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Programme, Financial and Administrative Section

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Programme, Financial and Administrative Segment

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## The ILO's Strategic Plan for 2022–25

### Purpose of the document

The Strategic Plan is a high-level, visionary document that presents a strategic vision of the ILO for the period 2022–25 and sets out the substantive and organizational steps towards its realization.

The Governing Body is invited to comment on and approve the ILO's Strategic Plan for 2022–25 (see the draft decision in paragraph 52).

**Relevant strategic objective:** All four strategic objectives.

**Main relevant outcome:** All policy and enabling outcomes.

**Policy implications:** The guidance of the Governing Body will inform the preparation of the programme and budget proposals for 2022–23 and for 2024–25.

**Legal implications:** None.

**Financial implications:** None.

**Follow-up action required:** None.

**Author unit:** Strategic Programming and Management Department (PROGRAM).

**Related documents:** [GB.340/PFA/2](#); [GB.340/PFA/5](#); [GB.340/PFA/7](#); [GB.340/INS/4](#); [GB.340/POL/3](#); [GB.340/POL/6](#); [GB.340/HL/2](#); [GB.328/PFA/1](#).

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## ► Introduction

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1. At its 320th Session (March 2014) the Governing Body decided that the ILO should have a medium-term strategic plan and that it should be aligned with the planning cycle of the United Nations (UN) system. After approving a transitional strategic framework for 2016–17 to bring about that alignment, the Governing Body at its 328th Session (October 2016) adopted the ILO's Strategic Plan for 2018–21 <sup>1</sup> and is now called upon to adopt one for 2022–25.
2. Constituents have supported strategic plans that are high-level and visionary, while being distinct from but complementary to the programme and budgets adopted by the International Labour Conference. In this light, the programme and budgets for the next two biennia will be designed to give operational effect to this Strategic Plan.
3. For these reasons, other items before this session of the Governing Body are directly relevant to the consideration of the proposed Strategic Plan, most notably the Preview of the programme and budget proposals for 2022–23 <sup>2</sup> and those relating to COVID-19. The resolution on the Quadrennial Comprehensive Policy Review, which is likely to be adopted by the UN General Assembly before the end of 2020, will also have an important bearing on how the implementation by the ILO of its Strategic Plan can contribute to, and benefit from, the work of the overall UN system, particularly in the delivery of the 2030 Agenda for Sustainable Development (the 2030 Agenda).

## ► The institutional context

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4. The Strategic Plan for 2018–21 was framed as a statement of recommitment to use the ILO's historical mandate for social justice to confront contemporary challenges in the world of work and defined how that would be done. The next plan must serve the same purpose, but in radically changed circumstances.
5. In the lead-up to its Centenary in circumstances of accelerating transformative change at work and deep deficits across all four strategic objectives of the Decent Work Agenda – employment; social protection; social dialogue and tripartism; and standards and fundamental principles and rights at work – the ILO embarked on a major process of reflection on the future of work, culminating in the adoption by the 2019 International Labour Conference of the ILO Centenary Declaration for the Future of Work (the Centenary Declaration).
6. A matter of months later, the COVID-19 virus began spreading around the world and was declared a global pandemic by the World Health Organization in March 2020. Very rapidly this health crisis, and the measures taken to combat it, have generated a world economic and social crisis of unprecedented proportions, the full extent of which is continuing to unfold. Nevertheless, and with the financial crisis that broke in 2008 as a point of reference, it appears inevitable that in the 2022–25 period the ILO will have to

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<sup>1</sup> GB.328/PV, paragraph 622, and GB.328/PFA/1.

<sup>2</sup> GB.340/PFA/2.

pursue a strategy consciously directed at helping the world of work continue to recover and build back from the dramatic impact of the COVID-19 pandemic.

