

► Appendix III

ILO Strategic Risk Register 2024–25

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 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.	The programme and budget is designed to address these threats. Drawing on the adaptive systems put in place for COVID-19, the ILO will monitor developments and will 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; and (iv) building new strategic partnerships, and reinforcing existing ones, especially through international and national policy forums.

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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>The ILO will spearhead the Global Accelerator on Jobs and Social Protection for Just Transitions and forge a Global Coalition for Social Justice to promote policy coherence and partnerships, ensuring that social justice and decent work are prioritized in national and global policymaking.</p> <p>The ILO will continue to transfer 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 ILO Centenary Declaration, the Strategic Plan 2022–25 and the Development Cooperation Strategy 2020–25 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 integrated resource allocation at country level.	The ILO will continue 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 in key cross-cutting priorities.
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.	The ILO's anti-fraud controls are mature, and further anti-fraud tools are currently being tested. Nevertheless, continued vigilance is required as ILO operations take place in geographical and functional areas (procurement, recruitment, use of implementing partners) that are susceptible to fraud and corruption.	By the end of the biennium, the ILO will have updated its anti-fraud controls, and will have rolled out a new generation of counter-fraud tools.

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6. 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 recent 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. It is reasonable to assume that sooner or later a cyberattack will penetrate the ILO's defences.	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, and will strengthen accountability for compliance with IT standards for cybersecurity.
7. 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.	While the ILO has measures in place to respond to a renewed outbreak of COVID-19, its operations remain exposed to armed and socio-political 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 drawing on lessons learned from the response to COVID-19 and other events. The ILO priority action programme on crises will play an important role in this regard.