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Promotion and protection of human rights: Human rights questions, including alternative approaches for improving the effective enjoyment of human rights and fundamental freedoms

Contemporary forms of slavery, including its causes and consequences

Note by the Secretary-General

The Secretary-General has the honour to transmit the report of the Special Rapporteur on contemporary forms of slavery, including its causes and consequences, Tomoya Obokata, in accordance with Human Rights Council resolution [42/10](#).

* [A/77/150](#).



Report of the Special Rapporteur on contemporary forms of slavery, including its causes and consequences

Summary

The present report is submitted in accordance with Human Rights Council resolution [42/10](#). In the report, the Special Rapporteur on contemporary forms of slavery, including its causes and consequences, focuses on contemporary forms of slavery in the informal economy and, in that context, analyses the drivers of informality and the profiles of victimized workers before analysing to what extent and in which economic sectors contemporary forms of slavery are globally prevalent in the informal economy. The main challenges and some positive developments in addressing them are also identified in the present report.

The Special Rapporteur concludes that not all forms of informal work are exploitative or abusive but that a clear link between informality and contemporary forms of slavery can be observed in certain economic sectors. He notes that, while there is no one-size-fits-all approach, a transition from the informal to the formal economy is important for the promotion of decent work and to reduce the risk of contemporary forms of slavery in that context. The Special Rapporteur formulates recommendations on how such a transition could take place by taking international human rights laws and standards into consideration.

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I. Introduction

1. In the present report, the Special Rapporteur on contemporary forms of slavery, including its causes and consequences, analyses the prevalence of contemporary forms of slavery in the informal economy. After referring to relevant international standards and definitions, the main drivers of informality and the profiles of workers are explored, followed by an overview of informal employment sectors that are at risk of contemporary forms of slavery. After discussing some of the main challenges in preventing contemporary forms of slavery in the informal economy, some positive developments in responding to them are presented before the conclusions and recommendations.

2. To inform his research, the Special Rapporteur issued a call for input to a wide range of stakeholders, including Member States, national human rights institutions, civil society organizations, United Nations agencies and regional human rights bodies. He wishes to thank them for their contributions and welcomes the engagement demonstrated in this process.¹ The Special Rapporteur also drew on information gathered from desk research and consultations with stakeholders.

II. Activities of the Special Rapporteur

3. During the period under consideration, the Special Rapporteur participated in a wide range of discussions and initiatives relating to the prevention and eradication of contemporary forms of slavery. The paragraphs below contain a selection of the activities carried out by the Special Rapporteur in implementing his mandate between September 2021 and June 2022.

4. In September 2021, the Special Rapporteur participated as keynote speaker in a webinar entitled “The Road to Recovery” organized by the United Nations voluntary trust fund on contemporary forms of slavery at the occasion of its thirtieth anniversary.

5. In October 2021, the Special Rapporteur presented a thematic report on the role of organized criminal groups with regard to contemporary forms of slavery to the General Assembly at its seventy-sixth session. In that context, he participated in a virtual side event on the theme “Stemming the role of criminal groups in contemporary forms of slavery within Nigeria, with a focus on women and children” organized by the Jubilee Campaign.

6. In February 2022, the Special Rapporteur participated in a virtual conference on the theme “The role of religion in eradicating modern slavery: international and local perspectives and practices” organized by the Walk Free Foundation and the Pontifical Gregorian University in Rome. In May, he participated in a virtual webinar on the theme “Achieving Sustainable Development Goal target 8.7 in challenging times: tackling modern slavery through innovation and partnership” organized by the Commonwealth Secretariat and the Commonwealth Human Rights Initiative. In June 2022, the Special Rapporteur participated in a webinar organized on the occasion of the thirtieth anniversary of the Declaration on the Rights of Persons Belonging to National or Ethnic, Religious and Linguistic Minorities on the theme “Leave no-one behind: addressing business-related discrimination and exclusion from participation of minorities belonging to descent-based communities”, organized by the Office of the United Nations High Commissioner for Human Rights (OHCHR) and the International Dalit Solidarity Network.

¹ All submissions are available at <https://owncloud.unog.ch/s/YeoiVoJJq14ZWn>.

7. Meetings were also held with the High Commissioner on National Minorities of the Organization for Security and Cooperation in Europe, the Migration and Modern Slavery Envoy of the United Kingdom of Great Britain and Northern Ireland and the United Kingdom Independent Anti-Slavery Commissioner.

8. Furthermore, the Special Rapporteur held multiple consultations with academics, anti-slavery activists and other civil society representatives, including from Brazil, China, Colombia, India, Mali, Mauritania and Pakistan.

9. The Special Rapporteur continued his engagement with the Inter-Agency Coordination Group against Trafficking in Persons and held regular meetings with the International Labour Organization (ILO) and other United Nations agencies.

10. During the reporting period, the Special Rapporteur undertook official country visits to Sri Lanka from 25 November to 3 December 2021 and to Mauritania from 4 to 13 May 2022.

11. The Special Rapporteur also issued various statements and communications addressed to States and private companies, most of them jointly with other special procedure mandate holders.

III. International standards

12. International and regional instruments prohibiting slavery, servitude and forced labour – including the Slavery Convention of 1926; the ILO Forced Labour Convention, 1930 (No. 29); the Supplementary Convention on the Abolition of Slavery, the Slave Trade and Institutions and Practices Similar to Slavery of 1956; the International Covenant on Civil and Political Rights of 1966; the ILO Worst Forms of Child Labour Convention, 1999 (No. 182); the Convention for the Protection of Human Rights and Fundamental Freedoms (the European Convention on Human Rights) of 1950; the American Convention on Human Rights of 1969; and the African Charter on Human and Peoples' Rights of 1981 – apply regardless of the types of exploitation, including those taking place in the informal economy.

13. Other international instruments set out a number of obligations. For instance, under articles 6 and 7 of the International Covenant on Economic, Social and Cultural Rights of 1966, on the right to work and the right to just and favourable conditions of work, States are to take legislative and other measures to reduce the number of informal workers to the fullest extent possible.² They are also under obligation to take steps to ensure that the social security schemes cover the informal economy, by removing barriers that prevent informal workers from gaining access to relevant schemes, ensuring the minimum level of coverage and supporting schemes developed within the informal economy.³ In the area of international labour law, certain instruments are directly relevant to key informal sectors, including agriculture, construction, domestic work, fishery, hospitality and transport.⁴ Other general

² Committee on Economic, Social and Cultural Rights, general comments No. 18 (2005) on the right to work and No. 23 (2016) on the right to just and favourable conditions of work.

³ Article 9; and general comment No. 19 (2007) on the right to social security.

⁴ ILO Holiday with Pay (Agriculture) Convention, 1952 (No. 101); Safety and Health in Agriculture Convention, 2001 (No. 184); Safety and Health in Construction Convention, 1988 (No. 167); Domestic Workers Convention, 2011 (No. 189); Work in Fishing Convention, 2007 (No. 188); Working Conditions (Hotels and Restaurants) Convention, 1991 (No. 172); and Hours of Work and Rest Periods (Road Transport) Convention, 1979 (No. 153).

instruments on the right to organize, equal remuneration and prevention of discrimination⁵ are also important.

14. There are two additional instruments adopted by the International Labour Organization (ILO) that are relevant. In its 2002 resolution concerning decent work and the informal economy, ILO recognized that decent work deficits are prevalent in the informal economy, where many workers are unable to gain access to their fundamental rights effectively, and called upon States to take the legislative, economic, social and other measures necessary to protect informal workers, including provisions on access to education, public services, decent work and finance. Workers' organizations are also encouraged to extend their representation in the informal economy. In its recommendation No. 204 on the transition from the informal to the formal economy (2015), ILO recognizes the importance of such a transition in achieving decent work for all, sets out a number of principles and reiterates the measures to be taken listed in the abovementioned resolution.

IV. Definition and characteristics of the informal economy

15. Globally, it has been estimated that the informal economy accounts for 61.2 per cent of all employment, consisting of 2 billion workers.⁶ Regionally, informality amounts to 85.8 per cent in Africa, 68.2 per cent in Asia and the Pacific, 68.6 per cent among Arab States, 40 per cent in the Americas and 25.1 per cent in Europe and Central Asia. Employment in the informal economy is more prevalent in emerging and developing economies at (67.4 per cent and 89.8 per cent, respectively), demonstrating that a higher level of development leads to less informality.