7. This situation has come about at the exact moment when the international community enters its decade of action to deliver the 2030 Agenda, to which the ILO has closely aligned its programmes and efforts, most recently in the context of the reformed UN development system. In a resolution adopted on 11 September 2020 concerning a comprehensive and coordinated response to the pandemic,<sup>3</sup> the UN General Assembly reaffirmed its full commitment to the 2030 Agenda.
8. Taken together, this context makes it imperative that the ILO's strategy for the coming years is to harness the strong tripartite consensus around the Centenary Declaration, which was welcomed in a resolution adopted by the UN General Assembly in September 2019,<sup>4</sup> in order to support and advance a human-centred recovery from the COVID-19 crisis that contributes both to the world of work's capacity to build back better and to delivery of the 2030 Agenda

## ▶ The impact of the COVID-19 pandemic

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9. The severity and scale of the impact of the pandemic is without precedent in the peacetime history of the ILO. The pandemic and the necessary action taken to overcome it have acted on both the demand and the supply sides of the global economy and labour markets, leading to global recession and precipitous falls in trade and investment.
10. The ILO has taken the lead in documenting action taken by its Member States to mitigate the economic and social consequences of the pandemic and its devastating impact on the world of work. Foremost among the findings are that the equivalent of an accumulated 332 million full-time jobs have been lost in the first three quarters of 2020 and that there are few prospects of full and early recovery. The loss of jobs and livelihoods has been particularly severe for the most vulnerable in the world of work. Most dramatically, 1.6 billion of the 2 billion people who are occupied in the informal economy were threatened with the imminent destruction of their livelihoods, reflecting how an economic and social crisis can rapidly become a fully-fledged humanitarian crisis in the absence of adequate social protection. In addition, young people, whose labour market position was already tenuous, have been hard hit by the interruption of education and training, loss of employment and blocked access to the world of work.
11. Similarly, women have been disadvantaged, particularly because of their concentration in hard-hit sectors and by the added burden of care responsibilities as schools and facilities have closed. Migrant workers also have frequently found themselves in situations of great precarity and even danger, facing the prospect of forced return to their countries of origin or the increased risk of infection as a result of their accommodation and working conditions.
12. The ILO estimates the global loss of labour income in the first nine months of 2020 at US\$3.5 trillion and has noted that governments' efforts to support business, jobs and incomes have been very unequal across countries, reflecting the different fiscal space available to them. The inevitable consequence is that, as and when the world begins to

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<sup>3</sup> A/RES/74/306.

<sup>4</sup> A/RES/73/342.

emerge from the health emergency of COVID-19, it will be in circumstances of considerably higher unemployment, poverty, inequality and social tension. This has obvious consequences for the realization of the 2030 Agenda and implications for the responsibilities of the ILO in discharging its mandate for social justice and social cohesion.

## ▶ The responsibilities of the ILO

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13. In the period since the pandemic struck, the ILO has advocated a social and economic policy response under four pillars:
  - stimulating the economy and employment;
  - supporting enterprises, jobs and incomes;
  - protecting workers in the workplace; and
  - relying on social dialogue for solutions.
14. These types of policies have been acted upon by a large number of Member States in the light of their specific circumstances and resource capacities.
15. Given the uncertainties about the future trajectory of the pandemic and of economic and social recovery from its effects, it is impossible to predict with much confidence the extent to which these policies will still be current at the time this Strategic Plan comes into effect at the beginning of 2022. By their nature, they are introduced to counter the direct impact of the pandemic, rather than as permanent measures. They make a considerable call on public finances, and even if it is accepted that they should, and can, be kept in place for as long as they are needed, there is scant indication of how long that might be.
16. This said, five major policy challenges are already apparent in the socio-economic policy response to COVID-19:
  - finding the appropriate balance and sequence of health and of economic and social policy measures to produce optimal, sustainable recovery in labour markets;
  - designing and sustaining appropriate policy interventions to support jobs, enterprises, incomes and livelihoods in the context of likely constraints in public finances;
  - supporting groups whose vulnerabilities in the labour market have been highlighted and exacerbated by the impact of the pandemic;
  - promoting cohesive international action to design and finance a truly global response to the global crisis of COVID-19, in recognition that no country in isolation can definitively overcome the challenges it poses, and that material response capacities are very unevenly distributed; and
  - ensuring that responses fully involve social partners. The immediate response to COVID-19 drew heavily on social dialogue, which proved its worth in the elaboration of agreed, practical, social and economic measures in conditions of great urgency. As the pandemic persists and longer-term policy decisions will need to be taken in circumstances of labour market distress and financial constraints, all actors will need to rededicate their efforts to tripartism.

