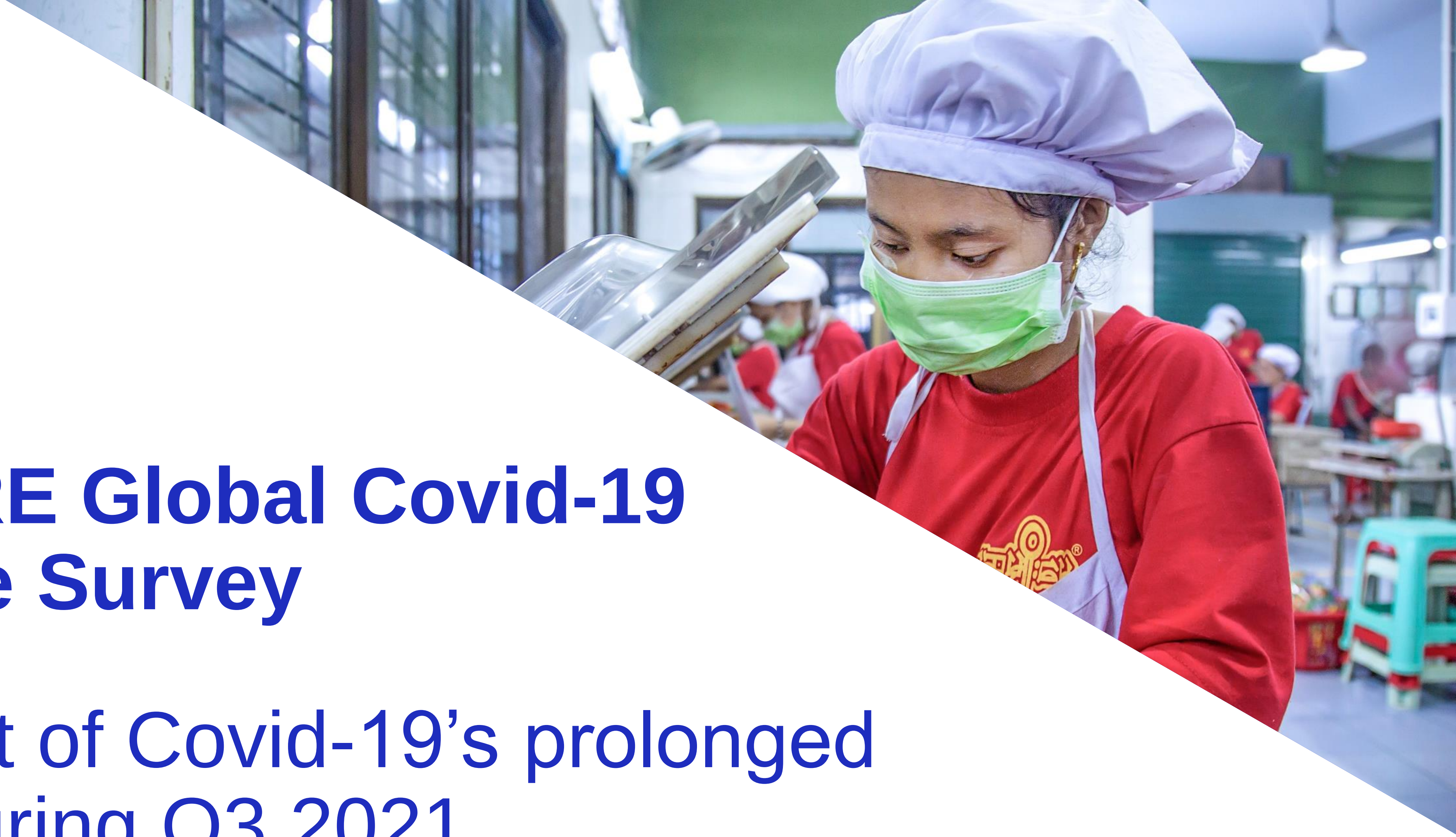


ILO SCORE Global Covid-19 Enterprise Survey

A snapshot of Covid-19's prolonged impacts during Q3 2021

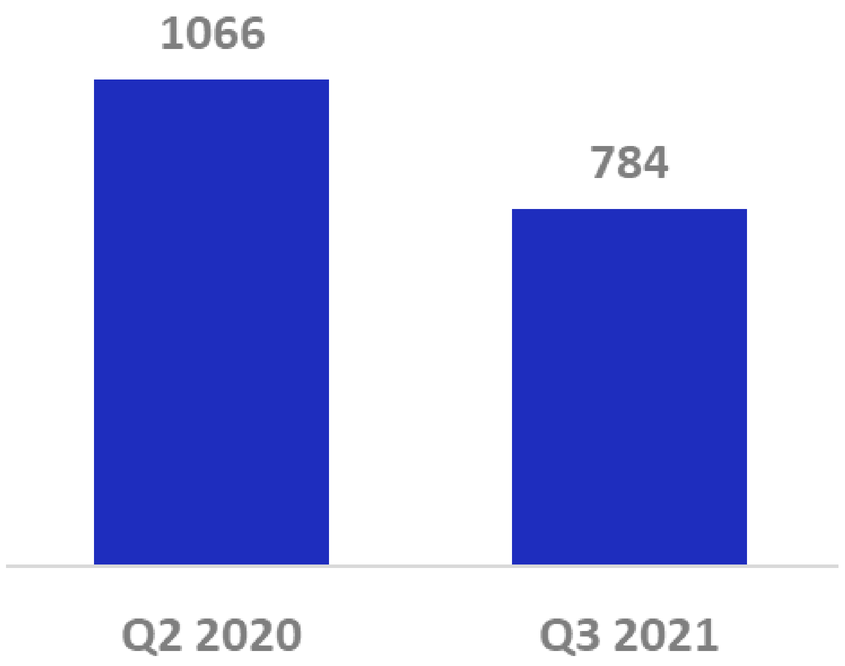
05 / November / 2021

Introduction

Survey is a direct follow up to April 2020 survey

It tracks the change in Covid-19's impact on enterprises between April 2020 and Q3 2021

Number of enterprise survey respondents in 2020 & 2021



Enterprises from Q3 2021 came from eight countries:

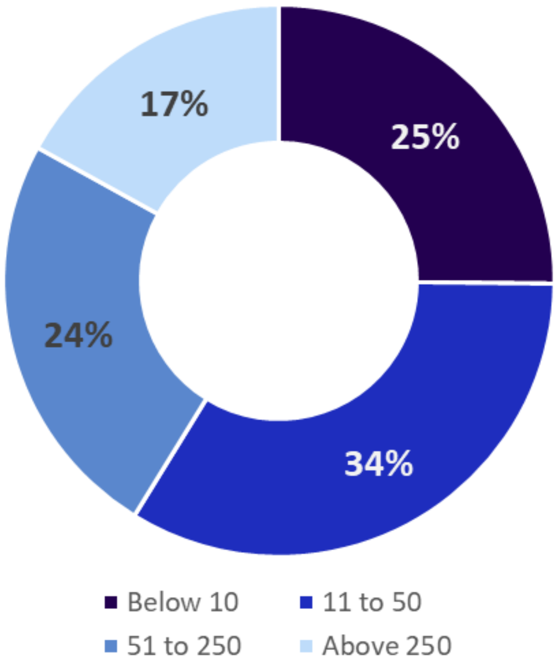
- **598 from Indonesia**
- **73 from Myanmar**
- **35 from Tunisia**
- **27 from Peru**
- **18 from Ghana**
- **12 from Colombia**
- **11 from Bolivia**
- **10 from Ethiopia**