16. There is no internationally agreed definition of “informal economy”, but the International Labour Organization (ILO), in paragraph 3 of its resolution concerning decent work and the informal economy of 2002, defined it as “all economic activities by workers and economic units that are – in law or in practice – not covered or insufficiently covered by formal arrangements”.⁷ In the same paragraph, it is stated that economic activities in the informal economy are either outside the reach of law or, while they operate within the reach of law, the law is not applied or enforced in practice. Many of the submissions received by the Special Rapporteur display similar understanding, although some variations are simultaneously recognized, such as the inclusion of the underground or illegal economy.

17. From this basic definition, some key characteristics can be identified. Many jobs in the informal economy are undeclared or unregistered, and labour relations are mainly based on casual employment, kinship or personal and social relations rather than contractual arrangements with formal guarantees.⁸ In other words, employment in the informal economy is often not sufficiently regulated or covered by national labour and social protection legislation.⁹ This lack of regulation or coverage is partly due to the fact that many informal workers and businesses do not pay income and

⁵ Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87); Equal Remuneration Convention, 1951 (No. 100); and Discrimination (Employment and Occupation) Convention, 1958 (No. 111).

⁶ ILO, *Women and Men in the Informal Economy: A Statistical Picture* (Geneva, 2018), p. 13.

⁷ The same definition was affirmed in recommendation No. 204 concerning the transition from the informal to the formal economy (2015).

⁸ Submissions by Mauritius, Mexico, Mongolia, Romania, Clínica de Enfrenta ao Trabalho Escravo Brazil, International Dalit Solidarity Network, Platform for International Cooperation on Undocumented Migrants and Rights Lab.

⁹ Report of the Seventeenth International Conference for Labour Statisticians (2003), p. 14; and European Parliament, “The Informal Economy and Coronavirus in Latin America” (May 2021), p. 2.

other taxes or contribute to social security schemes,¹⁰ which has been reported in all regions of the world.

18. In terms of working conditions, many jobs in the informal economy do not have predetermined working hours and are temporary in nature with no guarantee of long-term job security. The so-called jobs with “zero-hour contracts” represent a good example. It has been estimated in this regard that 56.7 per cent of workers globally are in this situation, with a higher percentage in low-income States (87.1 per cent) compared to high-income ones (17.7 per cent).¹¹ A high turnover of the workforce¹² is another aspect of the informal economy.

19. All of these in turn mean that informal workers face a higher risk of unemployment at short notice.¹³ The formal economy is not able to absorb these workers due to their frequent lack of education and vocational or skills training. This, coupled with a lack of social and labour protection, pushes them further into poverty and makes them more vulnerable to contemporary forms of slavery as they have very limited choices to make ends meet. This was particularly evident during the coronavirus disease (COVID-19) pandemic, when a large number of informal workers lost their jobs.¹⁴

20. In relation to other aspects of the informal economy, the working environment is often unsafe and unhealthy, and wages of workers tend to be lower than in the formal economy. This in turn means that informal workers often have to work longer hours. The gender pay gap must be emphasized as women earn even less than men in various parts of the world.¹⁵ There are other groups facing particular vulnerability, such as minorities, people discriminated against on the basis of their type of work or their descent and migrant workers, who are often forced to work with low or even no pay under harsh working conditions, which may amount to forced labour or servitude.¹⁶

21. Limited or no access to social security and other benefits in the informal economy is common. For instance, in Egypt, Thailand, Vanuatu and Viet Nam,¹⁷ annual and sick leave are not often granted to informal workers. Informal work in Cameroon, Guinea and Kazakhstan¹⁸ are not covered by the social security system. In Dominica, domestic workers are excluded from protection measures, such as redundancy pay, and households employing them do not have to provide a written contract.¹⁹ In addition, members of a scheduled caste (or Dalits) in South Asia, most of whom work in the informal economy owing to deep-rooted intersecting forms of

¹⁰ Submissions by Morocco, Romania, Facts and Norms Institute, New Zealand Human Rights Commission and Restavek Freedom.

¹¹ ILO, *Women and Men in the Informal Economy*, p. 59.

¹² ILO, *Organizing Informal Economy Workers into Trade Unions* (Geneva, 2019), p. 43.

¹³ F. Ohnsorge and S. Yu, (eds.), Overview, *The Long Shadow of Informality: Challenges and Policies* (International Bank for Reconstruction and Development/World Bank, 2021), p. 3; and International Monetary Fund (IMF), “Measuring the Informal Economy” (February 2021), p. 8.

¹⁴ T. Obokata, et al, “Good Practice in Protecting People from Modern Slavery during the COVID-19 Pandemic” (Modern Slavery and Human Rights Policy and Evidence Centre, 2021), p. 14.

¹⁵ [E/C.12/SEN/CO/3](#), para. 19; and [A/HRC/51/26/Add.1](#), para. 37.

¹⁶ [A/HRC/51/26](#), paras. 43 and 61.

¹⁷ ILO, *Women and Men in the Informal Economy*, p. 60; and A. Ciccone, M. Roncarati and T. Chaykamhang, “The Challenges of Youth and Informal Employment in Selected Asia-Pacific Countries” (Economic and Social Commission for Asia and the Pacific, 2019), p. 14.

¹⁸ [E/C.12/CMR/CO/4](#), para. 32; [E/C.12/GIN/CO/1](#), para. 26; and [E/C.12/KAZ/CO/2](#), para. 34.

¹⁹ Commonwealth Human Rights Initiative, “Domestic Work is Work: Using ILO Convention 189 to Protect Workers’ Rights Across the Commonwealth” (2021), p. 37.

discrimination, reportedly do not have sufficient access to social security, pensions and other relevant schemes.²⁰

22. Access to adequate health care among informal workers is also frequently limited because many of them are not able to pay for insurance.²¹ This leads to additional concerns since the rate of occupational accidents and illnesses is much higher in the informal economy, given that many such workers have to work in a physically and mentally demanding, dangerous or hazardous working environment, compared with workers in the formal economy.

23. Moreover, unlike formal workers, the bargaining powers of informal workers are weak, as many of them are neither properly represented in trade unions or employers' associations, nor able to organize themselves effectively to negotiate issues including wages, working hours and occupational health and safety.²² Migrants, particularly those with an irregular migration status, face even greater difficulties in unionizing.²³ In summary, decent work deficits as well as indicators of forced labour are prevalent in the informal economy, and the applicable international standards are not implemented properly in practice.

24. Globally, informality is more prevalent in rural areas (80 per cent) in sectors such as agriculture, livestock and mining, compared to urban areas (43.7 per cent).²⁴ Rural women are more likely to work in the informal sector than men.²⁵ However, informality is also evident in urban areas, in sectors including garment production, construction, manufacturing and sex work.²⁶ In many countries, poor rural and urban families are reported to send their children to wealthy households so that they can gain access to work and education.²⁷

25. According to ILO, the informal economy does not include illicit activities, such as the provision of services or the production, sale, possession or use of goods forbidden by law, including the illicit production and trafficking of drugs, the illicit manufacturing of and trafficking in firearms, trafficking in persons and money-laundering, as defined in the relevant international treaties.²⁸ The Special Rapporteur, however, considers that this approach raises questions from a human rights perspective, as many workers are forced into illegal activities, which amount to contemporary forms of slavery, with the involvement of criminals, many of whom belong to sophisticated organized criminal groups.²⁹

26. Making a distinction on the basis of legality also causes conceptual difficulties for some income-generating activities. Sex work is a good example of this as it is legal in some States and prohibited in others. The production and sale of some narcotics, such as cannabis, has also been legalized in an increasing number of States.

²⁰ A/HRC/51/26, para. 12; and submission by International Dalit Solidarity Network.

²¹ Organisation for Economic Co-operation and Development (OECD), *Tackling Vulnerability in the Informal Economy* (Paris, 2019), p. 80.

²² Ibid, p. 78; ILO resolution concerning decent work and the informal economy, para. 9; and ILO, *Organising Informal Economy Workers* (Geneva, 2019), p. 43.

²³ A. Triandafyllidou and L. Bartolini, "Irregular Migration and Irregular Work: A Chicken and Egg Dilemma", in *Migrants with Irregular Status in Europe: Evolving Conceptual and Policy Challenges*, S. Spencer and A. Triandafyllidou (eds.), (Springer, 2020), pp. 139–164.

