



International
Labour
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SUPPORTING INFORMAL ENTERPRISES TRANSITION TOWARDS SUSTAINABLE GROWTH AND FORMALIZATION IN THE AFRICAN, CARIBBEAN AND PACIFIC REGIONS.

INFORMAL ECONOMY

FEBRUARY – JUNE 2027



The Informal Economy Project is an initiative of the Organisation of African, Caribbean and Pacific States (OACPS), financed by the European Union (EU) and implemented by the United Nations Development Programme (UNDP). In partnership with the International Labour Organization (ILO) and a network of country-level partners.

THE CHALLENGES FACED BY THE INFORMAL ECONOMY ACTORS INCLUDE THE FOLLOWING:



Non-standardized registration, high costs, tax burdens
 Informal businesses often operate in legal grey zones due to complex and costly registration processes, unpredictable tax structures, and lack of legal recognition. These conditions discourage formalization and limit opportunities for scaling.

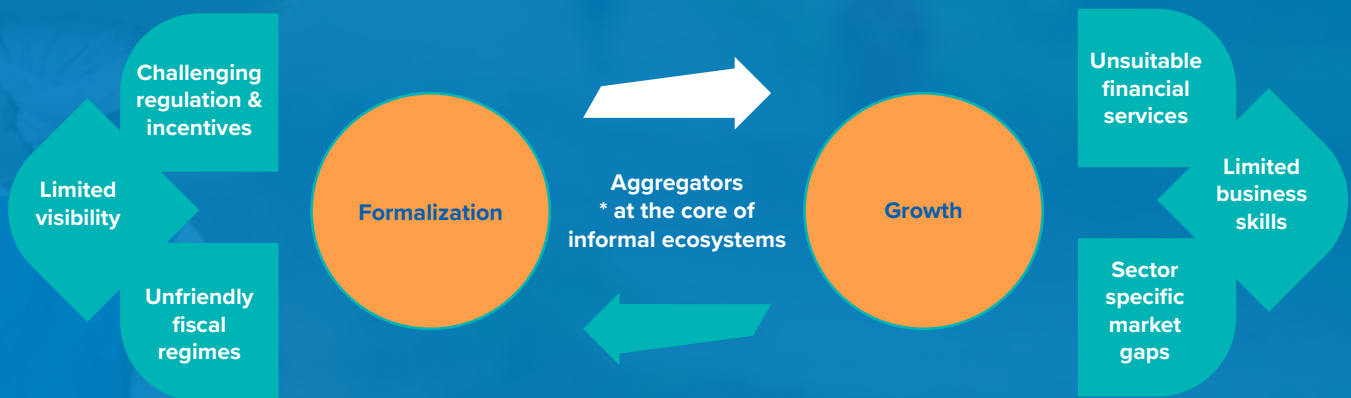
Few tailored products, lack of collateral, weak financial systems
 Most informal enterprises lack the documentation, collateral, or credit history required by traditional financial institutions. Financial products are rarely designed to meet their needs, leaving many unbanked and underfunded.

Lack of market info, government services, digital platforms
 Without connections to government procurement opportunities or up-to-date market information, informal businesses remain excluded from value chains. Inadequate digital platforms and weak infrastructure further hinder their growth.

Business, digital, and financial management
 Many entrepreneurs lack access to training in basic business operations, digital tools, and financial planning. This reduces their ability to compete, innovate, and manage risk.

The main objective of the project is to **enable informal enterprises transition towards sustainable growth and formalization** in the ACP regions through no article integrated, coherent, and mutually reinforcing interventions at national and sectoral levels:

