

# COVID-19 and Enterprises

## Briefing Note [No. 8]

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The COVID-19 pandemic has been affecting enterprises of all sizes and types in unprecedented ways. This brief aims to highlight key information resources available on the functioning of enterprises in the crisis, including its impact on enterprises, responses by enterprises and policy measures to support affected enterprises.

Disclaimer: Due to the rapid evolution of the situation around the COVID-19, there has been a large and growing amount of information resources related to enterprises and the pandemic. Therefore, this brief contains not only the resources of the ILO, but also those from external organizations. Reference to those external resources does not constitute an endorsement by the ILO of the opinions expressed in them.

Visit the ILO website for regular updates on responses to the COVID-19 crisis.

► [ilo.org/global/topics/coronavirus](https://ilo.org/global/topics/coronavirus)

Enterprises Department

## 1. Resources for enterprise response

### [A Rapid Human Rights Due Diligence Tool for Companies](#) | 30 March 2020

Using the UNGPs and the various human rights principles, standards, and methodologies upon which the UNGPs were built, BSR had previously developed a rapid human rights due diligence tool to help with this rapid decision-making challenge. The tool is now publicly available.

### [McKinsey - Tackling COVID-19 in Africa](#) | 1 April 2020

This paper is the first in a series of rapid analyses by McKinsey, intended to provide decision makers with data and tools to strengthen their response to the COVID-19 crisis in Africa. It presents 1) an initial analysis of COVID-19's economic impact, which finds that Africa's GDP growth in 2020 could be cut by 3-8% points; and 2) a framework for near-term action by governments, the private sector, and development institutions to mitigate this impact. These actions are drawn from a global scan of economic interventions already being implemented or considered, plus recent discussions with public- and private-sector leaders across Africa.

### [PWC \(Switzerland\)'s COVID-19 webinar series](#)

#### **Next webinar: Deep-dive for the finance/treasury community: Liquidity and federal financial support**

Safeguarding liquidity and the Swiss federal government's support measures are two areas that require close attention. This webinar offers treasury and other related finance functions advice. Participants will have the chance to put their questions to experts. This will be held in English.

Date: Thursday, 2 April 2020

Time: 1.00pm to 1.30pm

## 2. Government support to enterprises

### [La Côte d'Ivoire adopte un plan de soutien social et économique](#) | 1 April 2020

En Côte d'Ivoire, le gouvernement a décidé de la mise en place d'un plan de soutien social, économique et humanitaire afin d'atténuer l'impact de la pandémie de Covid-19 sur les acteurs économiques des secteurs formels et informels ainsi que sur les populations. Il s'agit au titre des mesures de préservation de l'outil de production et l'emploi "de la mise en place d'un fonds de soutien au secteur privé pour un montant de 250 milliards de francs CFA".

### [South Africa to Tap Phone Data to Prepare for Coronavirus Case Spikes](#) | 27 March 2020

South Africa's biggest mobile phone companies have been asked to help track the movement of people days before a national lock-down as authorities grow concerned that they may spread the coronavirus to remote parts of the country. The request "is for high-level aggregated data on how people are moving to help curb the spread of Covid-19," said Byron Kennedy, a spokesman for [Vodacom Group Ltd.](#), the biggest provider of mobile phone services to South Africans.

### [South Africa launches bond purchases after coronavirus roils markets](#) | 25 March 2020

South Africa's central bank began to buy government bonds on Wednesday in a bid to unblock strained local money markets as Africa's most industrial economy braces for a three week national lockdown to stem the spread of the virus. The South African Reserve Bank (SARB) said that its aim in launching the bond purchases was "providing liquidity and promoting the smooth functioning of domestic financial markets".

### [Turkey - Report on measures taken in Turkey regarding the COVID-19 outbreak \(HAK-IS Confederation\)](#) | 31 March 2020

The government has released a package called "Economic Stability Shield" that refers 6 different areas, which are Work and Social Life, Health, Industry, Trade, Finance and Banking. On Industry: 1) Rent payments are cancelled 2 months for

Technopark businesses; 2) Payment of Small and Medium Enterprises Development Organization for SMEs are postponed until 30 July; 3) Financial support of 6 million TL will be provided for the firms that produce domestic disinfection, protective suit, glasses and masks.

