



International
Labour
Organization

MSME resilience for inclusive and sustainable recovery in Zimbabwe

Experiences from the ILO

Getting the Basics Right



Poverty Alleviation

“...to end poverty and hunger, in all their forms and dimensions, and to ensure that all human beings can fulfil their potential in dignity and equality and in a healthy environment.”

Getting the Basics Right

Human-centred
approach to
development

Poverty Alleviation

“...to end poverty and hunger, in all their forms and dimensions, and to ensure that **all human beings** can fulfil their potential in dignity and equality and in a healthy environment.”

****Multidimensional Poverty****



Getting the Basics Right

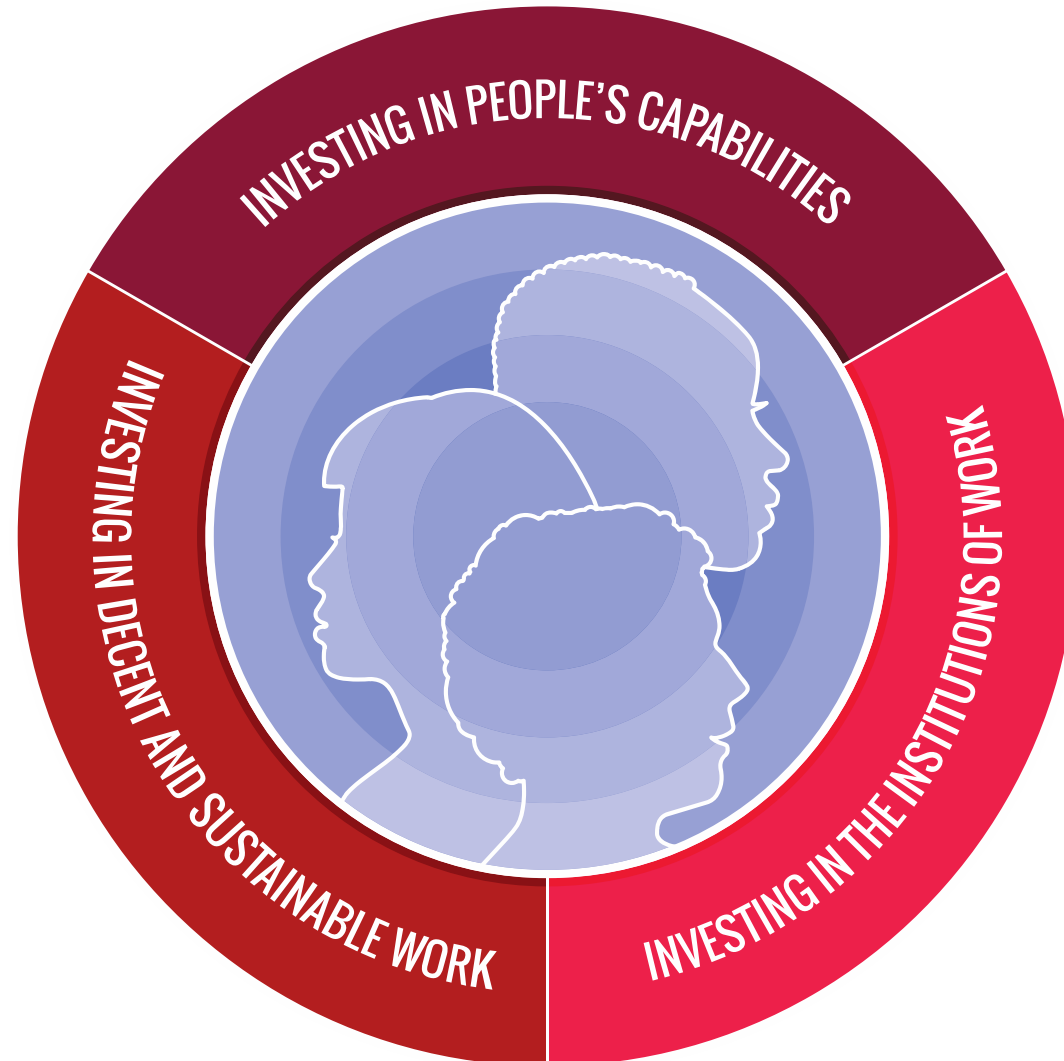


Work is a
SUSTAINABLE
way out of
poverty

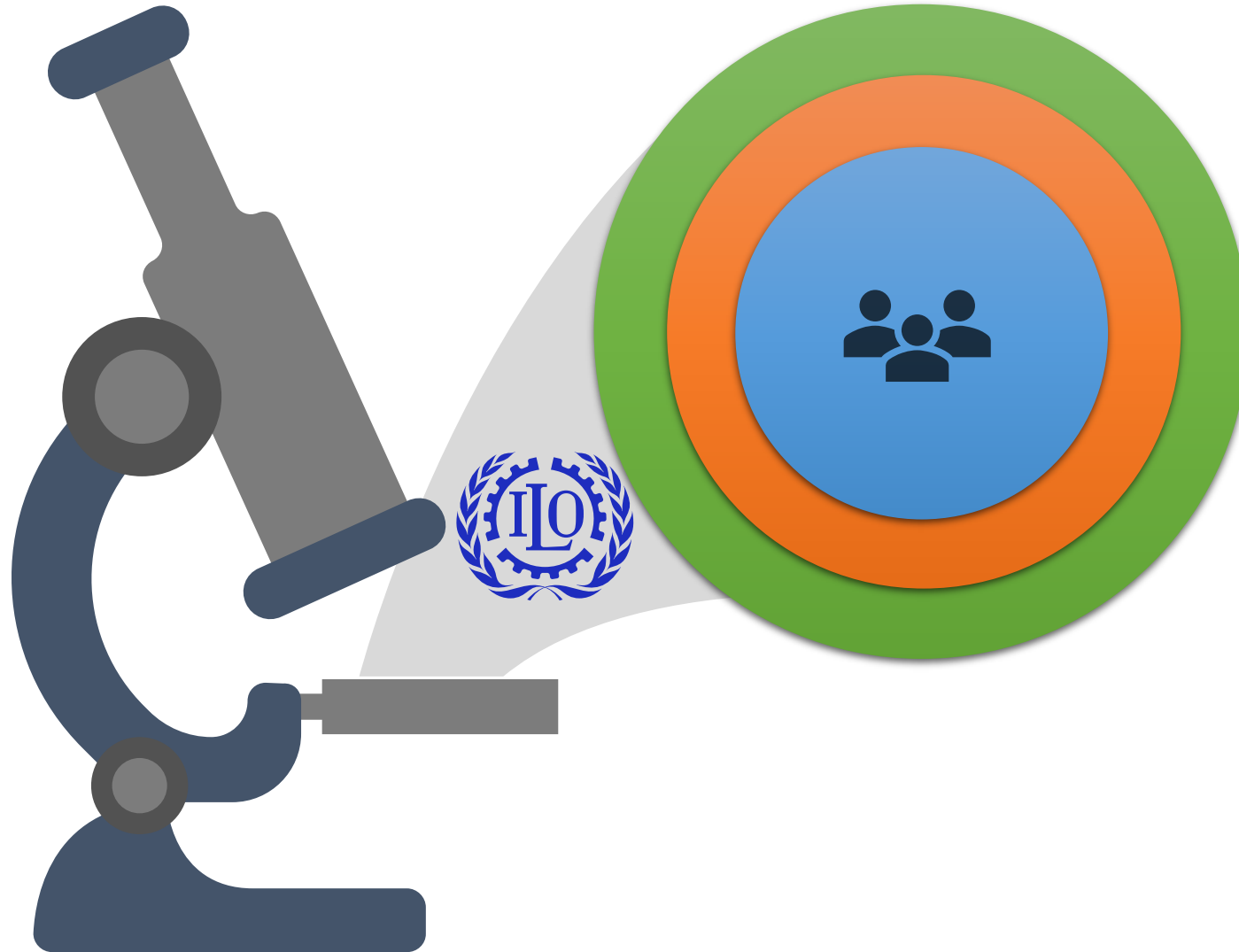
Work sustains us. It is how
we meet our material needs
and build decent lives ...
gives us a sense of identity,
belonging and purpose.

