

Instead of new standards, strengthen the effectiveness of the ILO on the ground

Position paper on the reform process of the International Labour Organisation (ILO)

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Summary

A comprehensive reform of the International Labour Organisation (ILO) is necessary to ensure the organisation's long-term effectiveness and legitimacy. The ILO will only remain capable of action and globally relevant if it focuses consistently on its core mandate, streamlines its bodies and uses resources efficiently.

Like all United Nations (UN) organisations, the ILO is under considerable structural and financial pressure. Global economic upheavals, geopolitical tensions, the increasing fragmentation of multilateral structures and new demands arising from digitalisation and sustainable transformation are leading the ILO to also fundamentally rethink its priorities and working methods.

It is essential to focus more closely on the ILO's core mandate: strengthening fundamental principles and rights at work, promoting competitive enterprises, effectively supporting the transition from informal to formal employment, and combating forced labour and child labour.

An important reform goal should be to provide better support for the implementation of ratified conventions from the set of standards that has grown over decades. The ILO must focus its resources more strongly on practical effectiveness in member states. Otherwise, new conventions will continue to be adopted without any guarantee that existing ones will be implemented on the ground. New regulations should only be adopted if there is a clear need identified by all three groups and if practical, evidence-based solutions can be developed. Outdated, overlapping or practically inapplicable conventions should be revised or repealed.

The tripartite approach between governments, employers and workers is unique within the UN system. However, employers' interests have often been marginalised. Employers' and workers' positions must be given equal weight in decision-making processes.

Sectoral and thematic conferences must also reflect the actual needs of members in order to make the ILO's work more practical and effective. Digitalisation and innovation must become strategic drivers – with efficient reporting, modern analysis tools and more digital governance.

A successful reform can strengthen multilateralism and trust in the rules-based international order. The ILO can only create trust and stability if it acts reliably and impartially, strengthens the coherence of global standards and maintains its core competencies at its headquarters. A modern, efficient and politically balanced ILO is a prerequisite for shaping international labour and social policy in a future-proof manner.



In detail

Focus on core mandate

For the ILO to be relevant and effective, it must focus its limited resources on areas where it can best meet the needs of governments, employers and workers. The following issues should be prioritised:

- Fundamental principles and rights at work must be strengthened. In particular, efforts to eliminate forced labour and child labour should be intensified.
- A supportive environment for competitive enterprises must be created. Promoting entrepreneurship, investment and needs-based regulation are key drivers of job creation and social development.
- Productivity and skills development must be promoted. The ILO should position itself as a global leader in the areas of skills and productivity in the context of the future of work, promoting innovation, exploiting the opportunities offered by artificial intelligence, employability and competitiveness.
- Social dialogue must be strengthened. The implementation of freedom of association is equally important for employer and employee organisations. Due to different legal traditions, the specific rules governing strikes and lockouts must remain within the competence of national law.
- The transition from informal to formal employment must be fostered. According to ILO data, around 60% of the global working population – approximately 2 billion people – and over 90% of micro and small enterprises are active in the informal economy. The organisation must significantly step up its activities in this area in order to foster the transition from the informal to the formal economy.

Ensure implementation of existing standards, do not create new unnecessary regulation

The reform of the ILO must give priority to ensuring that existing standards are implemented in a legally secure and efficient manner. The body of standards has grown over decades and, in addition to its sheer volume, now includes numerous outdated, overlapping or practically inapplicable conventions and recommendations. The comprehensive body of standards, comprising 192 conventions and 209 recommendations, should be revised with courage and consistency so that the ILO can focus on modern, practicable and globally applicable standards. New standard-setting procedures should only be initiated if there is a clear global need – identified by all three groups – and if practical, evidence-based solutions can be developed.

The ILO's standards supervisory system suffers from increasing inadequacies and politicisation. At the operational level, there are inefficiencies, including extensive face-to-face formats, burdensome reporting requirements and a sprawling meeting structure that is not sufficiently resource-efficient and results-oriented. Clear mandates and methodological transparency, as well as a clear distinction between legal and political assessments, are necessary to support the implementation of existing standards. In addition, greater consideration should be given to the importance of national labour law systems in order to ensure realistic and pragmatic guidelines.

