▶ Appendix I

Opening address of the Director-General of the ILO to the 356th Session of the Governing Body (Monday, 23 March 2026)

Madam Chairperson of the Governing Body,

Madam Worker Vice-Chairperson,

Mr Employer Vice-Chairperson,

Distinguished Members of the Governing Body,

Ladies and gentlemen,

It is, as always, a great honour to welcome you to the 356th Session of the Governing Body.

We meet at a moment of profound global uncertainty.

The conflict in the Middle East is echoing throughout the world of work. It is disrupting businesses and livelihoods in the countries concerned, affecting workers and enterprises alike, including migrant workers, seafarers and their families. We stand in solidarity with all those affected directly or indirectly.

With regard to our duty of care in the region, we have been working very closely with the United Nations Security Management System to establish the necessary procedures, and operations are currently running smoothly.

Earlier this year, we published our report *Employment and Social Trends 2026*. It projected that global unemployment would reach 186 million in 2026 – roughly the same level as in 2025. The global jobs gap, which we have measured for a number of years and which captures the number of people who want to work but cannot find employment, is estimated at 408 million.

Around 2.1 billion workers worldwide remain in informal employment, without adequate protection or security.

Youth unemployment remains stubbornly high in many regions, while millions of young people are neither in employment, education nor training. Women continue to face barriers to employment and discrimination in labour markets. In many countries, real wage growth has failed to keep pace with inflation, eroding purchasing power and increasing insecurity.

Global economic growth, projected at around 3 per cent, is insufficient to generate the quality jobs our societies demand.

In short, although labour markets worldwide showed resilience last year, the outlook remains fragile and could deteriorate if the world faces prolonged conflict and instability.

Against this backdrop, we must also confront a challenge closer to home: ensuring that the ILO can continue to deliver effectively on its mandate in a context of growing financial constraints and the UN80 reform process.

The reform proposals before you outline a **strategic vision for the Organization built around three key pillars**.

First, to sharpen our focus on the ILO’s core mandate through a very clear prioritization.

Second, to strengthen our capacity in the regions – closer to our constituents – while maintaining essential expertise at headquarters.

And third, to improve efficiency by streamlining business processes and reducing fragmentation.

These reforms build on the ILO's distinctive strengths:

- our normative mandate and the authority of our supervisory system;
- our evidence-based policy advice and technical cooperation across the four pillars of the Decent Work Agenda.

Taken all together, these measures are expected to generate efficiency gains of approximately 12.5 per cent by the 2028–29 biennium.

Let me be clear: reform is not a retreat from ambition. It is about ensuring that the ILO remains strong, relevant and effective in a rapidly changing world of work.

Targeted investments could strengthen several of our key priorities. These include our work on fundamental principles and rights at work – and we know what happened to activities on child labour and forced labour further to cuts in some of our development cooperation activities – our ability to support constituents in the regions, our capacity to analyse emerging trends – especially around artificial intelligence – and our partnerships with the international financial institutions.

In November 2026, the Governing Body will discuss programme and budget proposals for the 2028–29 biennium. The ILO's reform agenda should not pre-empt those discussions.

However, it might be important to consider to what extent part, if not all, of the 12.5 per cent efficiency gains could be used to strengthen the expertise of this house.

Reform workstreams are advancing, and several measures have already been implemented, including a streamlined headquarters structure, more efficient use of office space, and the abolition of posts through agreed termination or natural attrition.

At the same time, we must acknowledge our financial uncertainty. For this reason, we are also presenting a **contingency plan** in the event of an income shortfall of up to 20 per cent. If such a scenario were to materialize, it would require a severe contraction, negatively affecting the ILO's capacity to support its constituents.

Looking ahead to November 2026, we may also need to explore options to ensure long-term financial sustainability, including the potential establishment of a revolving fund to address financial contingencies.

Let me stress that this reform process will be conducted with full transparency and in close consultation with constituents.

Reform cannot succeed unless it is understood, debated and shaped through our tripartite governance and through social dialogue within the Office.

I am pleased to report that we have recently signed a **memorandum of understanding with the Staff Union** on the reform, establishing a shared understanding on issues requiring information, consultation and negotiation.

Ultimately, the success of this reform will depend on the staff of the ILO. I would therefore like to express my sincere gratitude for their dedication, professionalism and commitment throughout this period of uncertainty and change.

The new **human resources strategy** submitted to this Governing Body provides guidance on managing change in times of uncertainty while strengthening inclusion and opportunities for all.

Despite growing uncertainty and financial constraints, the ILO continues to respond to its constituents’ expectations.

The Programme Implementation Report for 2024–25, which is before you, bears witness to our joint commitment to promoting decent work and social justice in the world.

In total, the ILO has contributed to the achievement of 1,196 country level outcomes during the biennium, as part of the eight strategic outcomes – that is 5 per cent more than the goal fixed in the programme and budget.

I offer warm thanks to our development cooperation partners. Their constant support has been decisive in achieving these results.

The **development cooperation strategy**, also presented to you for consideration, paves the way for strengthening the ILO’s capacity to fulfil its fundamental mandate, and to do so with the continuous support of our partners.

Finally, the Sixth Global Conference on the Elimination of Child Labour, held in February 2026 in Marrakech, once again demonstrated the strength of tripartism in action. The adoption of the Global Action Framework reaffirmed the determination of the international community to speed up the progress towards the complete elimination of child labour.

Governing Body members,

For more than a century, the ILO has undergone numerous crises.

On each occasion, the Organization has overcome the difficulties by remaining loyal to its founding values and by basing itself on the strength of tripartite social dialogue, even in the most difficult times, and by retaining the sense of pragmatism.

The world will not recall our procedures. It will remember our capacity to bring dialogue to life, especially at the time when it mattered the most.

It will remember what we have demonstrated: that social justice is not a past ideal but a requirement for the future of the world of work.

And finally, it will remember whether we have been able to prove that multilateralism can still protect people where it matters the most: in their work, in their enterprises, and in their daily lives.

The future of work will be shaped by forces that we do not always control.

But the fact that this future is fair, stable and human will depend on the choices that we make.

I hope that the Governing Body will live up to this responsibility.

Thank you very much, Madam Chairperson.