****DECENT WORK****

What does a human-centred approach to development with through decent work entail?



Getting the Basics Right



REDUCING DECENT WORK DEFICITS

Formalization of the informal economy consists of processes of not only reducing decent work deficits in the informal economy, for both workers and economic units, but also creating an environment that facilitates transition from the informal to the formal economy by making it desirable, affordable and profitable.

****FORMALIZATION****

Formalization Processes

Existing economic units moving towards full formality or becoming fully formal: e.g. extending the scope of the laws, registration/increased compliance under commercial acts, with tax, labour and social security authorities).

Existing jobs moving towards full formality or becoming fully formal e.g. extending coverage of labour regulation; extending coverage of social security; establishment of a contract to reflect an existing employment relationship; registration of unregistered employment relations.

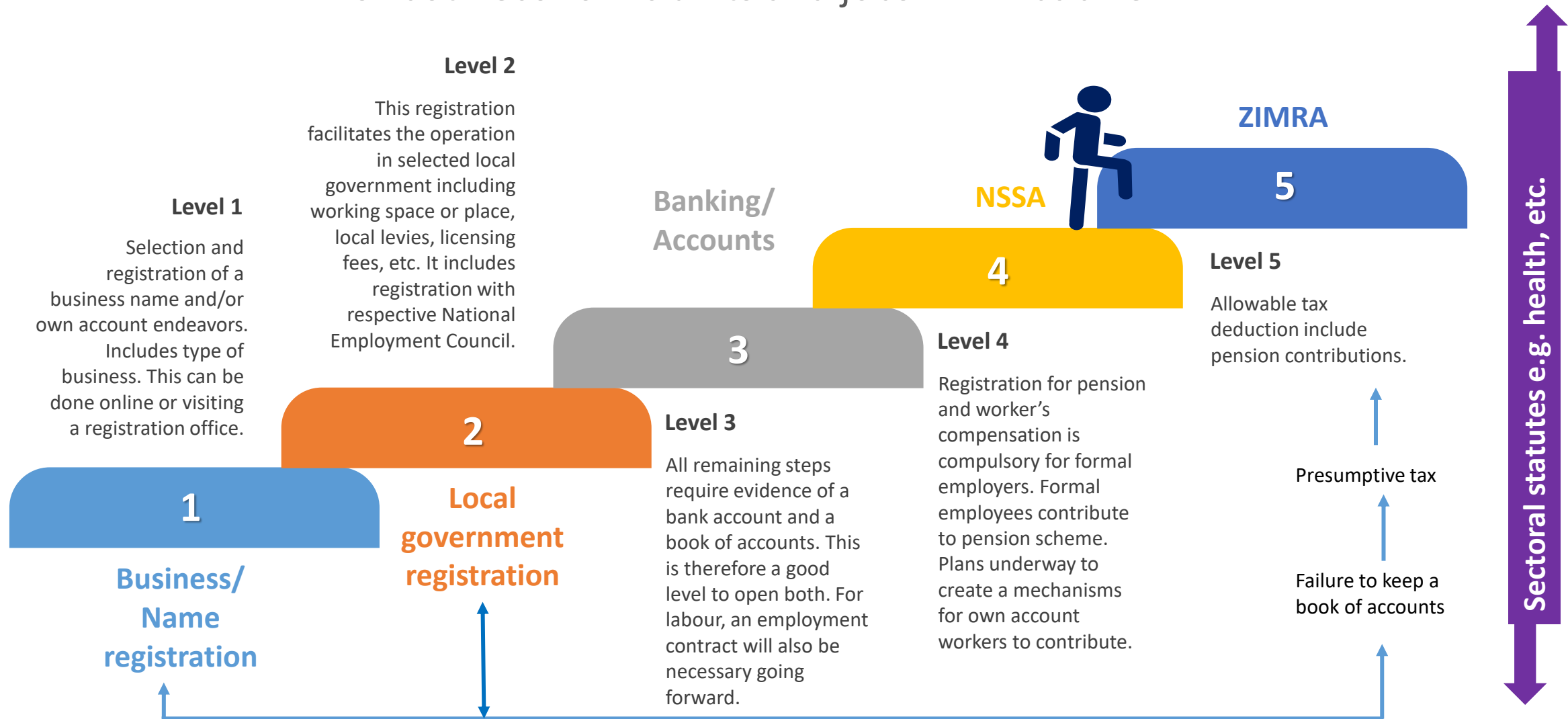
Transitions that result in jobs and economic units being destroyed in the informal economy and created in the formal economy.