THE ECOSYSTEMS IN WHICH INFORMAL ENTERPRISES EVOLVE ARE STRUCTURALLY NOT CONDUCTIVE FOR GROWTH AND FORMALIZATION

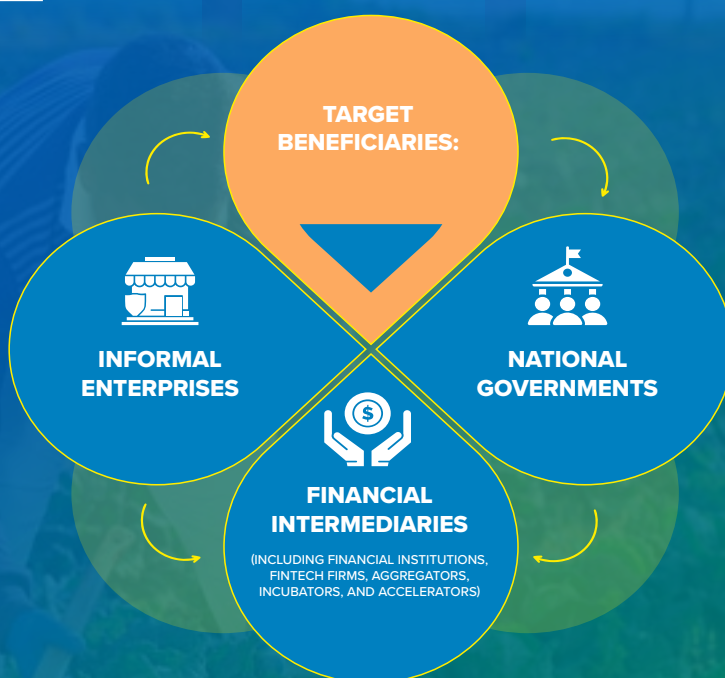


*Aggregators include cooperatives, professional organizations, and associations, as well as other nonprofit entities that provide services to informal sector firms on the one hand, and financial intermediaries—such as traditional banks, microfinance institutions, and FinTech firms—on the other hand, which play a crucial role in reaching informal enterprises and facilitating their access to support services, markets, and finance.

