

► Appendix I

ILO strategic risk register for 2026-27

Risk event	Potential consequences	Comment	Proposed response from the Office
1. The Governing Body or the International Labour Conference fail to reach agreement on a key issue.	Suspension of ILO activities and ineffective functioning of the ILO governing organs. Influential partners lose trust in the ILO's operating model, which affects levels of political and financial support.	The broad base of the ILO's governing structures gives a unique strength to the Organization, but it requires consensus to work effectively. This consensus is vulnerable to the pressures on the multilateral system created by increasingly complex, multi-polar, multi-conceptual centres of power. Protectionism, nationalism and concern about the uneven effects of globalization are also encouraging countries to seek bilateral, rather than multilateral, solutions.	The ILO will continue regular transparent communications and dialogue with the constituents on developing issues. It will take pre-emptive action to identify, prevent and/or defuse potential institutional discord, deploying through its normative functions, case studies and empirical data to depoliticize the issues, to the extent possible.
2. Constituents and donors modify their commitment to social justice and decent work.	Progress achieved to advance social justice through decent work is undone or the level of extrabudgetary contributions is reduced, and the achievement rate of agreed outputs and outcomes falls. Member States or influential external partners withdraw their support from the ILO.	Delivering sustainable improvements to decent work at country level requires concerted effort and political and fiscal capital over years, and an enabling environment that supports fundamental principles and rights at work and freedom of association. However, routine threats to such continued commitment (for example, turnover of ministers and other officials) are exacerbated by new policy priorities created by geopolitical tensions, inflation, rising indebtedness, fears of recession, social tensions and inequalities, and increasing exposure to economic, social, environmental, health and technological shocks. At the same time, the Second World Summit for Social Development in 2025 and its outcome documents provide greater opportunities for the ILO to advance social justice through decent work.	The programme and budget and country-level programming are designed to address and exploit these pressures. Nevertheless, the ILO will monitor developments and respond as required, by: (i) using its statistical and policy-monitoring tools and networks to alert governments and social partners to changing circumstances; (ii) acting quickly to pivot the programme as required to meet new requirements and demonstrate value for money with results and impacts; (iii) issuing research and undertaking advocacy to demonstrate the relevance and the social and economic return on investment from supporting decent work; (iv) building new strategic partnerships, and reinforcing existing ones, especially through international and national policy forums; and (v) using development cooperation

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3. Demand for ILO support increases beyond the resources available.	Stakeholder dissatisfaction with ILO support damages its credibility, its influence, its ability to build strategic alliances and its access to funds.	As many specialized agencies, the ILO faces calls to increase the scope of its work in response to changing priorities, but without deprioritizing its work in other areas. This is particularly a challenge in the field, where regular budget funding models and development cooperation budgeting practices leave external offices with limited capacity to meet new challenges.	<p>funds with adaptive project management techniques to adjust project delivery strategies to reflect changing priorities. The ILO will make every effort to implement the follow-up actions foreseen in the outcome documents of the Second World Summit for Social Development through the Global Coalition for Social Justice and the Global Accelerator on Jobs and Social Protection for Just Transitions for policy coherence and partnerships, ensuring that social justice and decent work are prioritized in national and global policymaking.</p> <p>The ILO will further strengthen its policy and practice on results-based management with better alignment of extrabudgetary development cooperation (XBDC) resources with the priorities outlined in the programme and budget. It will continue to redeploy more regular budget and XBDC resources from headquarters to the field and will reinforce its delivery model to give external offices greater flexibility and agility for an integrated use of resources with enhanced accountability.</p>
4. ILO management information and data on its operations and on the achievement of impactful, lasting and sustainable results are insufficient or not convincing.	Decisions are based on mistaken assumptions, leading to inefficient use of funds and failure to deliver outputs and outcomes agreed in the programme and budget or in extrabudgetary projects, which reduces stakeholder confidence and flows of regular budget and extrabudgetary funds.	The Centenary Declaration, the ILO's Strategic Plan for 2026–29 and the upcoming strategy on partnerships and development cooperation 2026–29 provide strategic directions in this regard. The ILO introduced an innovative results framework in 2019 with indicators at impact, outcome and output level. This has been further developed in response to COVID-19 and lessons learned from evaluations, especially as regards results-based management processes with	The ILO will look for opportunities to strengthen its results-based management approach, transparency and accountability, leading to improved programming, monitoring and integrated use of all resources. The ILO has put in place four priority action programmes as entry points to ensure policy coherence, coordination, synergy and team working.

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5. Projects or programmes suffer from a significant act of fraud or corruption.	Loss of confidence in ILO management affects engagement of strategic partnerships and flows of regular budget and extrabudgetary funds.	<p>integrated resource allocation and results at country level.</p> <p>The ILO completed an Organization-wide fraud risk assessment in 2024, which indicated opportunities for strengthening anti-fraud controls and fraud awareness. The resulting improvements started to be rolled out during 2024.</p>	The ILO will continue to monitor its exposure to fraud and corruption and will take necessary action, especially as concerns operations (such as implementation agreements and procurement) that take place in highly vulnerable geographical and functional areas.
6. ILO staff or beneficiaries of ILO's assistance suffer sexual exploitation or abuse perpetrated by ILO staff or third parties contracted by the ILO.	Severe physical, psychological, social and reputational harm for those affected. Acute erosion of trust in the ILO and reputational damage leading to reluctance to partner with the ILO, financially or programmatically.	<p>Sexual exploitation and abuse is an area of significant concern within the UN system. Although the number of allegations in the ILO is very low, risk registers at country office level show a growing awareness of potential vulnerabilities in this area.</p> <p>The ILO has responded to this challenge by creating a multi-departmental working group and establishing a dedicated function on the Prevention and Response to Sexual Exploitation and Abuse (PSEA Officer) reporting directly to the Director-General. The PSEA Officer and the working group spearhead ILO's efforts in strengthening and mainstreaming relevant prevention and response measures across ILO offices, projects and activities.</p>	The ILO will create the post of PSEA Officer. During 2026-27, the Office will continue its focus on raising awareness, fostering a speak-up culture, improving reporting and due diligence, coordinating prevention activities across all ILO offices, including through identifying, developing and introducing additional measures to strengthen the prevention of, and response to, sexual exploitation and abuse.
7. Cyberattack on ILO systems disrupts operations or alters/discloses classified information.	Delay in the delivery of agreed outcomes, financial loss, harm to individuals and reputational damage to the ILO.	The review of the ILO's cybersecurity framework (GB.346/PFA/3) found it to be strong compared to other UN organizations. Nevertheless, cyberattacks are increasing in frequency and operational effects.	The ILO keeps emerging threats under constant review, mitigates potential vulnerabilities and takes appropriate corrective action. During the biennium, the ILO will update its Ransomware and related response protocols to incorporate current best practice.

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8. A force majeure incident (such as a natural or human-induced disaster) injures personnel, or damages ILO premises or assets.	Disruption to operations, financial loss, loss of morale and staff engagement.	The ILO's operations remain exposed to armed and sociopolitical conflicts and extreme weather events, which are increasing in number and severity, as well as potentially a new pandemic. As the ILO expands its presence in fragile States, this vulnerability is likely to increase.	The ILO's crisis management structures and business continuity protocols provide the mechanisms to prepare for and respond to a major incident. These will be further strengthened and updated during 2026–27 as business continuity structures are integrated into the more holistic approach to incident and crisis management created by the organizational resilience management system.