To avoid bias towards countries with larger sample sizes, data from each country has been given equal weight in the aggregate analysis

In Q3 2021, the Enterprise survey respondents had these characteristics

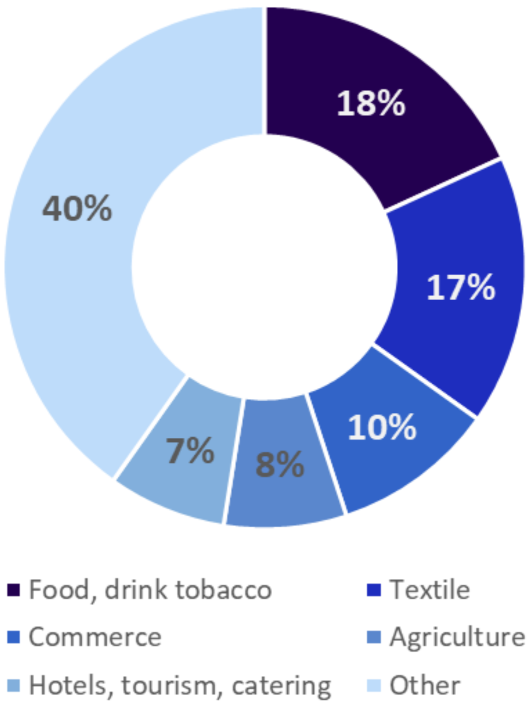
Size

59% Small and micro enterprises,
17% large enterprises



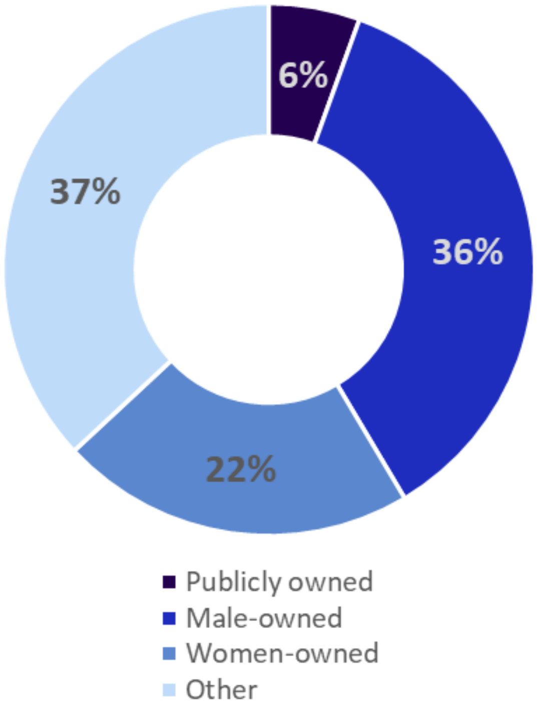
Economic activity

Most common industries: Food & Beverages, Textile and Commerce



Ownership

22% women-owned
36% male-owned

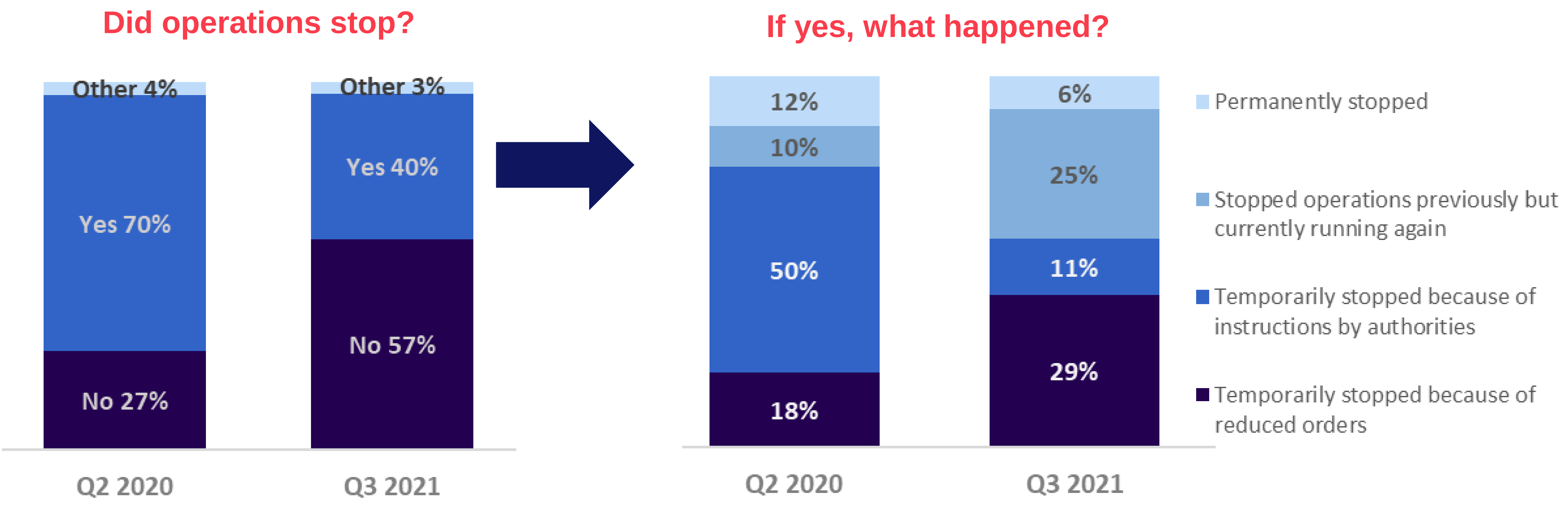


International Labour Organization

Impact of Covid-19 on business operations during Q3 2021