²⁴ Submissions by ARISE, Facts and Norms Institute and Clinica de Enfrenta ao Trabalho Escravo Brazil; F. Ohnsorge, Y. Okawa and S. Yu, "Lagging Behind: Informality and Development" in *The Long Shadow of Informality*, p. 132; and ILO, *Women and Men in the Informal Economy*, p. 20.

²⁵ Committee on the Elimination of Discrimination against Women, general recommendation No. 34 (2016) on the rights of rural women, para. 48.

²⁶ Submissions by Mongolia and Facts and Norms Institute.

²⁷ Submission by Restavek Freedom; and A/HRC/45/8/Add.1, para. 39.

²⁸ ILO recommendation 204, para. 2.

²⁹ A/76/170, paras. 22–24.

Excluding these therefore increases a risk of stigmatizing certain workers even further. In this sense, the Special Rapporteur adopts a broader understanding of the informal economy to include illegal economic activities where appropriate.

V. Drivers of informality

27. There are various interlinked drivers of informality. To begin with, poor households are more likely to work in the informal economy. Poverty prevents children from gaining access to education and increases the risk of child labour. A lack of access to education and vocational training leads to low literacy, numeracy and skills among them, severely restricting their access to decent work. It has been pointed out in this regard that 93.8 per cent of workers with a low level or without education are in the informal economy.³⁰ Low wages and skills and a lack of sufficient social safety nets³¹ push informal workers further into poverty and increase the risk of contemporary forms of slavery among them.

28. Discrimination is another interlinked driver. Access to education and decent work is extremely limited or even non-existent for marginalized populations, including ethnic, linguistic or religious minorities, communities discriminated against on the basis of their type of work or their descent, indigenous peoples, migrant workers, older workers and workers with disabilities, due to intersecting forms of discrimination. In addition, women among these groups face discrimination based on gender. The resulting exclusion and inequalities force these marginalized populations to accept jobs in the informal economy that may be exploitative or abusive. While States around the globe have enacted anti-discrimination laws, the fact that these vulnerable populations are disproportionately represented in the informal economy shows that they are not effectively enforced in practice.

29. In addition, requirements and high costs associated with formalization also perpetuate informality.³² Informal businesses are often discouraged from formal registration due to tax and social security burdens, excessive bureaucracy or high fees incurred in during the process.³³ A related point is a lack of access to financial services for informal workers and businesses. Many workers do not have bank accounts,³⁴ and their inability to gain access to credit or loans means that they have to remain in the informal economy. In addition, informal workers may be compelled to seek assistance from unregulated and informal lenders who may charge unreasonable interests, pushing them into debt bondage. This has been observed during the Special Rapporteur's visit to Sri Lanka in 2021.³⁵ Female informal workers are in a more disadvantaged position.

30. It is also important to recognize that the demand for goods and services by consumers facilitates informality. This is evident in various sectors, including agriculture and the garment industry. The demand for domestic and care work also continues to exist or increase, in particular in developed States.³⁶ An additional dimension is the migration of foreign workers to make up labour shortages in certain sectors, where most jobs are in the informal economy. When destination States restrict

³⁰ OECD, *Tackling Vulnerability*, p. 33.

³¹ African Development Bank, *African Economic Outlook 2019* (Abidjan, 2019), p. 47.

³² Submissions by Mongolia and Morocco; and Shova Thapa Karki et al, "To Formalize or Not to Formalize: Women Entrepreneurs' Sensemaking of Business Registration in the Context of Nepal", *Journal of Business Ethics*, vol. 173 (2021), pp. 687 and 699.

³³ Submission by Seychelles, Türkiye, Fundación para la Democracia, and Restavek Freedom.

³⁴ Submission by Seychelles.

³⁵ [A/HRC/51/26/Add.1](#), paras. 44–49.

³⁶ Submission by Commonwealth Human Rights Initiative.

or do not provide regular pathways to migrate for employment, this often encourages migrants to travel through irregular channels with the use of traffickers and smugglers,³⁷ significantly increasing the risk of contemporary forms of slavery.

VI. Profiles of workers in the informal economy

31. In order to provide tailored protection that meets the specific needs of informal workers who are victimized in contemporary forms of slavery, it is important to gain further insight into their profiles. To begin with, in terms of gender representation, informal employment is reported to be a greater source of employment for men (63 per cent) than women (58.1 per cent) globally.³⁸ ILO notes in this regard that, out of 2 billion informal workers, 740 million are women. Male dominance has been reported in States including Brazil, Mexico, Mongolia and Seychelles.³⁹

32. However, the gender balance varies among regions. There are more female informal workers in developing States⁴⁰ compared to developed ones. In Africa, for instance, 89.7 per cent of women are reported to work in the informal economy.⁴¹ A similar picture emerges in some States in Asia, such as Cambodia, Indonesia, the Lao People's Democratic Republic and Myanmar, and a higher rate of informality among women has also been observed in Latin America and Türkiye.⁴² There is clear evidence of gender segmentation in informal employment. Certain jobs, such as in garment manufacturing, waste collection and domestic work,⁴³ are highly gendered, with more female workers being employed.

33. In relation to the age of workers, informality is reported to be higher for young people (aged 15–24 years). Globally, a greater proportion of young people (77 per cent or 328 million) belonging to that age group work in the informal sector, compared to adult workers (60 per cent).⁴⁴ In Asia and the Pacific, the figure is even higher, at 86.3 per cent.⁴⁵ It has been reported that, in Bangladesh, Cambodia, Nepal and Viet Nam, access to benefits, including annual or sick leave, pension contributions and medical insurance coverage for young workers are restricted or non-existent.⁴⁶ However, informal work among young people is also evidenced in developed States, including European Union member States.⁴⁷

34. Furthermore, child labour is rife in the informal economy. As noted above, poor families with no income security or social safety nets encourage their children to work

³⁷ Submission by Platform for International Cooperation on Undocumented Migrants.

³⁸ ILO, *Women and Men in the Informal Economy*, p. 20.

³⁹ Submissions by Mexico, Mongolia, Seychelles and Clínica de Enfrenta ao Trabalho Escravo Brazil.

⁴⁰ Women in Informal Employment: Globalizing and Organizing, *Women and Men in the Informal Economy – A Statistical Brief* (Geneva, 2019), p. 4; see also ILO, *Women and Men in the Informal Economy*, p. 4; and Economic Commission for Latin America and the Caribbean (ECLAC) and ILO, “The COVID-19 pandemic could increase child labour in Latin America and the Caribbean” (2020), p. 6.

⁴¹ ILO, *Women and Men in the Informal Economy*, p. 20.

⁴² Submissions by Türkiye and Fundación para la Democracia; and Quyhn Anh Nguyen and Nuno Meira Simoes da Cunha, *Extension of Social Security to Workers in the Informal Employment in the ASEAN Region* (ILO, 2019), p. 15.

⁴³ Submission by Facts and Norms Institute; ECLAC and ILO, “Employment Situation in Latin America and the Caribbean” (Santiago, 2020), p. 40; and ILO, *Interactions between Workers’ Organisations and Workers in the Informal Economy: A Compendium of Practice* (Geneva, 2019), pp. 49 and 83.

⁴⁴ ILO Monitor, “COVID-19 and the World of Work” (fourth edition), (Geneva, 2020).

⁴⁵ A. Ciccone et al, “The Challenges of Youth”, p. 4.

⁴⁶ *Ibid.*, p. 15.

⁴⁷ ILO, The informal economy in selected European Union countries, available at www.ilo.org/budapest/WCMS_751321/lang--en/index.htm.

in the informal economy. Of particular concern is the involvement of children in dangerous, physically and mentally demanding or hazardous work, which has been reported in States including Brazil, Cameroon, Ghana, Guinea, India, Mexico, Tajikistan, Turkmenistan, Senegal and Thailand.⁴⁸ Domestic servitude of children has also been found in Costa Rica, Haiti,⁴⁹ Togo and Sri Lanka.⁵⁰ Domestic labour laws in various States reportedly do not protect children working in the informal economy.⁵¹

35. Similarly, 77.9 per cent of older persons can be found in informal employment.⁵² Income insecurity is a serious concern for older persons in all regions of the world, forcing them to continue or go back to work. Those who have been working in the informal economy all of their lives are in a more disadvantaged position as they have not paid adequate social security and pension contributions.⁵³ Many jobs in the informal economy, such as domestic work, street vending and waste collection, are characterized by exploitative working conditions, and these undoubtedly affect the mental and physical well-being of older workers and their overall access to basic rights.