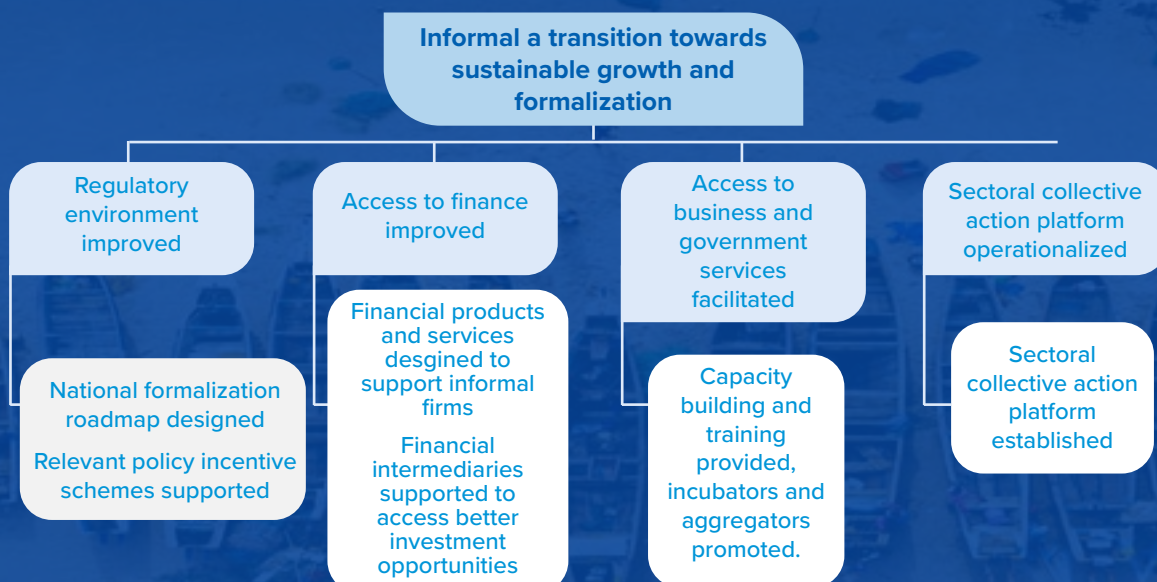
PROJECT OUTPUTS



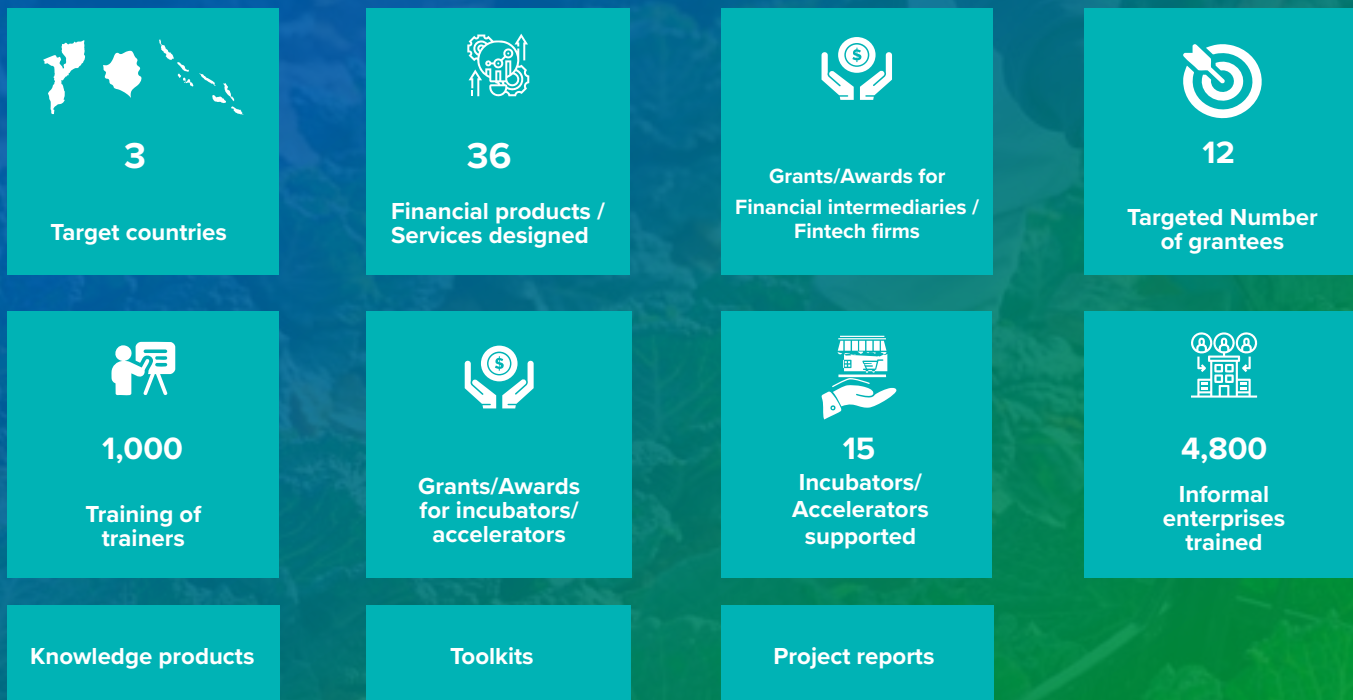
TARGET BENEFICIARIES



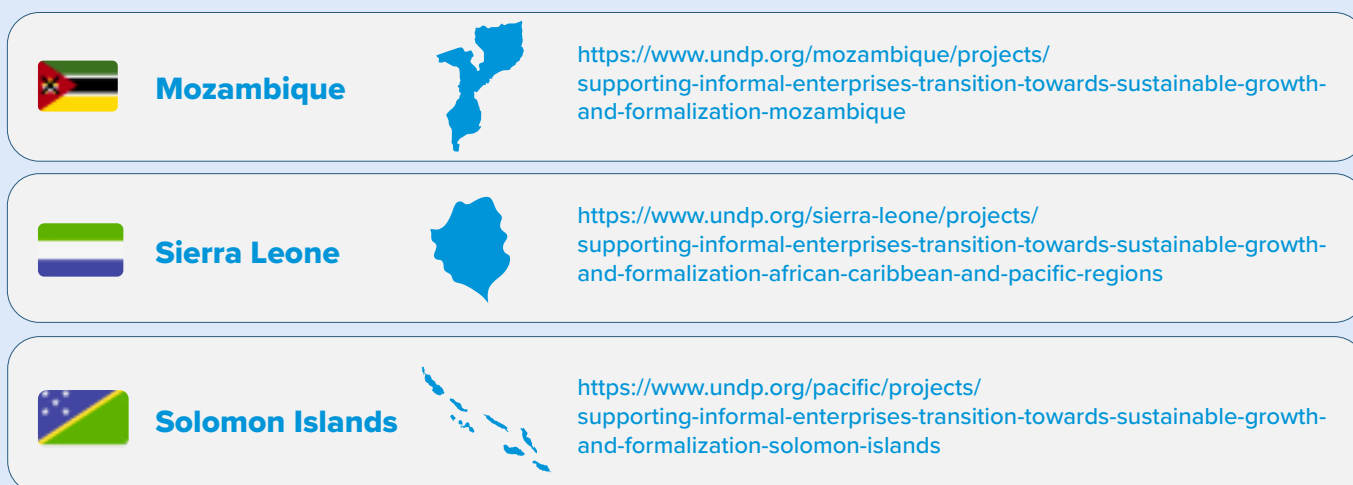
STRATEGIC APPROACH



KEY TARGET RESULTS



TARGET COUNTRIES



PARTNERS