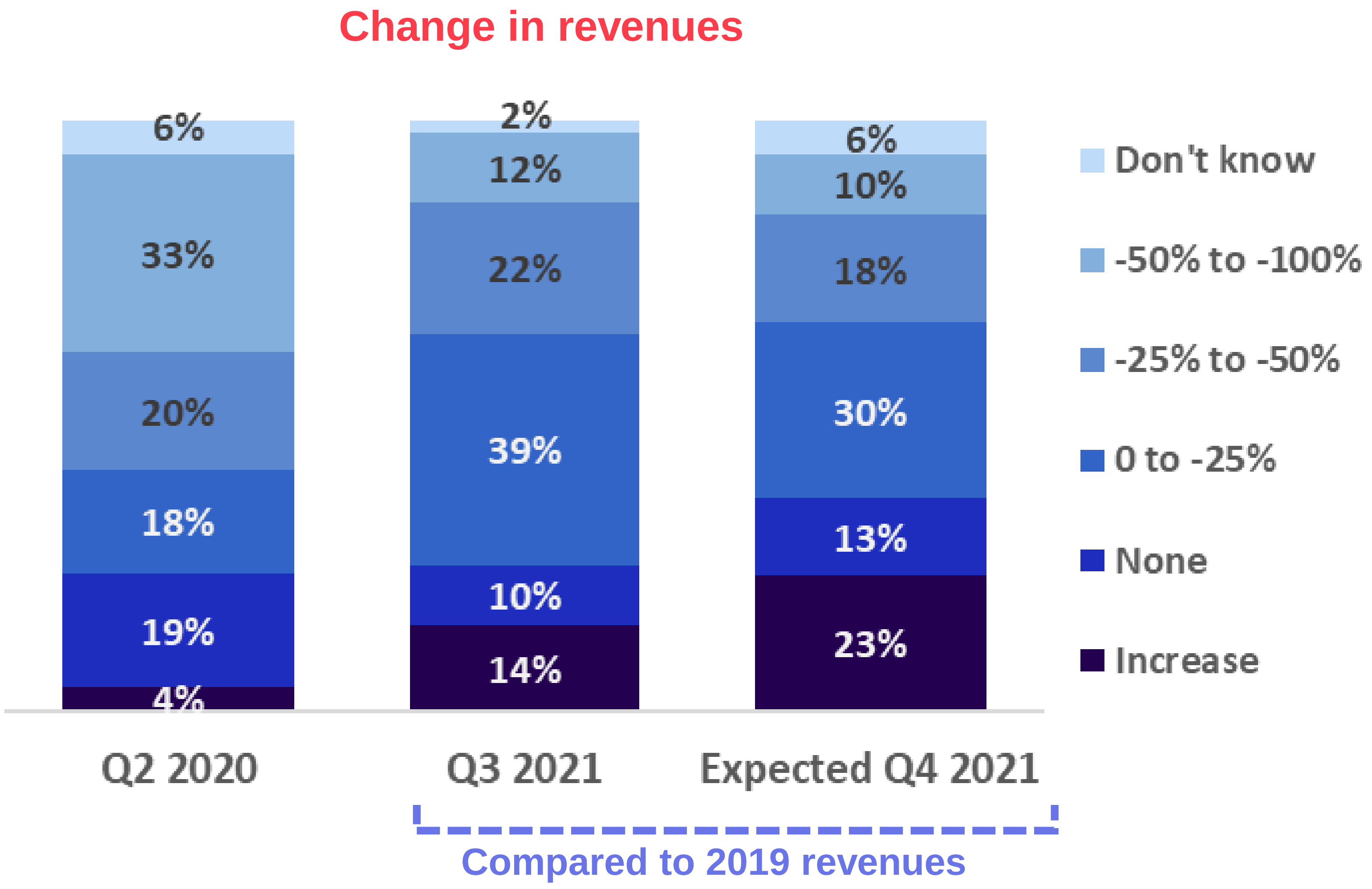
International Labour Organization

Covid-19 still very disruptive, stopping 2 in 5 enterprises in Q3 2020



International Labour Organization

Change in revenues: The current state and outlook are still quite dire



3 in 4

experienced reduction in revenues in Q3 2021, largely unchanged from Q2 2020

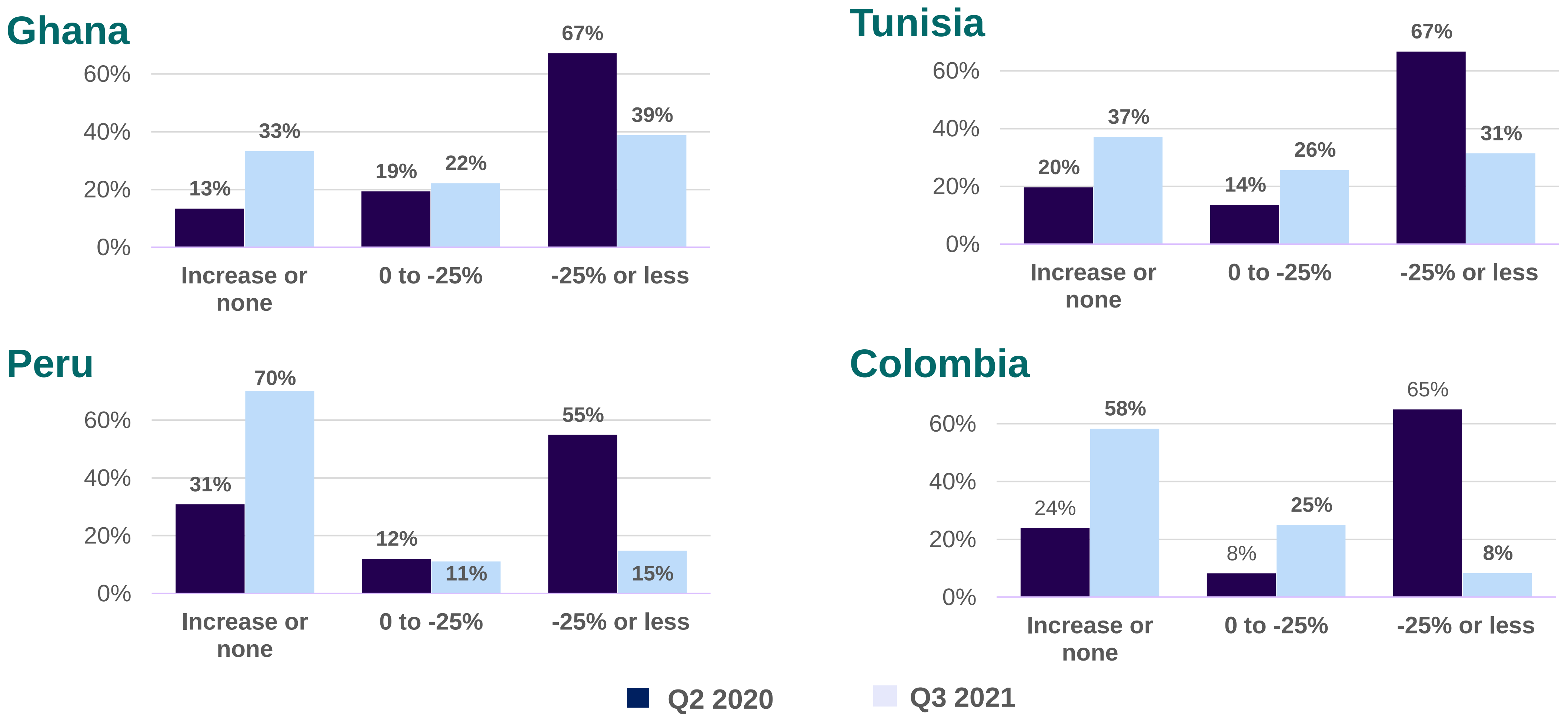
1 in 3

lost more than 25% of revenues in Q3 2021

3 in 5

expect revenue reduction for Q4 2021

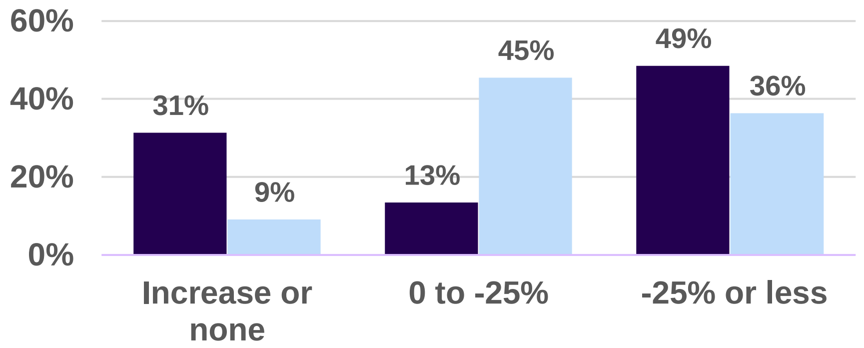
Change in revenues: While the situation for enterprises in some countries has improved