36. In addition, persons with disabilities are more likely to work in the informal economy. This may be based on discrimination, as employers in the formal economy may be reluctant to hire workers with disabilities.⁵⁴ They also earn lower wages than workers without disabilities.⁵⁵ Women with disabilities face an increased risk of labour and sexual exploitation in the informal economy and in unpaid work.⁵⁶ The COVID-19 pandemic had a particularly negative impact on them as many workers with disabilities lost their jobs, pushing them further into poverty due to the lack of access to social security.⁵⁷ In this regard, increased instances of begging by persons with disabilities during the COVID-19 pandemic has been reported in States including the Democratic Republic of the Congo and Zimbabwe.⁵⁸

37. Ethnic, religious or linguistic minorities are disproportionately represented in the informal economy in various parts of the world as many of such persons lack opportunities for decent work compared to the rest of the population due to

⁴⁸ Submission by Mexico; [E/C.12/BRA/Q/3](#), para. 15; [E/C.12/CMR/CO/4](#), para. 42; [A/HRC/37/3](#); [CRC/C/TJK/CO/3-5](#), para. 43; [A/HRC/39/3](#), para. 114; [E/C.12/SEN/CO/3](#), para. 19; and [CERD/C/THA/CO/4-8](#), para. 29.

⁴⁹ [A/HRC/50/15](#); and submission by Restavek Freedom.

⁵⁰ [CRC/C/CRI/CO/5-6](#), para. 45; [A/HRC/50/15](#); [A/HRC/45/8/Add.1](#), paras. 38–44; [A/HRC/51/26/Add.1](#), paras. 30–31.

⁵¹ United States of America Department of Labor, “2020 Findings on the Worst Forms of Child Labour” (2021), p. 42.

⁵² OECD, *Tackling Vulnerability*, p. 31; and ILO, *Women and Men in the Informal Economy*, p. 19.

⁵³ OECD, *Tackling Vulnerability*, p. 84; and Committee on the Elimination of Discrimination against Women general recommendation No. 27 (2010) on older women and the protection of their rights, para. 20.

⁵⁴ Department of Economic and Social Affairs, *From Exclusion to Equality: Realizing the rights of persons with disabilities* (Geneva 2007), Chap. 6.

⁵⁵ Department of Economic and Social Affairs, *Disability and Development Report* (New York, 2019), p. 158.

⁵⁶ Committee on the Rights of Persons with Disabilities, draft general comment on article 27 of the Convention on the Rights of Persons with Disabilities, para. 64.

⁵⁷ OHCHR and United Nations Partnership on the Rights of Persons with Disabilities, “The socioeconomic impact of COVID-19 on persons with disabilities” (May 2021), pp. 41, 45 and 51.

⁵⁸ *Ibid.*, p. 36; and United Nations Educational, Cultural and Scientific Organization (UNESCO), “Rapid Impact Assessment of COVID-19 on Persons with Disabilities in Zimbabwe” (Harare, 2020), p. 10.

pre-existing discrimination and social inequality and exclusion.⁵⁹ For instance, 66 per cent of waste collectors in Brazil are reported to be people of African descent.⁶⁰ A high concentration of Roma workers in the informal economy can also be found in Czechia, Latvia and Uzbekistan.⁶¹ In New Zealand, it has been reported that ethnic minorities are promised employment in the formal economy but instead often experience contemporary forms of slavery, including in volunteer work.⁶² People or communities discriminated against on the basis of their type of work or their descent also predominantly work in the informal economy, including in hazardous and undignified work like manual scavenging.⁶³

38. It should also be highlighted that 86.3 per cent of the global indigenous population reportedly work in the informal sector compared to 63 per cent for non-indigenous populations.⁶⁴ Many live in rural areas and engage in agriculture, manufacturing, mining and construction.⁶⁵ Informality among indigenous peoples is more prevalent in emerging and developing economies like Latin America and the Caribbean,⁶⁶ as well as in other regions. In New Zealand, for instance, the unemployment rate for Māori indigenous peoples is reported to be higher than others, pushing them into the informal economy.⁶⁷ It is also the case that more indigenous women are working in the informal economy than indigenous men.⁶⁸

39. Finally, domestic and international migrants in various parts of the world, including displaced persons,⁶⁹ predominantly work in the informal economy.⁷⁰ For international migrants, those with irregular status are often prevented from gaining access to the formal economy and taking up undeclared and unregulated jobs.⁷¹ Their status also makes it difficult to gain access to social and wider protection.⁷² Even with a regular migration status, many migrants face intersecting forms of discrimination, making them vulnerable to contemporary forms of slavery. This has been the case for Nicaraguan migrant workers in Chile⁷³ and African and Asian migrant workers in the Middle East.⁷⁴

⁵⁹ Submissions by ARIZE, New Zealand Human Rights Commission, Platform for International Cooperation on Undocumented Migrants, and Rights Lab and De Montfort University; see also Food and Agriculture Organization of the United Nations (FAO), “Impact of COVID-19 on Informal Workers” (Rome, April 2020), p. 3.

⁶⁰ ILO, *A Compendium of Practice*, p. 80.

⁶¹ CERD/C/CZE/CO/12-13, para. 15; E/C.12/LVA/CO/2, para. 23; and CERD/C/UZB/CO/10-12, para. 12.

⁶² Submission by New Zealand Human Rights Commission.

⁶³ A/HRC/51/26, paras. 12, 26 and 27.

⁶⁴ ILO, *Implementing the ILO Indigenous and Tribal Peoples Convention No. 169: Towards and inclusive, sustainable and just future* (Geneva, 2020), p. 16.

⁶⁵ Ibid., pp. 87–89, and submission by Clinica de Enfrenta ao Trabalho Escravo Brazil.

⁶⁶ ILO, *Implementing the ILO Indigenous and Tribal Peoples Convention No. 169*, p. 85.

⁶⁷ E/C.12/NZL/CO/4, para. 23; and submission by New Zealand Human Rights Commission.

⁶⁸ Committee on the Elimination of Discrimination against Women, draft general recommendation No. 39 on the rights of indigenous women and girls, para. 57.

⁶⁹ A/HRC/48/52, paras. 26–30.

⁷⁰ E/C.12/UKR/CO/7, para. 25; and E/C.12/KAZ/CO/2, para. 29.

⁷¹ Submissions by FLEX, La Strada International, Platform for International Cooperation on Undocumented Migrants and Rights Lab and De Montfort University.

⁷² CERD/C/THA/4-8, para. 31; and F. Bartolini et al, “Migrant Key Workers and Social Cohesion in Europe: A Comparative Field Study” (Foundation for European Progressive Studies and Think-Tank for Action and Social Change, 2022), pp. 57 and 60.

⁷³ ILO, *A Compendium of Practice*, p. 90.

⁷⁴ See A/HRC/51/26/Add.1, paras. 66–71; and Commonwealth Human Rights Initiative, “Domestic Work is Work”, p. 25.

VII. Informal employment sectors at risk of contemporary forms of slavery

40. Not all forms of employment in the informal economy suffer from decent work deficits or result in contemporary forms of slavery. Many workers freely or voluntarily choose particular jobs in such sectors. Temporary and part-time arrangements may also suit certain groups, such as parents, young people and seasonal migrant workers. Digitalization of some work in the so-called gig economy, such as transport and delivery services, have created job opportunities for many and have given them the freedom to choose when, how long and where to work. In addition, informal employment serves as an important source of income for a large number of workers, particularly in the global South.

41. However, some sectors in the informal economy represent a higher risk of contemporary forms of slavery. A clear example is agriculture, which displays the highest level of informality, at 93.6 per cent,⁷⁵ compared to others. Informality is prevalent in Africa, Asia, the Americas and Europe,⁷⁶ and a large number of seasonal workers migrate internally and across international borders to work in this sector on a temporary basis. While not all instances of labour in agriculture amount to contemporary forms of slavery, instances of child, forced or bonded labour have been observed in various regions, including Latin America, South Asia, Africa, as well as European Union member States.⁷⁷

42. Domestic and/or care work is another example of informal employment with high degrees of exploitation. It is reported to be the least regulated sector in all regions of the world,⁷⁸ with 81.2 per cent of workers being informally employed.⁷⁹ Multiple layers of tasks, such as caring and household responsibilities, and working arrangements including living in or out, having single or multiple employers and the involvement of recruitment agencies lead to legislative or regulatory fragmentations.⁸⁰ Non- or underpayment of wages, long working hours and other exploitative working conditions, as well as a lack of or limited access to social protection, have been reported in States including Germany, Israel, Mexico and Spain,⁸¹ as has the inability to change employers, for example under the *kafala* sponsorship system in some Gulf States or sponsorship programmes elsewhere, such as in the United Kingdom of Great

⁷⁵ ILO, *Profits and Poverty: The Economics of Forced Labour* (Geneva, 2014), p. 19; and ILO, *Women and Men in the Informal Economy*, p. 20.