Prevention of informalization of formal employment

Enabling factors in which no formalization per se but conditions created to enable formalization are enhanced e.g. extension of non-contributory social security; skills development; access to credit and to enterprise services; etc...)

Steps towards formalization

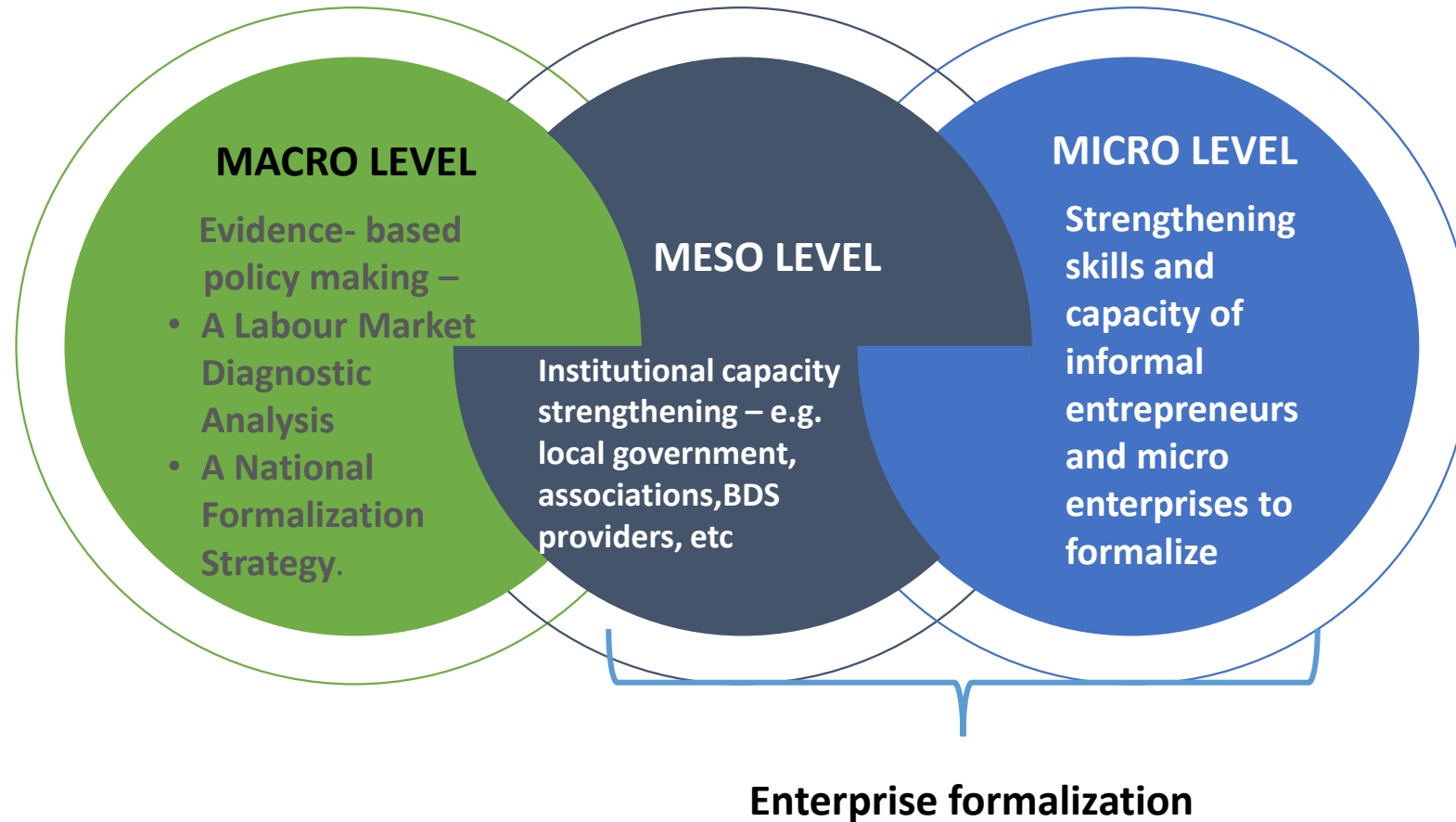
For both economic units and jobs in Zimbabwe



