

11. Internal markers and Tags:	Policy objectives	Not targeted	Significant objective	Principal objective
	Digitalisation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	digital connectivity digital governance digital entrepreneurship digital skills/literacy digital services	YES <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	NO <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	/
	Connectivity @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	digital connectivity energy transport health education and research	YES <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	NO <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	/
	Migration @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Reduction of Inequalities @	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Covid-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION				
12. Amounts concerned	Budget line(s) (article, item): BGUE-B2024-14.020140-C1-INTPA Total estimated cost: EUR: 3,000,000 Total amount of EU budget contribution EUR 3,000,000			
MANAGEMENT AND IMPLEMENTATION				
13. Type of financing	Indirect management with the entities to be selected in accordance with the criteria set out in section 4.3.1			

1.2 Summary of the Action

According to the OECD, Peru has one of the highest level of informality in America Latina, with around 80 percent of workers in informal jobs (that is about 13.4 million people) having limited access to social protection. This high informality, not only affect the low level of tax collection (only 8% of the active population pay income taxes), is a fundamental factor contributing not only to inequality and poverty, but also to low productivity and lost opportunities for Peru to grow economically, be able to compete on the international markets and to consolidate sustainable social systems. A stronger formal economy also has implications for the EU market because it implies fairer competition with EU products and trading, and on transparency and security, because increased labour formality reduces the space for money laundering and tax evasion.

Social protection is a human right anchored in the Sustainable Development Goals and formal employment and decent jobs are recognized as fundamental to provide social cohesion. In this regard, the action will contribute to the 2030 Agenda and its Sustainable Development Goals (SDGs), particularly SDG 8 “*Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all*” and SDG 10 “*Reduce inequalities within and among countries*”.