⁷⁶ Submissions by Türkiye and Fundación para la Democracia; D.S. Nightingale and S.A. Wander, “Informal and Nonstandard Forms of Employment in the United States” (The Urban Institute, 2011); IMF, “Measuring the Informal Economy”, p. 27; and European Parliament, “The Informal Economy and Coronavirus”, p. 2.

⁷⁷ Submissions by Romania and Türkiye, ARISE, Fundación para la Democracia and International Dalit Solidarity Network; European Parliament, “Migrant seasonal workers in the European agricultural sector” (February 2021); L. Palumbo and A. Corrado (eds.), “Are Agri-Food Workers only Exploited in Southern Europe?” (Open Society Foundation, 2020); and Walk Free Foundation, “Harnessing the Power of Business to End Modern Slavery” (2016).

⁷⁸ E/C.12/BOL/CO3 (2021), para. 28; L. Acciari, “Decolonizing Labour, Reclaiming Subaltern Epistemologies: Brazilian Domestic Workers and the International Struggle for Labour Rights”, *Revista Contexto Internacional*, 41 (01), pp. 39 and 43 (April 2019); and ILO, *A Compendium of Practice*, pp. 29, 59 and 74.

⁷⁹ ILO, “Making Decent Work a Reality for Domestic Workers: Progress and prospects ten years after the adoption of the Domestic Workers Convention, 2011 (No. 189)” (Geneva, 2021).

⁸⁰ Platform for International Cooperation on Undocumented Migrants, “Step Up Efforts Towards Decent Work for Domestic Workers in the EU” (2021), pp. 13–14.

⁸¹ *Ibid.*, p. 11; and submissions by Israel and Mexico.

Britain and Northern Ireland.⁸² Women, children, minorities and migrant workers are particularly at risk of domestic servitude.⁸³

43. In addition, people working in the manufacturing sector are vulnerable to contemporary forms of slavery. Approximately 33 per cent of businesses in this industry in emerging markets and developing economies are reported to be informal.⁸⁴ The sector is labour-intensive and physically demanding and often lacks adequate health and safety measures to protect workers' mental and physical well-being. Forced and bonded labour of workers in the garment and brick kiln manufacturing industries in South and South-East Asia are well documented,⁸⁵ but these instances have also been reported in States such as Canada and the United Kingdom.⁸⁶

44. Mining is another sector at risk of contemporary forms of slavery. In particular, the use of children in States such as Angola, Bolivia (Plurinational State of), Burkina Faso, the Democratic Republic of the Congo and Mongolia has been widely reported.⁸⁷ Child labour is commonly found in artisanal and small-scale mining,⁸⁸ which demonstrates a high degree of informality. The involvement of organized criminal and armed groups in this sector has also been recognized,⁸⁹ increasing the level of victimization.

45. Moreover, construction is often characterized by the temporary and casual nature of employment, long working hours and a lack of social or labour protection and adequate health and safety in the workplace. This is prevalent in urban areas of many developing States.⁹⁰ In Pakistan, over 95 per cent of employment in construction is reported to be informal, and a high level of informality (over 85 per cent) has been observed in others such as Kyrgyzstan, the United Republic of Tanzania and Zambia.⁹¹ However, exploitation and abuse in this industry can also be observed in other regions, such as the Middle East and Europe.⁹²

⁸² Submission by Commonwealth Human Rights Initiative; and B.L. Nisrane, R. Ossewaarde and A. Nee, "The Exploitation Narratives and Coping Strategies of Ethiopian Women Return Migrants from the Arabian Gulf", *Gender, Place and Culture*, vol. 27, iss. 4, p. 568 (2020).

⁸³ [CMW/C/RWA/CO/2](#), para. 29; [CMW/C/MDG/CO/1](#), para. 29; and submissions by ARISE, Commonwealth Human Rights Initiative, Platform for International Cooperation on Undocumented Migrants, Restavek Freedom and Rights Lab.

⁸⁴ Ohnsorge and Yu, Overview, p. 7.

⁸⁵ Submission by International Dalit Solidarity Network; Kratika Choubey, et al, "Informal workers in fashion supply chains" (The Alan Turing Institute, 2021), p. 10; and Asia Floor Wage Alliance, "Money Heist: COVID-19 Wage Theft in Global Garment Supply Chains" (2021).

⁸⁶ Global Slavery Index 2018, available at www.globalslaveryindex.org/2018/findings/country-studies/canada/; and Labour Behind the Label, "Boohoo and COVID-19: The people behind the profits" (Bristol, United Kingdom, 2020).

⁸⁷ [CCPR/C/AGO/CO/2](#), para. 33; [CRC/C/BOL/5-6](#), para. 244; [A/HRC/39/4](#), para. 125; [CCPR/C/COD/CO/4](#), para. 45; and [CRC/C/MNG/CO/5](#), para. 30.

⁸⁸ ILO, "Child Labour in Mining and Global Supply Chain" (Geneva, 2019).

⁸⁹ Global Initiative against Transnational Organized Crime, "Organized Crime and Illegally Mined Gold in Latin America" (Geneva, 2016).

⁹⁰ Submission by Seychelles; and Women in Informal Employment: Globalizing and Organizing, "The Informal Economy in Arab Nations: A Comparative Perspective" (Manchester, United Kingdom, 2017), p. 14.

⁹¹ Infrastructure and Cities for Economic Development, "Construction Sector Employment in Low Income Countries" (2018), p. 15.

⁹² Submissions by Romania, La Strada International and the New Zealand Human Rights Commission; Equidem, "Exposed: Discrimination and Forced Labour Practices at Expo 2020 Dubai"; Amnesty International, "Reality Check: The State of Migrant Workers' Rights with Four Years to Go Until the Qatar 2022 World Cup" (London, 2019); and Council of Europe Group of Experts on Action against Trafficking in Human Beings, evaluation reports for Italy (2019), Latvia (2022), Switzerland (2019) and the United Kingdom (2021), available from www.coe.int/en/web/anti-human-trafficking/country-monitoring-work.

46. Finally, sex work is an example of informal work that often leads to exploitation and abuse. It is not properly regulated in a large number of States, with the result that many sex workers are not entitled to social and other protection in times of need. Where sex work is criminalized, workers are often under the influence of criminals, many of whom are part of sophisticated organized criminal groups. Additional factors, such as minority and migration status, as well as caste or descent-based discrimination, make sex workers of all gender identities and sexual orientations extremely vulnerable to forced prostitution and other forms of sexual exploitation. It has been reported in this regard that Dalit women and girls in Nepal as well as ethnic minority and migrant women in Latin America are often targeted for trafficking and sexual exploitation.⁹³ Migrants in other regions, particularly undocumented ones, are equally vulnerable to these practices.⁹⁴

VIII. Challenges in preventing contemporary forms of slavery in the informal economy

47. The informal economy can serve as a cause of contemporary forms of slavery, and there are key challenges to overcome in this regard. To begin with, the informal economy continues to be under- or unregulated at a global scale, creating protection gaps, particularly among women, children, young people, minorities, people discriminated against on the basis of their type of work or their descent, indigenous peoples, older workers, workers with disabilities and migrant workers. This underscores the need for more proactive legislative or regulatory intervention in order to register informal work, guarantee the rights of informal workers and prevent their victimization in contemporary forms of slavery.

48. Even where there are legal or regulatory frameworks, complex bureaucracy and a lack of sufficient information are reported to discourage informal businesses from registering formally.⁹⁵ A related point is the high costs associated with formalization, as noted above. In this regard, the inability or unwillingness of informal workers and businesses to make tax and social security contributions has been widely recognized as an issue.⁹⁶ Low wages and financial exclusion are among the main reasons, but this effectively deprives these workers of opportunities to seek economic and social assistance.