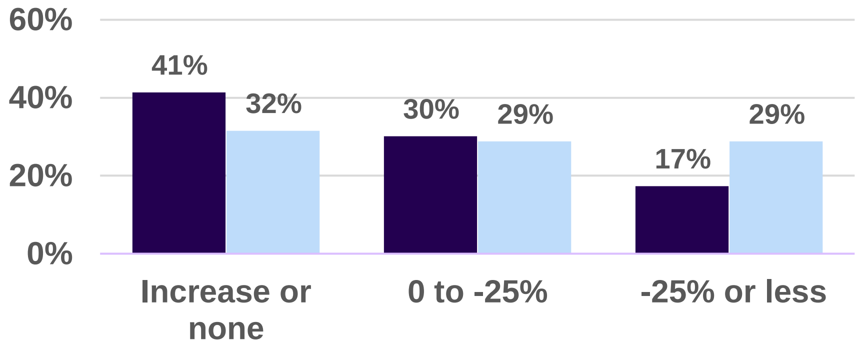
International Labour Organization

Change in revenues: It has worsened or stayed the same for other countries

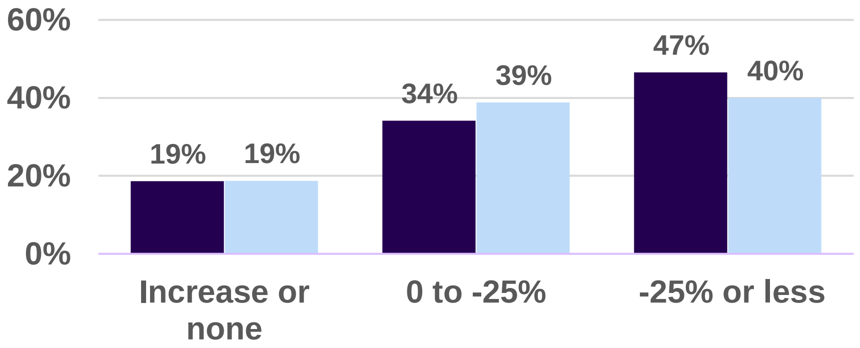
Bolivia



Myanmar

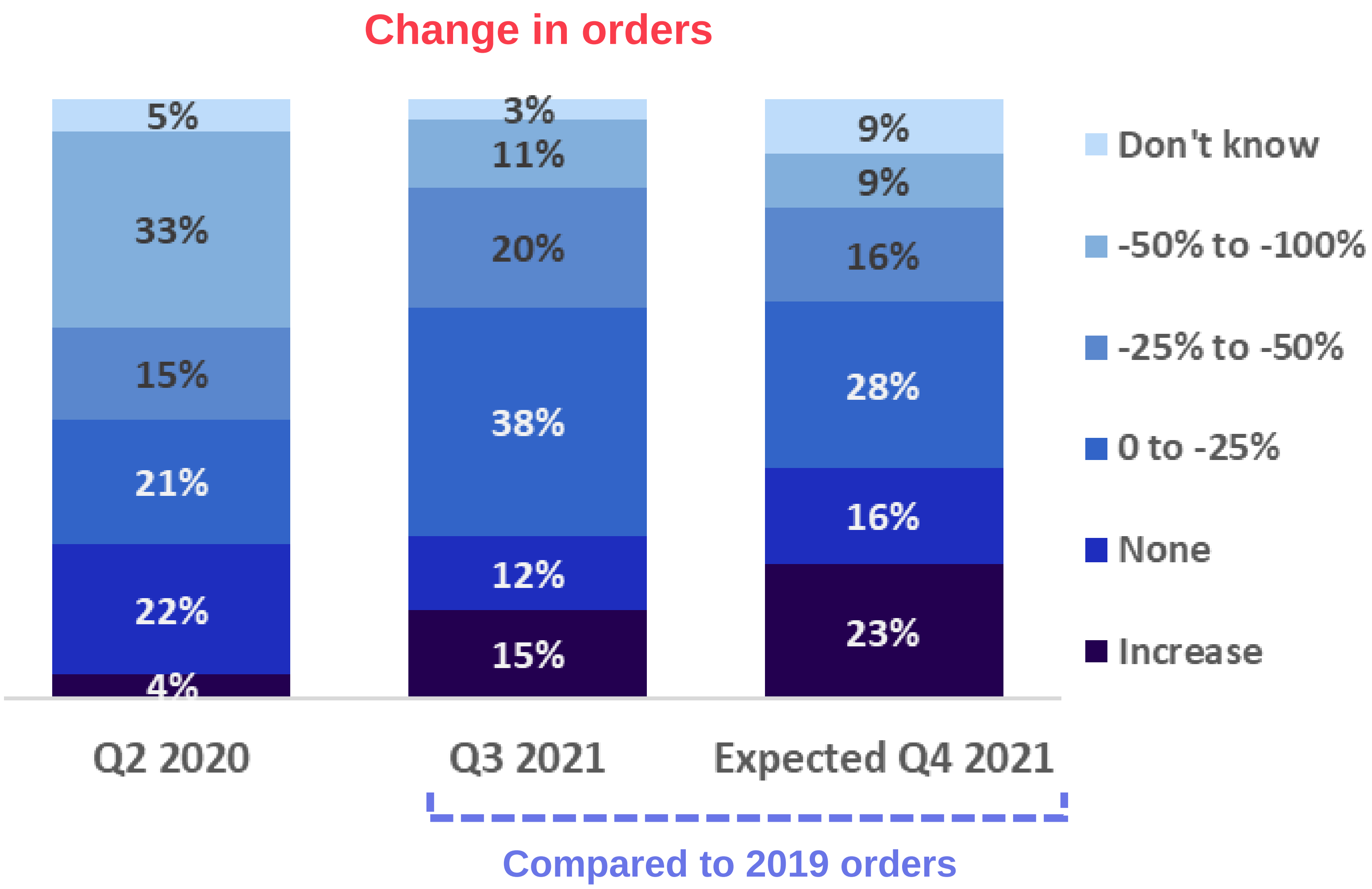


Indonesia



Q2 2020 Q3 2021

Orders: The situation has improved but still remains dire



69%

reduced orders in Q3 2021, largely unchanged from Q2 2020

3 in 10

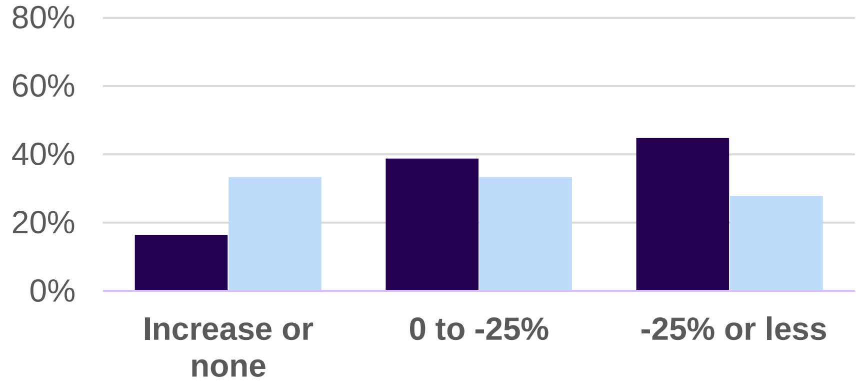
reduced orders by more than 25% in Q3 2021

>50%

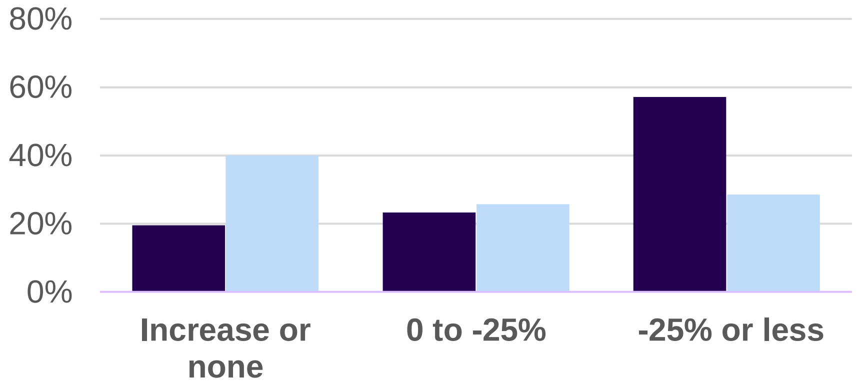