### [China - Tax policy review: Fighting COVID-19 and spurring economic growth](#) | 26 March 2020

A table outlines China's tax policies designed to meet the unprecedented challenge of the covid-19 outbreak.

### [México - La OEA adelanta su plan para digitalizar a un millón de pymes](#) | 31 March 2020

Frente a la pandemia de Covid-19, la OEA en conjunto con autoridades mexicanas, lanzó un portal que busca subir a poco más de un millón de Pymes mexicanas a la economía digital.

### [Chile - Por qué el plan económico ante el Covid-19 es insuficiente y lo agrava el dictamen que permite no pagar remuneraciones](#) | 27 March 2020

Mientras otros países están entregando importantes sumas de dinero mensual a los trabajadores para que hagan frente a la pandemia, el gobierno chileno ha propuesto entregar un bono de \$50 mil pesos por una vez. En este detallado análisis de las propuestas del gobierno, los economistas de la Fundación Sol estiman que ese bono, en el mejor de los casos, llegará al 15% de los trabajadores más desprotegidos.

### [Peru - Qué dice sobre la economía \(y el gobierno\) de Perú que el país prepare el mayor plan de estímulo de América Latina contra el covid-19](#) | 31 March 2020

Un plan sin precedentes para una crisis sin precedentes. El gobierno de Perú alista el mayor plan económico de América Latina hasta el momento para mitigar el impacto de la crisis del coronavirus. Serán, de momento, más de US\$25.000 millones, el equivalente a un 12% del Producto Interno Bruto (PIB) del país.

### ['Immunity passports' could speed up return to work after Covid-19](#) | 30th March 2020

"Immunity passports" for key workers could be a way of getting people who have had coronavirus back into the workforce more quickly. Researchers in Germany are currently preparing a mass study into how many people are already immune to the Covid-19 virus, allowing authorities to eventually issue passes to exclude workers from restrictive measures currently in place.

### [In force from today 1 April: EUR 37 billion from EU Funds available for national governments to help SMEs pay salaries and bills, buy medical supplies and have liquidity](#) | 1 April 2020

As part of the Coronavirus Response Investment Initiative (CRII), the European Commission proposal to mobilise €37 billion from EU Funds to support Member States in countering the COVID19 crisis as adopted by the European Union Council enters into force on 1 April 2020.

## 3. Enterprises response

### Workplace safety and working conditions

#### [Barclays offers triple overtime pay for staff on coronavirus frontline](#) | 31 March 2020

Barclays is offering triple overtime pay to frontline staff as it tries to manage an "unprecedented" surge in demand for mortgage holidays and government-backed business loans during the coronavirus lockdown. The move will affect thousands of lower-paid employees in call centres and branches who are working extra hours to deal with an increase in customer calls and a jump in the number of colleagues off work because they are ill, self-isolating or juggling childcare.

## Employee protection

### [USA : Columbia Sportswear CEO Tim Boyle cuts own salary to \\$10K, retail employees receive regular pay](#) | 30 March 2020

Columbia Sportswear Company's CEO has essentially eliminated his own salary while regular paychecks continue to go out to employees, including those who work at the company's temporarily shuttered retail stores. [A]t least 10 top executives took a voluntary 15% pay reduction. Columbia Sportswear's roughly 3,500 retail employees are receiving their regular paychecks under a "catastrophic pay" program. "Columbia has been in business since 1938 and weathered many storms by keeping our focus on the well-being of consumers, employees and the larger community," [reads a statement](#) on the company's website.

### [Unilever to protect workers from sudden pay drop for up to three months](#) | 24 March 2020

Consumer goods giant Unilever Plc [has] said it would shield its workforce for up to three months from sudden drop in pay, resulting from market disruptions or an inability to perform their roles during the coronavirus pandemic. [Unilever] also said it would help its "most vulnerable" small- and medium-sized suppliers with cash and will extend credit to select small-scale retailers, as part of a €500 million (US\$543.25 million) relief program.