49. There is therefore a pressing need for national and local authorities to adopt creative, non-bureaucratic ways to encourage informal workers and businesses to register formally and make appropriate tax and social security contributions that are not overly burdensome. In so doing, it is important to promote a participatory and human rights-based approach where affected workers and businesses, financial institutions, trade unions and civil society organizations participate actively in all decision-making processes in order to adopt and implement appropriate responses. Gender mainstreaming is also vital as female and male workers are disproportionately represented in certain sectors. Additional measures such as access to financial

⁹³ [A/HRC/41/42/Add.2](#), para. 50; [CMW/C/ARG/CO/2](#), para. 50; [CMW/C/GTM/CO/2](#), para. 28; [CEDAW/C/CRI/CO/7](#), para. 20; [CEDAW/C/PRY/CO/7](#), para. 22; [CMW/C/CHL/CO/2](#), para. 59; submission by International Dalit Solidarity Network; and consultation with civil society organizations in Latin America.

⁹⁴ Submissions by New Zealand Human Rights Commission and Platform for International Cooperation on Undocumented Migrants.

⁹⁵ Submissions by Mongolia, Morocco, Türkiye and Fundación para la Democracia, and Restavek Freedom; and ILO, “Role of Finance in Driving Formalisation of Informal Enterprises” (Geneva, 2016), pp. 10–11.

⁹⁶ Submissions by Mauritius, Fundación para la Democracia and Restavek Freedom; and ILO, “Role of Finance”.

services for informal workers and businesses and proactive criminal asset recovery should be implemented alongside the formalization processes.

50. Another challenge is the enforcement of relevant labour laws and regulations. Effective labour inspection is key in this regard, but major shortcomings have been also identified in various sectors of the informal economy, such as domestic work and agriculture.⁹⁷ Inspections tend to be reactive rather than proactive, in that they happen after authorities receive complaints from affected workers or others.⁹⁸ It has also been reported that they do not extend to informal jobs in many cases,⁹⁹ and many workers do not report instances of exploitation and abuse out of a fear of unemployment, a lack of alternative employment or knowledge about reporting mechanisms, or language difficulties.¹⁰⁰ Corruption also plays a role in some instances, leading to impunity even if labour exploitation has been identified.¹⁰¹ It is therefore clear that more robust institutional mechanisms and systematic, proactive labour inspection are needed to identify contemporary forms of slavery in the informal sector.

51. In addition, access to justice and remedies by victims of contemporary forms of slavery in the informal economy must be strengthened. Globally, grievance and dispute resolutions services are limited or non-existent for domestic and foreign informal workers.¹⁰² Even when access to justice and remedies are available in principle, a lack of sufficient information about such processes prevents workers from utilizing the mechanisms in practice.¹⁰³ Foreign workers are particularly vulnerable as they are often not familiar with national legislative and procedural frameworks on workers' rights, coupled with language difficulties and a fear of losing their jobs. It has also been pointed out that a fear of reprisals by employers and of law enforcement action due to irregular immigration status¹⁰⁴ are additional factors that discourage affected workers and victims of contemporary forms of slavery from coming forward.

52. Furthermore, workers' difficulties in organizing and unionizing in the informal economy is another challenge.¹⁰⁵ Establishing trade unions or recruiting workers to join them is a challenging task as many, particularly domestic and other home-based informal workers, are invisible and may not have time for other activities due to long working hours. Other issues, such as capacity, representativeness and sustainability of union organizations, have also been raised as challenges. It is therefore evident that the bargaining power of informal workers is limited or non-existent, making them more vulnerable to exploitation and abuse at the hand of businesses and employers.

⁹⁷ [E/C.12/SEN/CO/3](#), para. 19; [A/HRC/42/44/Add.1](#), para. 96; and submissions by Israel, New Zealand Human Rights Commission and Tamil Nadu Domestic Workers' Welfare Trust.

⁹⁸ Submissions by Clínica de Enfrentamento ao Trabalho Escravo Brazil, FLEX and New Zealand Human Rights Commission.

⁹⁹ Submission by La Strada International; and Nguyen and da Cunha, *Extension of Social Security*, p. 34.

¹⁰⁰ Submission by Rights Lab and De Montfort University.

¹⁰¹ [A/HRC/42/44/Add.1](#), para. 96.

¹⁰² Submissions by La Strada International, New Zealand Human Rights Commission and Platform for International Cooperation on Undocumented Migrants.

¹⁰³ Submissions by Mauritius, FLEX, and Rights Lab and De Montfort University.

¹⁰⁴ Submissions by Commonwealth Human Rights Initiative, FLEX and Platform for International Cooperation on Undocumented Migrants.

¹⁰⁵ United Nations Development Programme, "Organizing Informal Workers: Benefits, Challenges and Successes" (New York, 2015), p. 25.

IX. Positive developments in addressing the challenges related to work in the informal sector

53. It is encouraging that governmental and non-governmental actors have taken various steps to address ongoing challenges in order to prevent contemporary forms of slavery within the informal economy. The present report highlights some positive developments in this regard. Given the complex nature and extent of the informal economy, there is no one-size-fits-all approach. The acceptability, affordability and effectiveness of the measures adopted are also influenced by the social, cultural, economic and political situations of each State. The aim of the present section is not to advocate for a particular approach, but rather to showcase some examples that may be considered by relevant stakeholders.

54. To begin with, a number of States have taken legislative steps to secure rights and benefits for informal workers. Rwanda,¹⁰⁶ for instance, guarantees equal pay, protection from discrimination, social security and health and safety at work for all informal work and workers.¹⁰⁷ Domestic work in France,¹⁰⁸ Morocco,¹⁰⁹ the Philippines¹¹⁰ and South Africa¹¹¹ is recognized in their respective national legal frameworks, where employment contracts, minimum wages, working hours, annual or maternity leave, compensation in the event of unemployment and wider social protection have been provided. In Brazil, the formalization of the waste collection sector has been facilitated through the recognition of this occupation in the “Brazilian classification of occupations”, and cooperatives in this sector have introduced employment contracts.¹¹² Furthermore, in order to prevent migrant workers from exploitation and abuse, Israel has concluded agreements with sending States and put in place mechanisms to oversee recruitment and process complaints.¹¹³

55. Registration of informal businesses has also been promoted by various States. In Argentina, Law No. 26.940 (2014) established the public registry of employers with sanctions to encourage employers to register. Seychelles provides incentives such as subsidization of fuels and animal feeds, as well as lower taxes in sectors such as agriculture and fishery, in order to boost registration of employers,¹¹⁴ and similar measures have been implemented in Chile and Türkiye, where micro- and small businesses receive some tax exemptions and credits.¹¹⁵

56. Collection of taxes in the informal economy has also been implemented. Argentina, Colombia and Uruguay have introduced a simplified tax payment system (monotax) that combines income tax, value added tax and social security contributions.¹¹⁶ The amount of taxes to be paid is determined by criteria such as annual turnover, consumption of electricity or location of businesses.¹¹⁷ Simplified tax systems have also been implemented in States including Ghana, the Russian

¹⁰⁶ Law No. 66/2018.

¹⁰⁷ CMW/C/RWA/CO/2, para. 29.

¹⁰⁸ A national collective agreement in force since 1999. ILO, *A Compendium of Practice*, p. 104.

¹⁰⁹ Law No. 19.12 of 2017 on the conditions of work and employment of domestic workers.

¹¹⁰ Republic Act No. 10361 on domestic workers (2013); and Republic Act No. 11210 on expanded 105-day maternity leave (2019).

¹¹¹ Commonwealth Human Rights Initiative, “Domestic Work is Work”, p. 47.

¹¹² Submission by Facts and Norms Institute; and ILO, *A Compendium of Practice*, p. 80.

¹¹³ Submission by Israel.

¹¹⁴ Submission by Seychelles.

¹¹⁵ Submission by Türkiye; and Industrial Enterprises Act 2016 (Chile).

¹¹⁶ ILO, *Extending social security to workers in the informal economy* (Geneva, 2021), p. 16; L. Abramo, *Policies to address the challenges of existing and new forms of informality in Latin America* (ECLAC, 2022), p. 66.

¹¹⁷ Research, Network and Support Facility, “Policies on Informal Economy: A Global Overview” (2018), p. 65.