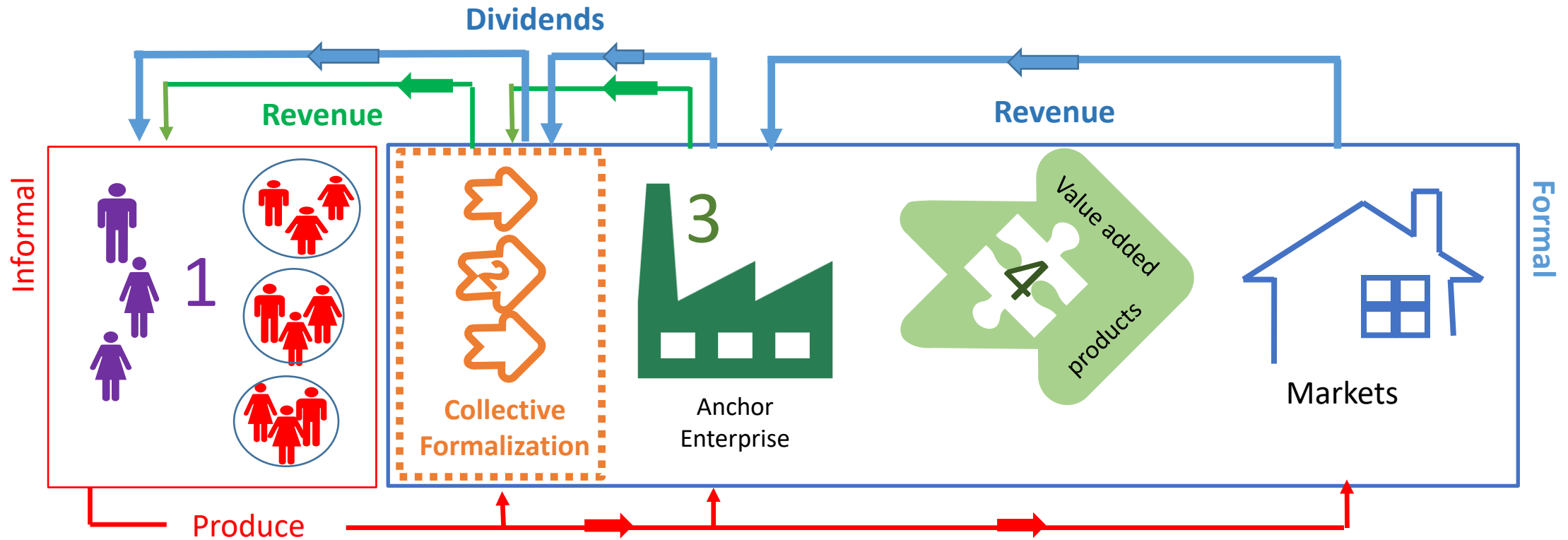
Facilitating Formalization of the Informal Economy