## ► The Strategic Plan 2022–25 – Policy

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17. The overarching objective of the ILO's Strategic Plan for 2022–25 is to apply the provisions of the Centenary Declaration for a human-centred recovery from the impact of the COVID-19 pandemic.
18. The positions taken by ILO constituents, for example at the virtual ILO Global Summit on COVID-19 and the world of work (7–9 July 2020) and in international debates, are clear: the Centenary Declaration, with its tripartite perspective on a better future of work, not only remains relevant in the light of the issues thrown up by the pandemic but is recognized as a prescient, indispensable tool for economic and social recovery and an asset for the international community.
19. It is important, therefore, that the ILO is strategic in operationalizing the Centenary Declaration in the years ahead. In the first instance, that will be achieved by aligning closely the policy outcomes for the 2022–23 and 2024–25 biennia with the terms of the Centenary Declaration, as has been agreed for the current biennium.
20. This operationalization must be predicated on the centrality of the ILO's normative instruments and tripartism. It will also need to be underpinned by a number of strategic considerations if it is to have its fullest impact, and if the ILO is to realize its fullest potential to contribute to global recovery. All of these considerations are to be addressed through the three areas for action outlined in the Centenary Declaration: strengthening the capacities of all people to benefit from the opportunities of a changing world of work; strengthening the institutions of work; and promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

### Leveraging permanent comparative advantages:

#### Standards and tripartism

21. This Strategic Plan is designed to ensure the conditions in which the ILO can draw fully on its two distinctive and decisive comparative advantages: international labour standards and tripartism.
22. Through its Standards Initiative, the ILO has invested heavily, in political and resource terms, in ensuring that it has a clear, robust and up-to-date body of international labour standards subject to authoritative and effective supervision. Despite the progress made, that objective has yet to be fully met. It is important that the ILO persists with these efforts, recognizing that the issues to be addressed are technically complex, politically sensitive and closely interrelated and therefore need to be addressed in an integrated manner as a single endeavour. Demanding as it may be, completion of this exercise is a precondition for the credibility and effectiveness of the normative backbone that must inform the human-centred approach to recovery and the future of work.
23. In similar terms, the ILO must sustain and promote tripartism in its own working methods and decision-making, as well as in its advice to and interaction with its Member States, by promoting the practice and institutions of social dialogue at all levels and by integrating capacity-building for workers' and employers' organizations and labour ministries into all areas of its technical activities.

## Addressing change in the world of work

24. The Centenary Declaration stresses the need to shape major transitions in the world of work – digital, environmental and demographic being foremost. These transitions predate the COVID-19 pandemic and will remain during and after it. But the pandemic has triggered a reconsideration of fundamental issues in the way work is organized, which seems likely to redirect the pace and direction of change as and when new policy options are considered. These issues are often considered through the idea of becoming “a new normal” at work and in society. It is argued, too, that COVID-19 has acted simply as an accelerator of what was changing already, yet for many countries the pandemic has only reversed the positive changes of recent years and set them back in their paths of development and out of poverty. There is debate, too, about the need to rethink global production systems with a view to rendering supply chains more secure, resilient and socially just.
25. It will be important for the ILO to understand the new dynamics generated by COVID-19 and to take a leading role in the policy debates that will evolve with them, as the world itself moves on from the limitations imposed by coexisting with the virus to a less constrained policy environment.

