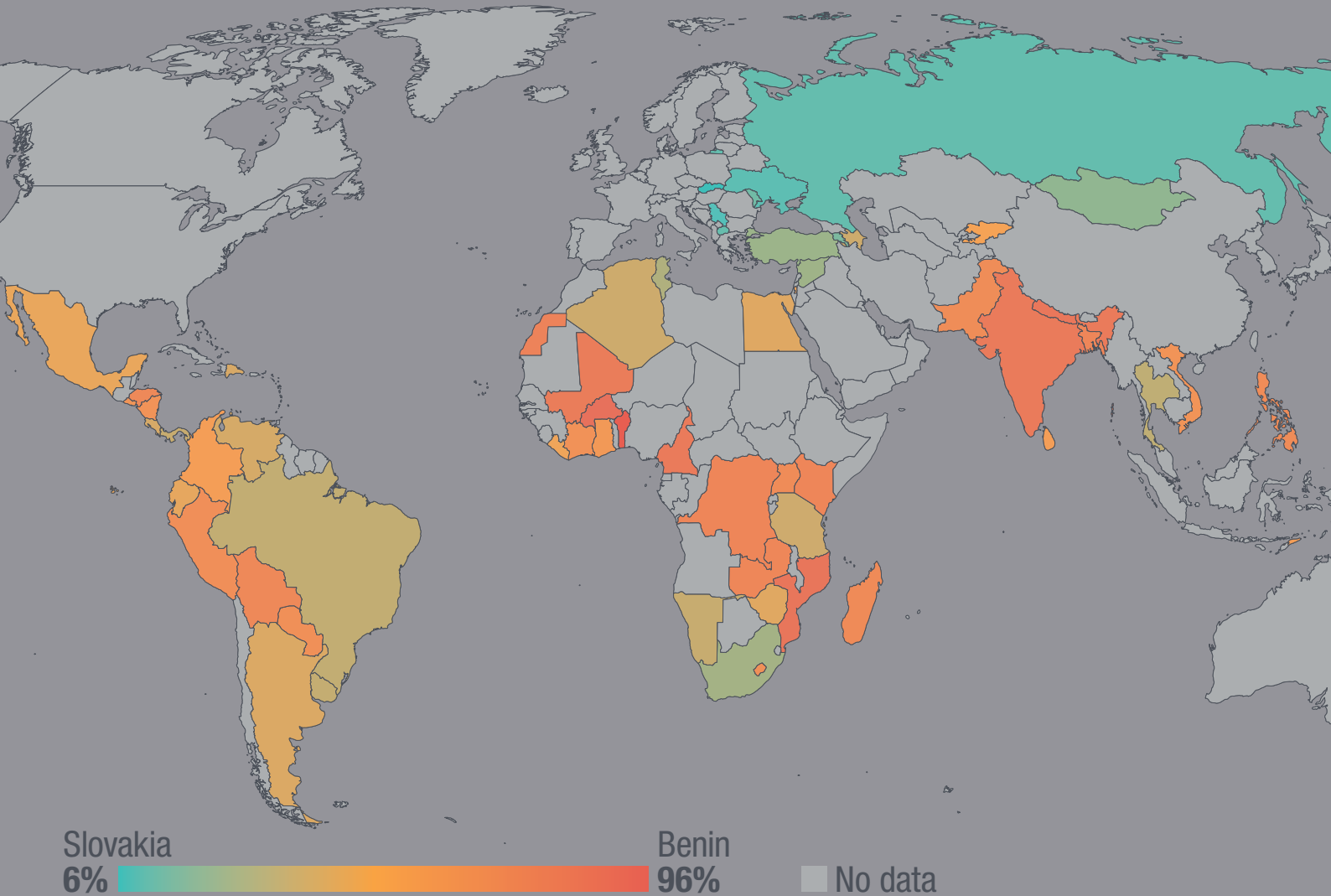


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Data is for 2005 - 2010. Regional averages are country weighted. Source: Charmes, J. (2016) 'The informal economy: Definitions, size, contribution and main characteristics', in Kraemer-Mbula and Wunsch-Vincent (eds.), The informal economy in developing nations: Hidden engine of innovation? Cambridge: CUP.