expect fewer orders than in Q4 2019

Change in orders: The situation for enterprises improved in countries where the revenue situation also improved

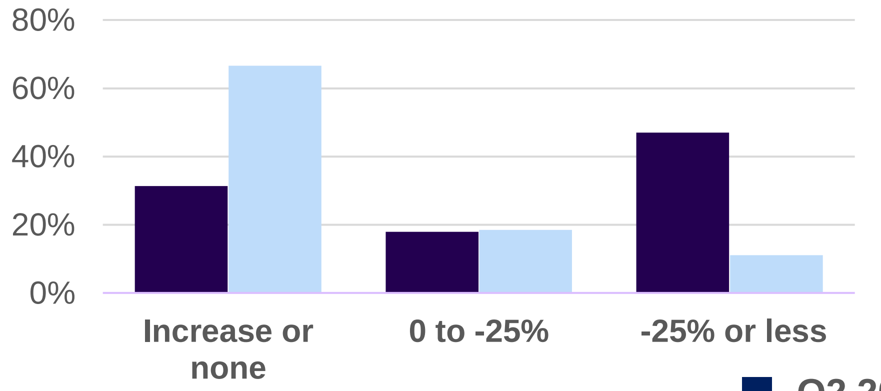
Ghana



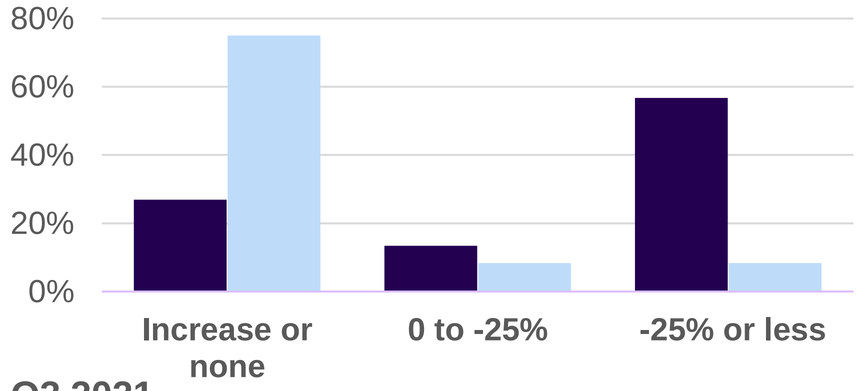
Tunisia



Peru



Colombia

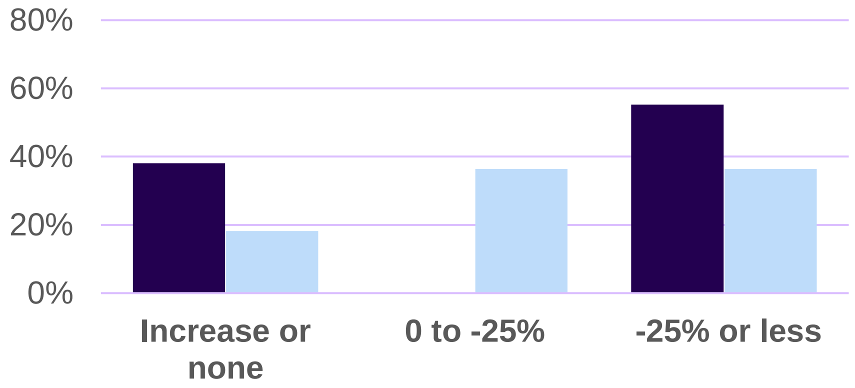


Q2 2020 Q3 2021

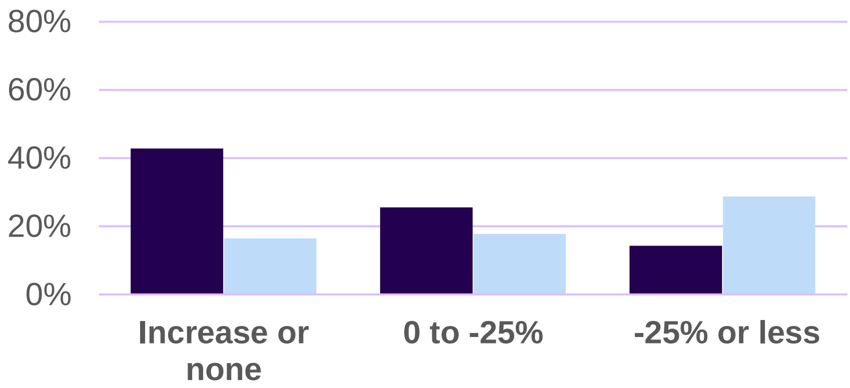
International
Labour
Organization

Change in orders: The situation for enterprises worsened or stayed the same for countries where revenues were also lower or unchanged