Federation, the United Republic of Tanzania and Zambia.¹¹⁸ Furthermore, in taking into consideration the unpredictable and volatile incomes for informal workers, the Republic of Korea and Viet Nam have introduced flexible payment schedules.¹¹⁹

57. There have also been positive developments in promoting financial inclusion. Angola introduced simplified bank accounts accessible by businesses and workers in the informal economy in 2020,¹²⁰ and in the Philippines the Republic Act 9178 (the Barangay Micro Business Enterprise Act) of 2002 provides for special credits and incentives to financial institutions to extend loans. The establishment of cooperatives for informal workers is another positive aspect of financial inclusion. These are owned and run by informal workers themselves and designed to meet the economic, social and cultural needs of their members. Savings and credit accounts as well as workers' funds have been created in Malawi,¹²¹ and a cooperative for migrant domestic workers in Ireland provides benefits such as pension for migrant domestic workers.¹²² In addition, the Self-Employed Women's Association in India provides insurance.¹²³

58. Furthermore, an increasing number of States have started to provide or extend social and other protection to informal workers. In Eswatini and Slovakia, all types of work, including informal work without contracts, are included in the social security system, and Malaysia, South Africa and Viet Nam have extended social insurance coverage to temporary seasonal and domestic workers.¹²⁴ Mongolia¹²⁵ recently revised its legislation on small and medium-sized enterprises, making them eligible for State support, including social and labour protection for their workers.

59. Given that many informal workers may not be able to pay social security contributions, some Governments have implemented measures to promote their inclusion. In this regard, Brazil subsidizes social security contributions for low-income workers, including those who are self-employed.¹²⁶ In States including Bolivia (Plurinational State of), Lesotho, Thailand and Timor Leste, non-contributory pension schemes, funded entirely by respective Governments, have been introduced¹²⁷ so that everyone can get some level of pension after retirement. The desirability for non-contributory social protection for everyone, including migrant workers, has been acknowledged by human rights bodies.¹²⁸

60. In facilitating registration and providing social protection, modern technology is increasingly being used to identify and register informal workers. A good example is "e-Shram" established in India,¹²⁹ a national database of unorganized workers,

¹¹⁸ Submission by the Russian Federation; and ActionAid, "Taxation of the informal sector" (Johannesburg, 2018).

¹¹⁹ Nguyen and da Cunha, *Extension of Social Security*, p. 71.

¹²⁰ Alliance for Financial Inclusion, "Bringing the Informal Sector Onboard" (Kuala Lumpur, 2021), pp. 12–13.

¹²¹ ILO, *Organising Informal Economy Workers*, p. 29.

¹²² Platform for International Cooperation on Undocumented Migrants, "Step Up Efforts", p. 16.

¹²³ ILO, *A Compendium of Practice*, p. 53.

¹²⁴ Nguyen and da Cunha, *Extension of Social Security*, p. 60; and ILO, *Extending Social Security*, p. 16.

¹²⁵ Submission by Mongolia.

¹²⁶ Nguyen and da Cunha, *Extension of Social Security*, p. 63.

¹²⁷ ILO, *Extending Social Security*, p. 42.

¹²⁸ Committee on Economic, Social and Cultural Rights, general comment No. 19 (2007) on the right to social security, paras. 4, 15, 23, 32, 37, 38 and 50; Committee on the Elimination of Discrimination against Women, draft general recommendation No. 39, para. 72; Committee on the Elimination of Discrimination against Women, general recommendation No. 34, para. 41; and Committee on the Protection of the Rights of All Migrant Workers and Members of Their Families, general comment No. 2 (2013) on the rights of migrant workers in an irregular situation and members of their families, para. 70.

¹²⁹ <https://eshram.gov.in/e-shram-portal>.

including gig, construction and migrant workers, which matches workers with relevant social security schemes. As of November 2021, 6 million workers were reported to have registered and were able to gain access to social benefits and welfare schemes.¹³⁰ Electronic or digital registration and/or payment through mobile telephones and other digital technologies have also been implemented in Costa Rica, Indonesia, Kenya, Singapore, the Russian Federation, Uganda and Uruguay.¹³¹

61. Equally important for ensuring decent work is the provision of health care for informal workers. In Thailand, informal workers are included in the non-contributory universal health coverage scheme funded by the Government.¹³² Similarly, Viet Nam and the Philippines subsidize 100 per cent of health coverage for vulnerable populations and communities, including poor households, ethnic minorities living in certain deprived areas, older workers and workers with disabilities.¹³³ In Germany, undocumented workers have the same rights as others when it comes to access to a social accident insurance scheme that covers medical and rehabilitation expenses for workplace accidents,¹³⁴ a measure also adopted by the Republic of Korea.¹³⁵

62. Furthermore, the Special Rapporteur is encouraged to learn that trade unions and workers' organizations around the world have been instrumental in protecting the rights of informal workers and preventing them from being victimized in contemporary forms of slavery. For instance, trade unions in Burundi, Uganda and the United Republic of Tanzania already represent informal workers, and some offer reduced fees or flexible membership in order to encourage them to join.¹³⁶ Trade unions in Argentina, Ghana, Nepal, Malawi and Peru¹³⁷ have also helped informal workers to unionize or organize so that they can work with employers and States to advance their rights to work and have access to just and favourable conditions of work.

63. In addition, many trade unions and workers' organizations provide a wide range of additional services to informal workers in cooperation with Governments and the private sector. The Confederation of Indonesia Prosperity Trade Union and the Indonesian Migrant Workers Union have successfully lobbied the Indonesian Parliament to adopt the Law on Protection of Migrant Workers (No. 18/2017), which includes Indonesian nationals working abroad in the social security system.¹³⁸ In Senegal, the National Confederation of Workers of Senegal helped to regularize 1,500 workers in the security sector by creating a medical insurance scheme and promoting pension contributions.¹³⁹

¹³⁰ Commonwealth Human Rights Initiative, "Domestic Work is Work", p. 33; and Oxfam India, "Registration of Workers on e-Shram Continues", 28 April 2022. Available at www.oxfamindia.org/featuredstories/registration-workers-e-shram-continues.

¹³¹ Submission by the Russian Federation; Nguyen and da Cunha, *Extension of Social Security*, pp. 72–73; and Abramo, *Policies to address the challenges*, p. 68.

¹³² Chamnong Thanapop, Sasithorn Thanapop and Sukanya Keam-Kan, "Health Status and Occupational Health and Safety Access among Health Workers in Rural Community, Southern Thailand", *Journal of Primary Care and Community Health*, vol. 12, Jan–Dec 2021.

¹³³ Nguyen and da Cunha, *Extension of Social Security*, pp. 64–65.

¹³⁴ Platform for International Cooperation on Undocumented Migrants, "A Worker is a Worker: How to Ensure that Undocumented Migrant Workers Can Access Justice" (2020), pp. 43–44. Available from <https://picum.org/wp-content/uploads/2020/03/A-Worker-is-a-Worker-full-doc.pdf>.

¹³⁵ Labour Standards Act, 2012; Employment Insurance Act, 1993; and Act on the Employment etc. of Foreign Workers, 2003.

¹³⁶ ILO, *A Compendium of Practice*, pp. 29–30; ILO, *Organising Informal Economy Workers*, pp. 20 and 26; and Bartolini, et al, "Migrant Key Workers", p. 68.

¹³⁷ ILO, *A Compendium of Practice*, pp. 35 and 41; and ILO, *Organising Informal Economy Workers*, pp. 20, 33 and 43.

¹³⁸ ILO, *A Compendium of Practice*, p. 56.

¹³⁹ *Ibid.*, p. 44.

64. Concerning the improvement of working conditions within the informal economy, in 2018 Jamaica raised the minimum wage for domestic workers to match that for other jobs and enacted sexual harassment legislation to protect domestic workers from violence and harassment in the workplace.¹⁴⁰ The French Labour Code treats undocumented workers equally and contains provisions on wages, working hours, annual leave and health and safety at work.¹⁴¹ The legislative frameworks on working conditions in Mauritius, including wages, occupational health and safety and the retirement fund, apply to formal and informal workers without distinction, including migrant workers.¹⁴²

65. In relation to labour inspection, which is vital in identifying instances of contemporary forms of slavery at an early stage, Uruguay established a dedicated unit for domestic work within the labour inspectorate that is legally authorized to inspect private homes. In China and Malaysia, technologies such as global positioning systems, mobile telephone applications and advanced data processing systems have been used to identify unregistered businesses and employers as well as malpractices.¹⁴³ Some, like Mauritius, have a dedicated unit for vulnerable groups such as migrant workers,¹⁴⁴ and Türkiye conducts targeted inspections by conducting regular risk assessments of the informal sectors.¹⁴⁵

66. Furthermore, skills development and training are actively promoted in a number of States, often in conjunction with non-State actors. In Jordan, Syrian refugees have been able to gain access to the formal labour market through skills development, accreditation and job placement.¹⁴⁶ Italy provides training on occupational health and safety for domestic workers and their professional certification free of charge.¹⁴⁷ In addition, a number of European States have regularized the immigration status of undocumented workers, thereby allowing them access to education, training and decent work.¹⁴⁸

67. Finally, various measures have been implemented in order to mitigate the impact of the COVID-19 pandemic on informal workers. In Indonesia, unemployed persons have been given an employment card that entitled them to receive an allowance and vocational training.¹⁴⁹ Wider economic assistance has been given to informal businesses in Burkina Faso, Denmark and Gabon.¹⁵⁰ In addition to national workers, cash grants and other financial support have been provided to migrant workers in Chile, South Africa and Tunisia,¹⁵¹ and an extension of residence/work permits has been implemented in Australia, Bahrain, Bulgaria, Croatia, France, Greece, Italy, Japan, New Zealand, Norway, Poland, Portugal, Spain, Thailand and the United Kingdom.¹⁵²

¹⁴⁰ Commonwealth Human Rights Initiative, “Domestic Work is Work”, pp. 41–42.