The share of non-farm workers in the informal economy varies greatly, from 6% to 96%



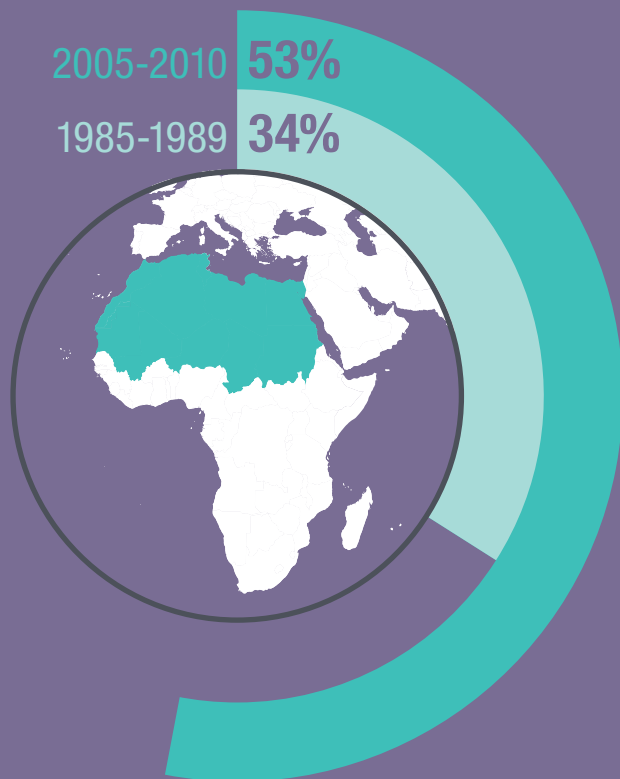
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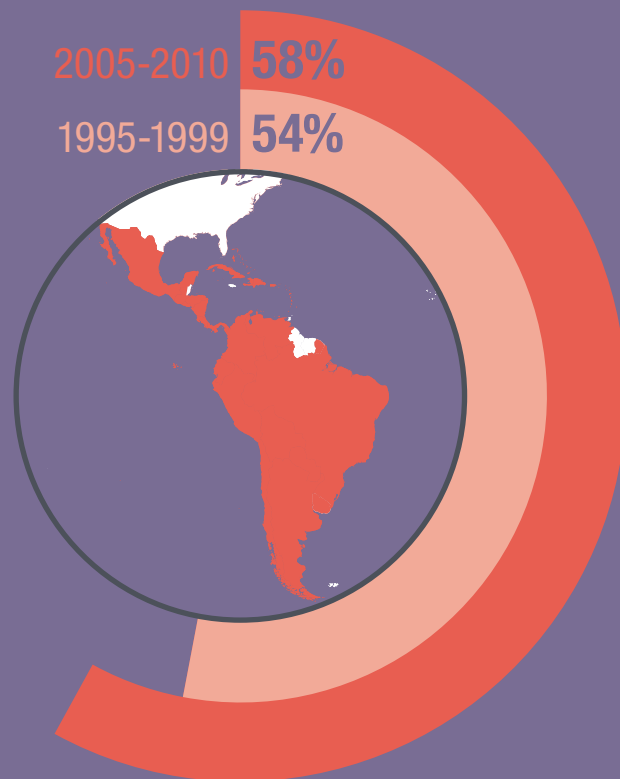
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The share of non-farm employment in the informal economy appears to be growing

Northern Africa



Latin America



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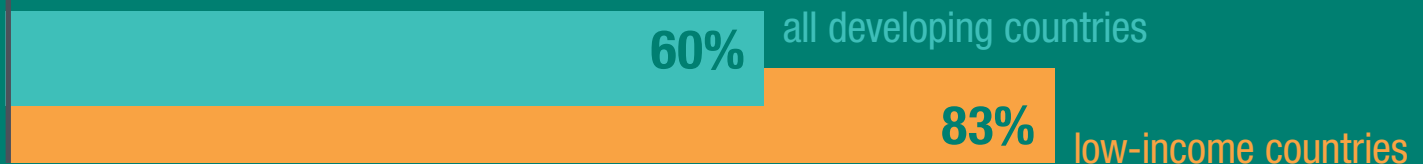
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Most informal workers in developing countries who are self-employed, work informally by necessity

Share of workers who are self-employed



Share of self-employed workers who are working informally by necessity



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Source: Gindling, T.H. and Newhouse, D. (2014) 'Self-employment in the developing world', World Development 56: 313–331.