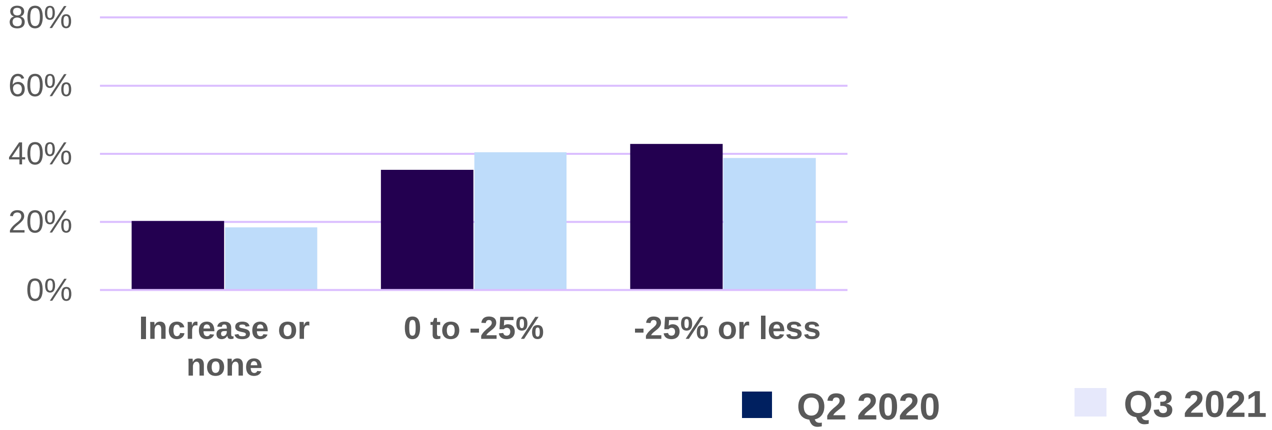
Bolivia



Myanmar

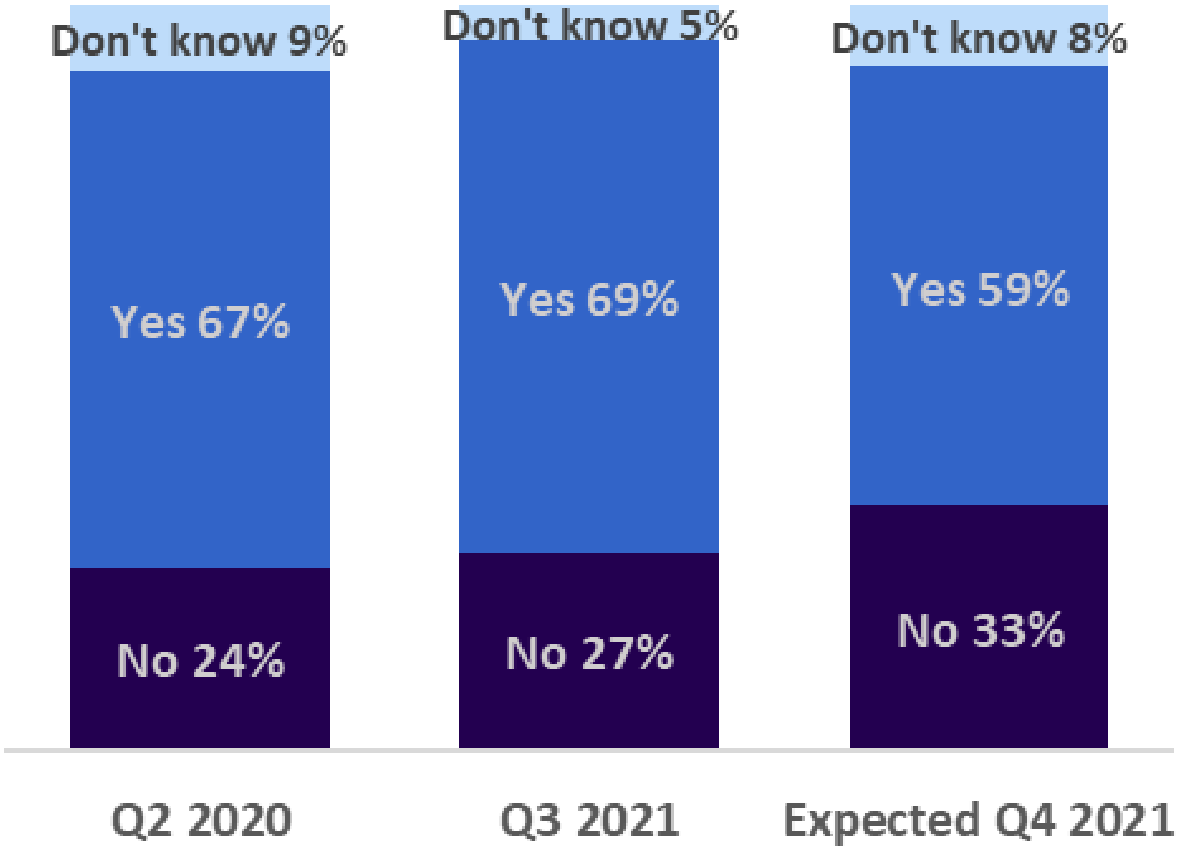


Indonesia



Supply & Input Materials: No improvement with little optimism ahead

Shortage of supply/input materials?



- **2 in 3**

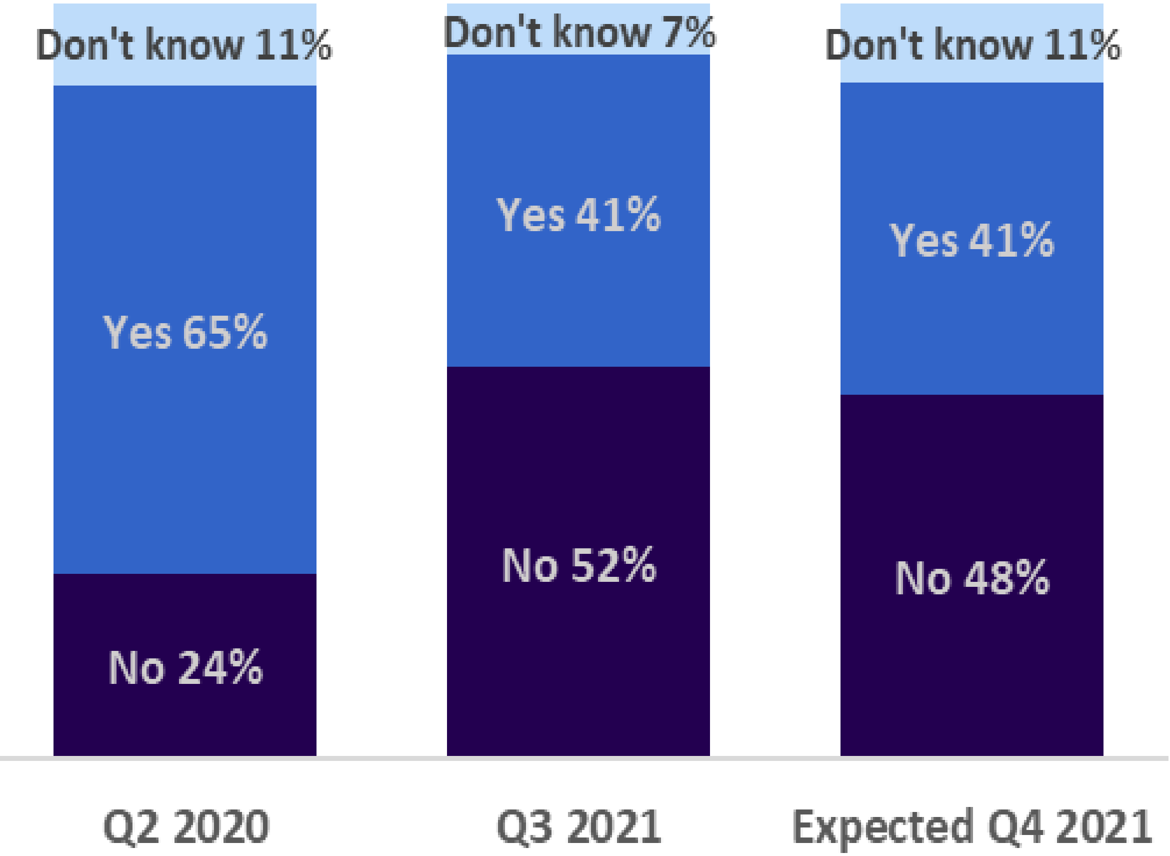
  still face a material supply shortage, largely unchanged from Q2 2020