## Internal management

### [COVID-19: Managing Your Human Resources in Vietnam](#) | 31 March 2020

Businesses across the globe are grappling with issues related to the COVID-19 pandemic. Human Resource functions have been stretched, having to deal with staff shortages while issuing guidelines for employees on day to day operations. This article highlights some of the labor regulations in Vietnam in the context of the COVID-19 pandemic and lists some HR issues that businesses might face during this time.

## Production innovation and adaptation

### [British American Tobacco working on plant-based coronavirus vaccine](#) | 1

**April 2020**

British American Tobacco, the maker of brands including Lucky Strike, Dunhill, Rothmans and Benson & Hedges, has said it has a potential coronavirus vaccine in development using tobacco plants.

### [India's race to build a low-cost ventilator to save Covid-19 patients](#) | 1 April

**2020**

At least two Indian companies make ventilators at present, mostly from imported components. They cost around 150,000 (\$1,987) rupees each. One of them, AgVa Healthcare, plans to make 20,000 in a month's time. India has also ordered 10,000 from China, but that will meet just a fraction of the potential demand. The invasive ventilator being developed by the engineers at Nocca Robotics will cost 50,000 rupees (\$662). Within five days of beginning work, a group of seven engineers at the start-up have three prototypes of a portable machine ready.

### [China - Virus outbreak spurs digital transformation in economy](#) | 1 April

**2020**

Delivering goods, remote working and tele-medicine have gone viral during the novel coronavirus outbreak, and the booming of new business models has stimulated enterprises to accelerate digital transformation for better company management and customer service, which further promotes the upgrading and optimization of the Chinese digital economy. Exemplary cases are provided in catering industry, retail industry and remote working, tele-medicine and online education.

### ["Start-ups" surgen con la crisis del coronavirus](#) | 23 March 2020

Economía Alemana - Mientras que un virus paraliza las economías, algunas empresas jóvenes experimentan un auge con la idea correcta en el momento adecuado. Desinfección, lecciones virtuales, oficina en casa y carencia de papel higiénico.

## Other responses

### [European Auto Industry Prepares for the Worst as Sales Plunge](#) | 1 April 2020

Carmakers from Volkswagen AG, [PSA Group](#), and Fiat Chrysler Automobiles NV to [Renault SA](#) have shuttered factories and showrooms after governments restricted public life to stem the spread of Covid-19. Continental said about 30,000 employees, or half its local workforce, have been registered for state wage support and shorter working hours. Valeo is slashing investment and costs as well as putting staff -- including development engineers -- on partial unemployment, Aschenbroich said. "Most of our clients are slowing development of new vehicles so our teams are as well," the CEO said.

### [BA expected to suspend 36,000 staff](#) | 1 April 2020

The airline reaches a deal with unions to furlough 80% of its workforce after grounding most of its fleets. Those affected are expected to receive some of their wages through the government's coronavirus job retention scheme, which covers 80% of someone's salary capped at a maximum of £2,500 a month.

### [Almost a fifth of small businesses 'at risk of collapse within month'](#) | 1 April 2020

Almost a fifth of UK small businesses are at risk of collapsing within the next month as they struggle to secure emergency cash meant to support them through the coronavirus lockdown, according to research by an accountancy network.

## 4. Workers response

### ['This is crazy:' Rage boils over at Amazon sites over coronavirus risks](#) | 23 March 2020

Amazon faces a rash of strikes and protests at sites across Europe as



warehouse workers lash out over what they say are gruelling labor conditions, minimal protection and the risk of infection after several employees tested positive for coronavirus. The outrage in Italy, Spain and France — among the countries worst-hit by the virus — is testing the e-commerce giant's ability to keep operating its labor-intensive warehouses amid surging demand and radical containment measures.

**[Climate and Employment Proof our Future — a vision for a post-pandemic world](#) | 19 March 2020**

On 24 June, workers and employers can join forces for a face to face or virtual conversation on how to [Climate and Employment Proof Our Workplaces](#). Workers around the world will invite their employers to discuss the plans for resilience and sustainable business — safety, jobs, emissions, a secure pathway for the future. A new social contract is vital to set the world back on a sustainable and just path: protection of fundamental labour rights, adequate minimum wage, maximum working hours & health and safety. In a post-pandemic world, we must seize this opportunity to make the world safer, more resilient and more secure and sustainable.