Strengthening the effectiveness of ILO work on the ground

In order for the ILO to strengthen its role in international labour and social policy in the long term, it must ensure that its measures are actually effective in the practice on the ground. This requires the appropriate allocation of financial and human resources for the ILO's work in member states. Currently, only around US\$ 300 million of the ILO's regular budget of around US\$ 800 million is used for activities on the ground. In addition, one third of the ILO's global workforce is based at its headquarters in Geneva. In order to fulfil its core mandate on the ground, the necessary resources should be made available in line with needs.

In addition, the existing structural challenges in the current regional allocation within the ILO should be reconsidered in order to increase the effectiveness of the ILO's activities on the ground in the respective countries. The current classification of Europe and the Central Asian states in one country group does not reflect the actual political, economic and labour market conditions. A separate regional classification



of the Central Asian states would have the advantage that all three groups from Europe could coordinate and contribute more effectively.

Strengthening the role of the social partners, ensuring the impartiality of the ILO Office

The tripartite structure of the ILO is a globally unique governance model. To ensure that this model remains functional, the contributions of both social partners must be taken into account at all stages of decision-making. This requires binding consultation mechanisms that ensure that employers' interests can be incorporated into normative and operational processes at an early stage. Employers' experiences should be taken up and developed further to ensure that the perspectives of the business community are adequately reflected in the ILO's decision-making processes.

There has long been frustration with the way the ILO Office operates during the International Labour Conference, Governing Body meetings, technical meetings and other areas of work. The recommendations or technical contributions of the ILO Office too often favour the positions of workers. An impartial approach is necessary throughout the organisation, in research projects, publications, training courses and events.

The ILO Office's civil service must be more committed than before to non-partisan independence. A cultural shift is needed to ensure that the perspectives of the employers' group are given equal weight alongside the concerns of the workers' group and governments. To this end, the ILO should introduce regular training and orientation programmes developed in cooperation with the tripartite stakeholders. Staff recruitment must also be more balanced.

Furthermore, the ILO must ensure that no structural changes are made that would distort decision-making processes and weaken the role of social partners, especially employers. A budget of US\$ 11 million is earmarked for employers' activities (ACT/EMP), while the financial resources for workers' activities (ACT/TRAV) amount to approximately US\$ 23 million, more than twice the amount allocated to employers. An adjustment needs to be made here.

Prioritise structural reforms instead of relocating jobs to more affordable regions

A key objective of the ILO reform must be to use the organisation's resources more efficiently while saving costs without compromising the quality of its work. To this end, the ILO primarily wants to relocate jobs from the very expensive city of Geneva to more affordable regions and to the headquarters of the ILO's International Training Centre in Turin. This proposed relocation of departments could hamper cooperation between governments, workers' and employers' organisations and make it more difficult to implement standards. The ILO's expertise in key areas should therefore remain at its headquarters in Geneva. Cost-cutting measures must be achieved by prioritising structural tasks in line with the core mandate and not simply by relocating jobs to more economical regions.

Reduce sectoral and expert meetings

The number of sectoral and expert meetings should be significantly reduced. Many of these meetings have increased in frequency and duration without adding value or having any impact. These meetings must be comprehensively reviewed to assess their continuing necessity, relevance, cost-effectiveness and outcomes. This review should not only aim to achieve cost savings but also ensure that the meetings meet the actual needs of members in order to make the ILO's work more practical and effective.

Using innovation and digitalisation as strategic levers

Digitalisation represents a major opportunity for the ILO to make its work more efficient, accessible and modern. A digitalised reporting system – including automated data collection and standardised templates – would significantly reduce the workload for members. At the same time, proposals for innovation and digitalisation must not be limited to administrative functions. The ILO needs a comprehensive digital strategy that also includes AI-based analysis and SME tools, skills forecasting, digital archiving, and transparent dashboards for projects and budgets. Digitising relevant reporting and



coordination processes according to the once-only principle would not only reduce costs but also increase user-friendliness for governments, employers and workers.

Reform must promote multilateralism and a rules-based order

Effective reform of the ILO must strengthen multilateralism, consistently promote the rules-based international order and ensure that fundamental principles and rights at work are enforced, competitive enterprises can grow and states can effectively combat informality, child labour and forced labour. In view of geopolitical tensions and financial uncertainties, it is more important than ever to secure the ILO as a reliable and effective UN organisation. The reforms must not only increase efficiency but also strengthen the organisation's ability to build global trust as a central multilateral platform for labour and social policy. This requires making decision-making processes more transparent, using resources in a more targeted manner and better embedding regional activities in the global architecture.

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