- **3 in 5**

  still expect supply shortage in Q4 2021

Shipping: Improved, but far from back to normal

Difficulty shipping finished goods?



1 in 4

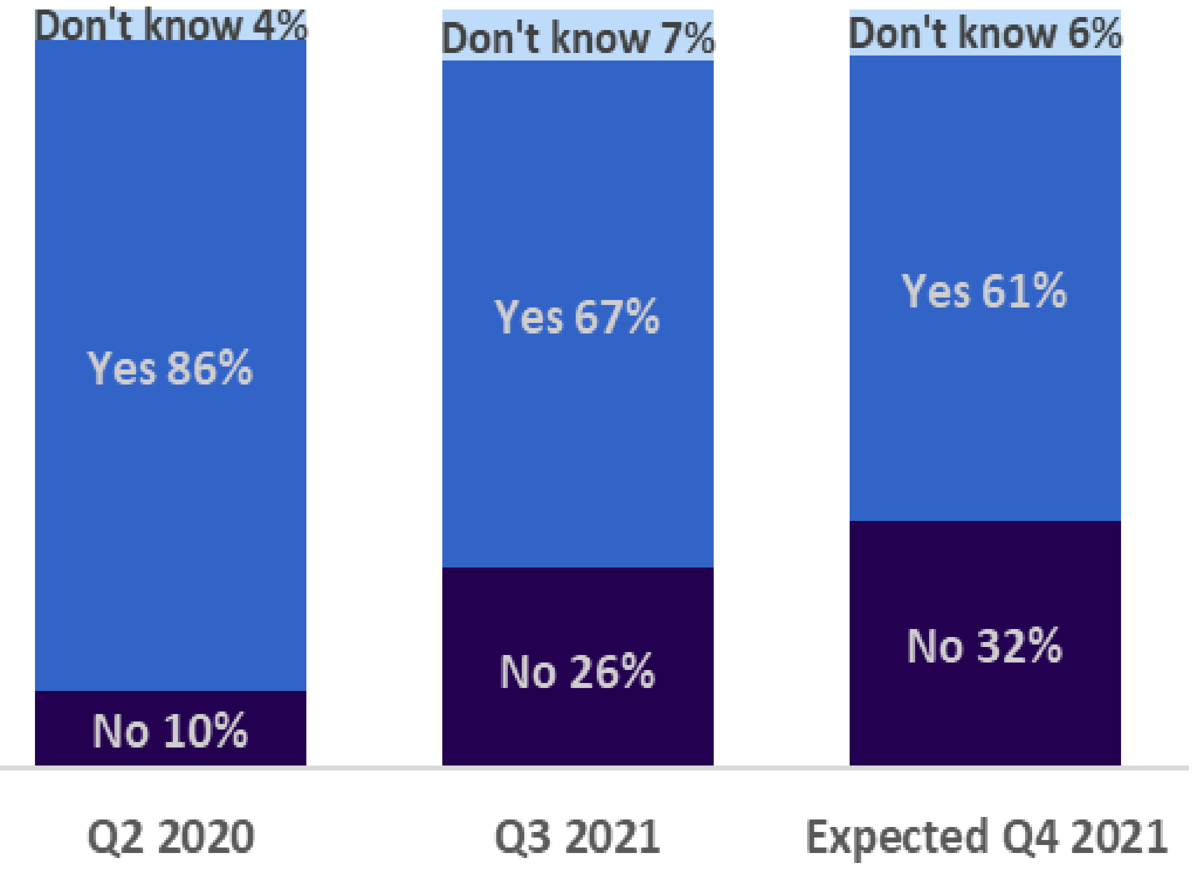
who had difficulty shipping goods in Q2 2020 no longer faced that difficulty

2 in 5

face difficulty shipping goods, with no change in the outlook for Q4 2021

Cashflow: Mildly improved, but still constrains the vast majority

Difficulty with cashflow?