## Addressing the need to leave no one behind

26. The permanent responsibility of the ILO and its Member States, flowing from the Organization’s mandate for social justice, to be attentive to and active in improving the situation of those who are most vulnerable and disadvantaged in the world of work has been brought to the fore in the starkest and cruellest terms by the experience of the pandemic. Those who were already relatively well placed in labour markets have, for the most part, been able to weather the COVID-19 storm better than those at the bottom of the pile. So the injunction of the 2030 Agenda to leave no one behind applies with particular force in the present conjuncture, when inequalities and marginalization are on the increase.
27. This imperative applies across all areas of ILO activity, but the lessons of the pandemic are particularly compelling in the following areas:
  - **Formalization of informal work.** The pandemic has alerted the world to the reality that two out of three workers make a living in conditions of informality and of the sometimes life-threatening consequences of that situation. The opportunity exists to scale up international policy interventions along lines already set out by the ILO, in order to significantly speed up the process of formalization.
  - **Advancing a transformative agenda to achieve gender equality at work.** An equitable recovery must be gender-responsive. This will require investment in care-related employment, infrastructure and services and addressing the risk of violence and harassment at work, particularly in diverse forms of work arrangements.
  - **Protecting and empowering disadvantaged groups.** Recovery from crisis and the road to decent work will be harder for people in already disadvantaged groups or in vulnerable situations, particularly those hit hardest by the pandemic. Innovative policymaking will be required to ensure their inclusion in post-COVID-19 recovery programmes and emerging sectors in the digital and the green economies, with solutions that facilitate skills development, labour market transitions and access to social protection.

- **Strengthening protection across diverse forms of work.** As governments have sought to provide urgent support to enterprises and workers affected by the fall-out of COVID-19, they have often run up against obstacles linked to the different and sometimes ambiguous status of those engaged in different work arrangements and the rights and benefits associated with them. The need to ensure that all workers enjoy adequate protection in accordance with the Decent Work Agenda has been agreed in the ILO but not yet achieved. If the pandemic results in the more rapid introduction of innovative work arrangements, for example in the form of remote and gig work mediated by digital technologies, then that need will become all the more pressing.

## Addressing the global social protection deficit

28. While the Centenary Declaration had already called for action to promote universal social protection, the pandemic – in the same way as it has in the case of informality – has highlighted the human consequences of a situation in which only one in three people has comprehensive protection, and more than half have no protection at all. Here, too, there is potential to harness this heightened awareness to accelerate the progress of social protection, not as an ad hoc response to episodic disruption of working lives but through permanent rights-based arrangements. The ILO has long-standing constitutional responsibilities, and a strong normative framework, to justify and enable it to take the lead in this area. Achieving results on the necessary scale will nevertheless require that it do so in close partnership with other international organizations that have competences in the area and who share responsibilities to help deliver the relevant goals of the 2030 Agenda. This area of work might benefit from a review of the existing architecture for international cooperation, with a view to improving the mobilization and use of international resources and their application in combination with domestic resources at the national level.

## Addressing safety and health at work

29. The ILO estimates that 2.3 million people lose their lives each year through injury, accident or disease as a result of their work. By its very nature as a global health emergency, COVID-19 has made people acutely aware of the relationship between health and work and the risks that result from inadequate prevention and remedial measures.
30. These developments are taking place at a time when the ILO has decisions pending on the possible designation of occupational safety and health at work as a fundamental principle and right at work, in addition to those that were originally included in the 1998 Declaration. The work of the ILO in this area will necessarily depend on the outcome of this debate, either before or during the period of the Strategic Plan. Whichever track is pursued, it should enable the ILO to upgrade its own activities, and those of its Member States, to make work in all settings safe and conducive to the overall welfare of all actors in the world of work.

## Addressing global recovery from the COVID-19 crisis

31. The full extent and nature of the economic and social crisis resulting from the continuing COVID-19 pandemic remain unclear. There is great uncertainty about the future trajectory of the pandemic itself, the speed of the economic rebound, the degree of permanent destruction of jobs and enterprises, and the structural changes induced by

it. This makes projections about the immediate future of work more than usually hazardous. Nevertheless, what is known is that the world is experiencing a dramatic and unprecedented shock, the aftermath of which will be felt throughout the period of the Strategic Plan.