Harare Country Office Approach

2019 - 2021



Producer-owned Anchor Enterprise Intervention Model

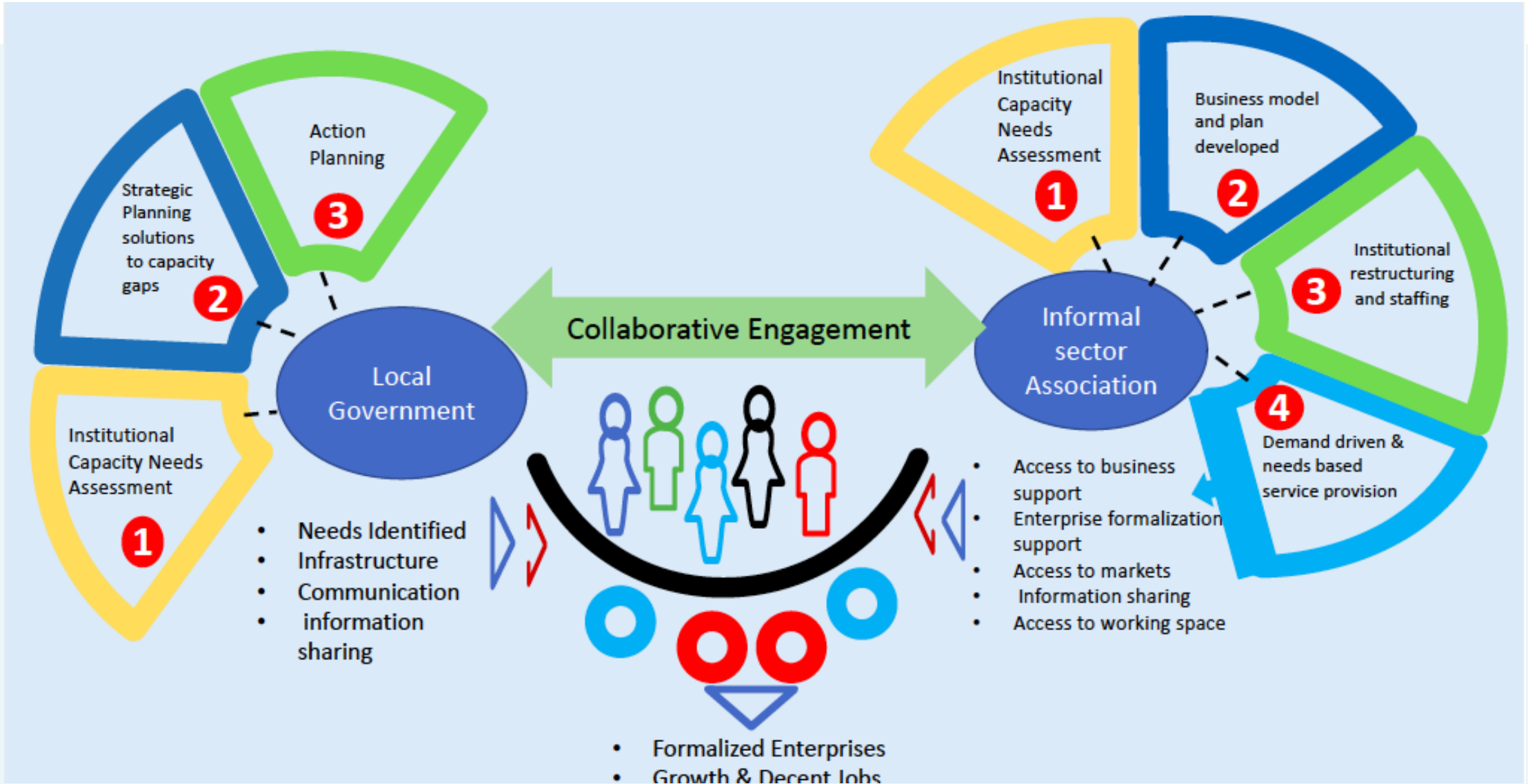


01 Clusters of rural primary producers
Individual producers come together to form member-based producer organizations (MBOs) within their geographical locations.

02 Producer-owned Organizations
MBOs are transformed and registered as Private Business Cooperation's (PBC) or producer cooperatives

03 Value Addition Anchor Enterprise
A collection of PBCs or cooperatives co-own and govern a value addition anchor enterprise along with government and other business entities; provides market to primary producers.

04 Access to formal markets
Anchor enterprise facilitates access to wider and more lucrative markets for value added products.



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Thank you!!!



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