¹⁴¹ *Code du travail*, article L. 8252-1-2.

¹⁴² Submission by Mauritius.

¹⁴³ Nguyen and da Cunha, *Extension of Social Security*, p. 75.

¹⁴⁴ Submission by Mauritius.

¹⁴⁵ Submission by Türkiye.

¹⁴⁶ ILO, *A Compendium of Practice*, p. 68.

¹⁴⁷ DOMINA, Annual Report on Domestic Work (2020), Chap. 2.

¹⁴⁸ Submissions by La Strada International and Rights Lab; and Platform for International Cooperation on Undocumented Migrants, “Regularisation and Access to a Secure Residence Status” (2022).

¹⁴⁹ ILO, Country Policy Responses in Indonesia (August 2021); and FAO, “Impact of COVID-19”, p. 3.

¹⁵⁰ ILO, *A quick reference guide to common COVID-19 policy responses* (Geneva, September 2020), p. 18.

¹⁵¹ Asian Development Bank, “Coming Out Stronger from Covid-19: Policy Options on Migrant Health and Immigration” (October 2020), pp. 6–7.

¹⁵² World Bank, “Potential Responses to the COVID-19 Outbreak in Support of Migrant Workers” (June 2020), pp. 20–33.

X. Conclusions and recommendations

A. Conclusions

68. The informal economy can serve as a cause of contemporary forms of slavery as decent work deficits and indicators of exploitation are recognized in a number of sectors in all regions of the world. Various conditions and characteristics inherent in the sector, such as casualization, a lack of formal registration, contracts and social/economic protection, as well as precarious working conditions, increase the risk of victimization in these practices. There are number of drivers that promote informality, such as poverty, discrimination and high costs and financial exclusion. Groups including women, young people, minorities, indigenous peoples, older workers, workers with disabilities and migrant workers are particularly affected by informality.

69. While not all forms of informal work are exploitative or abusive, a clear link between informality and contemporary forms of slavery can be observed in certain sectors, including agriculture, domestic work, manufacturing, mining, construction and sex work. There are ongoing challenges that need to be addressed in order to prevent informal workers from being exploited. Among others, the absence of a legislative or regulatory framework for formal registration and effective labour inspection, as well as limited access to justice and remedies and difficulties in exercising trade union rights, are preventing a transition from the informal to the formal economy, thereby leaving informal workers vulnerable to exploitation and abuse.

70. Both State and non-State entities in all regions of the world are taking steps to facilitate the transition to the formal economy and protect the rights of informal workers. States are increasingly implementing legislative or regulatory intervention to secure the rights to work and just and favourable conditions of work for informal workers and promoting formal registration of informal businesses through the provision of incentives. Various States in cooperation with financial institutions and trade unions are also extending economic and social protection, financial inclusion and other forms of assistance. Finally, considerable efforts have been put into education and training for informal workers so that they are able to enter the formal economy.

71. There is no one-size-fits-all approach, as the rate of transition from the informal to the formal economy is inevitably influenced by economic, social, political and cultural factors in each State. Therefore, tailored solutions that respond to these factors must be carefully considered and implemented. It is also essential that the needs of women, young people, older workers, migrant workers, minorities, indigenous peoples and workers with disabilities are adequately addressed. Finally, all relevant stakeholders, including national, regional or international financial institutions, national human rights institutions, civil society organizations, trade unions, as well as informal workers should participate actively in decision-making in order to promote a more effective and joined-up approach. This will facilitate the transition from the informal to the formal economy more smoothly and prevent contemporary forms of slavery in all sectors.

B. Recommendations

72. The Special Rapporteur recommends that States:

- (a) **Implement all relevant international human rights and labour instruments at the national level in order to protect the rights of workers in the informal economy from contemporary forms of slavery;**
- (b) **Promote the transition from the informal to the formal economy in order to reduce decent work deficits and prevent contemporary forms of slavery;**
- (c) **Consult and actively involve all relevant national, regional and international stakeholders and partners, including informal workers and businesses, in developing appropriate measures to facilitate the transition. Intersectional dimensions, such as gender, age, disability, minority, indigenous, inherited and migration status, must be carefully considered and reflected;**
- (d) **Guarantee the rights of all informal workers without discrimination, particularly in areas related to wages, working conditions, contracts, annual/sick leave, access to social, economic and health protection, through national legislation and regulations;**
- (e) **Formally register informal businesses and employers. In order to encourage them to do so, provide sufficient information and incentives, including but not limited to simplified registration procedures, reduced fees, tax exemptions and access to financial services;**
- (f) **Adopt creative ways to encourage informal workers and businesses to make appropriate tax and social security contributions, such as the introduction of simplified tax systems;**
- (g) **Promote the effective financial inclusion of informal workers and businesses by working closely with national financial institutions and other regional and international partners;**
- (h) **Ensure that informal businesses and employers comply with the Guiding Principles on Business and Human Rights through awareness-raising, training and regular monitoring of their business operations;**
- (i) **Strengthen labour inspection in the informal economy in order to detect instances of contemporary forms of slavery. Allocate sufficient human and financial resources for this purpose;**
- (j) **Take firm action against informal businesses and employers that engage in contemporary forms of slavery through effective civil and criminal sanctions;**
- (k) **Secure access to justice and remedies for all victims of contemporary forms of slavery in the informal economy, including documented and undocumented migrant workers. Allocate sufficient resources and provide accurate information to affected workers;**
- (l) **Guarantee equal access to education, vocational training and decent work for all informal workers without discrimination. Work cooperatively with educational institutions, governmental authorities, national human rights institutions and civil society organizations for this purpose;**
- (m) **Where appropriate, adopt temporary special measures to enhance qualifications and employability for groups such as women, children and young people, minorities, indigenous peoples, communities discriminated against on the basis of their type of work or their descent, older workers, workers with disabilities and migrant workers;**

(n) **Guarantee trade union rights for all informal workers, including documented and undocumented migrants. Work with businesses and trade unions cooperatively for this purpose;**

(o) **Collect and regularly update disaggregated data on the nature and extent of the informal economy and its linkage with contemporary forms of slavery.**

73. The Special Rapporteur recommends that informal businesses and employers:

(a) **Implement all relevant international human rights and labour instruments at the national level in order to protect the rights of workers in the informal economy from contemporary forms of slavery;**

(b) **Take steps to promote a transition from the formal to the informal economy by registering businesses and making appropriate tax and social security contributions;**

(c) **Guarantee and protect the rights to work and just and favourable conditions of work for all informal workers in areas such as wages, working hours and access to annual, sick and maternity leave. Provide accurate information, including access to justice and remedies, to all of their employees in languages they understand;**

(d) **Recognize and guarantee trade union rights for workers, including migrants;**

(e) **Cooperate fully with the labour inspectorate and improve the conditions of work for workers where appropriate.**

74. The Special Rapporteur recommends that trade unions and civil society organizations:

(a) **Continue efforts in protecting the rights of informal workers through research, advocacy and tailored assistance;**

(b) **Raise awareness about contemporary forms of slavery in the informal economy among the general public and relevant stakeholders;**

(c) **Provide accurate information about rights and entitlements to all informal workers, including migrants;**

(d) **Empower informal workers so that they can organize themselves and strengthen their bargaining powers. Cooperate with Governments and businesses for this purpose.**