32. Three areas call for particular emphasis and effort:

- **Facilitating lifelong learning paths and labour market transitions.** Workers will need more support to make smooth transitions between jobs, including the opportunity to acquire and renew skills. This will be particularly important for the effective integration of young people into the labour market and for supporting active ageing for older workers. Digital technology presents significant opportunities for skills development and lifelong learning; however, efforts are also needed to bridge the digital divide and create a level playing field for all.
- **Ensuring inclusive and sustainable growth that creates productive employment and decent work.** Pro-employment macroeconomic, trade, sectoral and industrial policies will be essential for the recovery agenda and a job-rich recovery. Particular efforts will have to be made to support enterprises, workers and sectors most in need, while facilitating structural transformation towards more productive, sustainable and resilient economies.
- **Fostering an enabling environment for sustainable enterprises and entrepreneurship.** Targeted support to enterprises will need to focus on productivity, business continuity, formalization, micro, small and medium-sized enterprises, and domestic and global supply chains. Integration of protection of the environment into recovery plans and long-term development strategies harnessing the capacity of sustainable enterprises presents an opportunity to accelerate the just transition towards a green economy.

33. This is the broad context in which the ILO is called upon to promote its Centenary Declaration and the human-centred vision for the future of work. The scale of ambition of the Declaration and the scale of the challenge generated by COVID-19 require the ILO to act with corresponding vision and ambition. While the proposals set out in the Preview of the Programme and Budget for 2022–23 are the necessary building blocks, something more is required if the ILO, and partners, are to have realistic prospects of shaping the process of recovery to the extent and in the way that the Declaration demands.

34. Accordingly, and as it has in other key moments of its history, there are compelling reasons why the ILO must take the lead in a UN global initiative for a human-centred recovery. These reasons are set out in detail in the document before the Governing Body under its agenda item GB.340/HL/2.

## ▶ The Strategic Plan 2022–25 – Improving organizational performance

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35. Ensuring effective pursuit of the substantive policy dimensions of its Strategic Plan and enhancing its leadership role in world of work issues will require the ILO to continue to improve its organizational performance in respect of governance, knowledge management, capacity development and outreach, and resource use. Continued

improvements in these areas will need to be predicated on the centrality of the ILO's normative instruments and tripartism.

## Enhancing leadership and governance

36. Asserting the leadership role of the ILO in world of work issues requires the full political engagement of its Member States in priority-setting, decision-making and oversight of the Organization.
37. In the first instance, that requires the optimal functioning of the Governing Body and the International Labour Conference. Building on the reform of recent years, the strategic approach to agenda-setting will be continued, backed up by improved servicing of Members, including timely publication of documents, expanded communications and consultations and enhanced use of digital technologies. Follow-up to the Centenary Declaration and related decisions with respect to democratization of the functioning and composition of the governing bodies will be ensured, and attention will be paid to strengthening the operation of recurrent discussions at the Conference.
38. Past experience has highlighted both the importance and the challenges of ensuring full alignment of country-level activities with the global policies and priorities established for this Organization. Giving full effect to the decisions of the Organization's statutory bodies requires strong strategic planning. In the context of the reformed UN development system, intensified efforts are required to ensure full tripartite ownership of ILO Decent Work Country Programmes and tripartite access to UN country teams and programming.
39. In the context of continued strengthening of accountability, oversight and risk management, the evaluation function will remain a valuable driver of performance improvement. The focus will be on carrying out high-quality evaluations and fostering a strong evaluation culture, with increased uptake of findings and recommendations.

## Improving knowledge capacities

40. The Centenary Declaration underlines that the quality of ILO policy advice depends heavily on maintaining the highest levels of statistical, research and knowledge management capacities and expertise. The experience of the ILO's work in recent years has confirmed the veracity of that proposition and the need to continue the significant investments in these areas.
41. In the field of statistics, the ILO will need to service and follow up on the 21st International Conference of Labour Statisticians (2023), support Member States in developing their capacities and meet its responsibilities with respect to the SDG indicators of which it is custodian. Further efforts will be made to ensure planning and coordination of all research activities across the Office and to focus on key issues for the implementation of the Centenary Declaration in the light of the needs and priorities of constituents.
42. The findings and recommendations of the recent High-level Evaluation of ILO Research and Knowledge Management Strategies provide important pointers to improving how the ILO generates, shares and brokers knowledge and a strong basis for significant strengthening of this function.

## Increasing cooperation and partnerships

43. Building partnerships and cooperative relationships with a wide range of actors has become an important strategic approach for the ILO, as has been reflected in successive programmes and budgets. Partnerships may be with very different counterparts – other international organizations, private companies, foundations, academia, civil society organizations and coalitions - and address the full panoply of issues within the ILO's mandate. The preconditions for them are that they advance ILO principles and objectives and do not compromise or depart from implementation of the ILO's agreed programme of activities.
44. The Centenary Declaration calls specifically for the ILO to reinforce cooperation with other organizations and to develop institutional arrangements with them in order to take an important role in the multilateral system. Three factors make this field of partnership notably propitious: the common goals of the UN 2030 Agenda; the search for greater coherence through the reform of the UN development system; and the need for a common global response to the multiple challenges generated by the global pandemic. These circumstances reinforce the case for ILO leadership in a major new initiative for human-centred recovery from the COVID-19 crisis.

## Optimizing the use of ILO resources

45. The permanent responsibility to obtain the best value from the resources made available to the ILO, and to provide full disclosure concerning their use, is key to the process of continued improvement and accountability in the Organization.
46. To this end, existing efforts will be carried forward to further enhance results-based management systems and to strengthen alignment and complementarity in the use of regular budget and extrabudgetary funding.
47. In the context of the UN reform, new opportunities for cost savings should arise from business innovations across the system, which supplement the ILO's own initiatives to streamline its own processes and operations.
48. Innovation is an essential component of both the qualitative and the quantitative aspects of optimal resource use. In addition to investing in recruitment and retention of high-quality and diversified staff and in the physical and digital infrastructure to support their work, the Office will explore and encourage innovation in working methods to promote teamwork, knowledge-sharing and internal communications.

## ▶ Strategic Vision: ILO 2025

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49. Successful implementation of the Strategic Plan means that by 2025 the ILO will have:
  - (a) acted decisively to implement the terms of the Centenary Declaration and in so doing consolidated and intensified its leading role in delivering the 2030 Agenda;
  - (b) met its historic responsibility to lead national and international action for a human-centered recovery from the world of work crisis triggered by COVID-19;
  - (c) brought to bear fully its permanent comparative advantages of international labour standards and tripartism, including through a clear, robust and up-to-date body of

- international labour standards subject to authoritative and effective supervision, and strengthening the capacities of its constituents;
- (d) reinforced its activities for the most disadvantaged or vulnerable in the world of work, particularly those hardest hit by the pandemic, with focus on a transformative agenda for gender equality and the informal economy;
  - (e) addressed the urgent deficits exposed by the pandemic in respect of occupational safety and health and of social protection;
  - (f) continued to strengthen its governance mechanisms and its capacity to deliver quality services to meet the needs of its constituents on the basis of their expressed guidance and of objective evidence;
  - (g) reinforced its standing as the global centre of excellence in all areas of the world of work, through the highest levels of statistical, research and knowledge management performance;
  - (h) mobilized and used resources from regular and extrabudgetary resources in an integrated strategy to maximize impact; and
  - (i) further improved organizational performance so as to render optimal value for money and to be fully accountable for that performance.

## ▶ Implementation and reporting

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- 50. The Strategic Plan will be operationalized in the programme and budgets for 2022–23 and 2024–25, and it will be accompanied by specific strategies for development cooperation, human resources, information technologies and evaluation. Additionally, the ILO will reinforce its systems of risk management in the face of growing uncertainties in order to ensure business continuity.
- 51. In addition to the biennial programme implementation reports to the Governing Body, a mid-term review of the Strategic Plan will be conducted in 2024 to inform the preparation of the expected plan for 2026–29.

## ▶ Draft decision

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- 52. **The Governing Body approved the ILO's Strategic Plan for 2022–25 and requested the Director-General to take account of the guidance provided in the implementation of the Strategic Plan and the development of the Programme and Budget proposals for 2022–23.**