2 in 3

had cashflow challenges in Q3 2021, down from 6 in 7 in Q2 2020

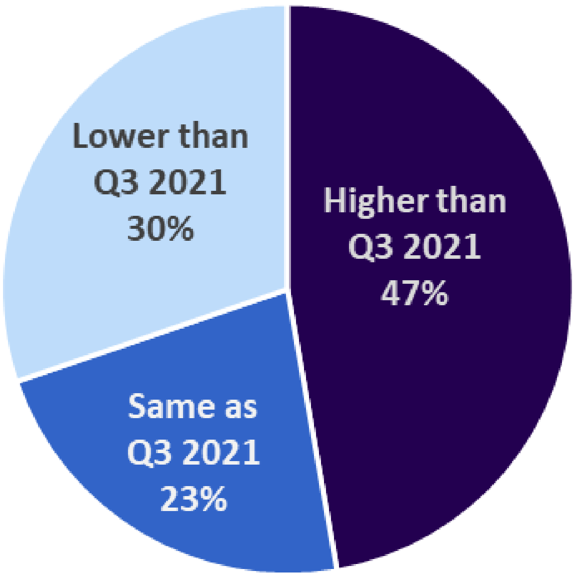
3 in 5

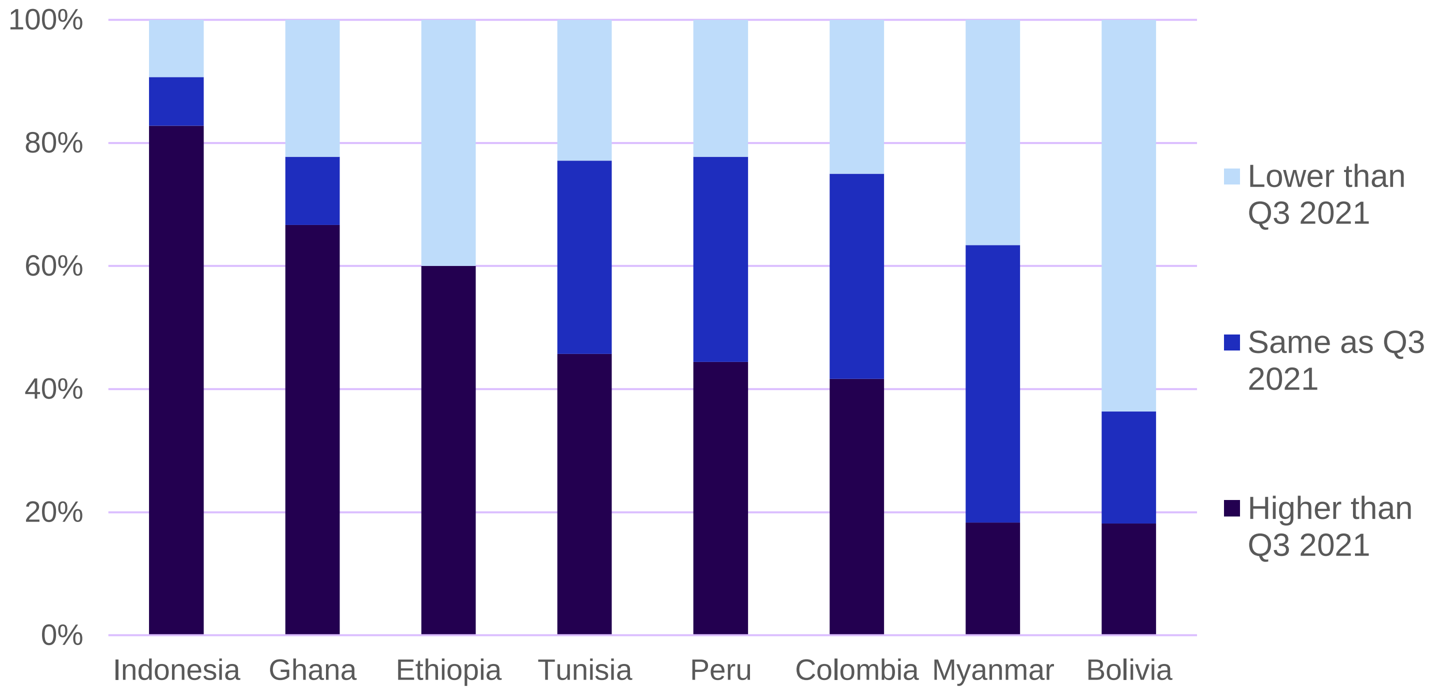
Expect cashflow difficulty in Q4 2021

Profit outlook: Optimistic, though varies greatly by country

Overall, 3 in 10 still expect Q4 2021 to be less profitable than Q3 2021

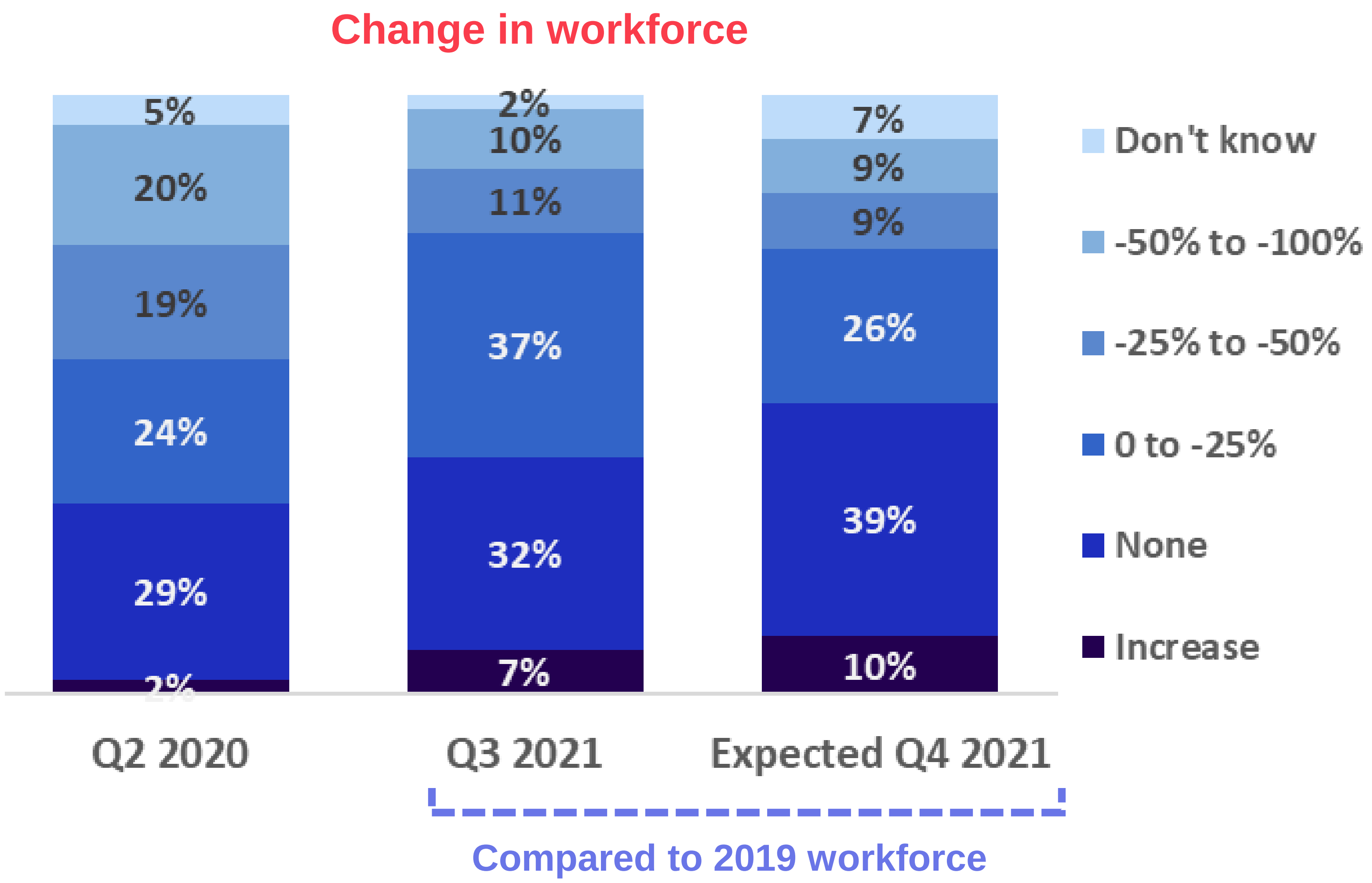
What are your profit expectations for Q4 2021?





Impact on Labour Force

Workforce: On the rebound, but enterprises still have far fewer workers



58%

with fewer staff in Q3 2021 relative to Q3 2019

1 in 5

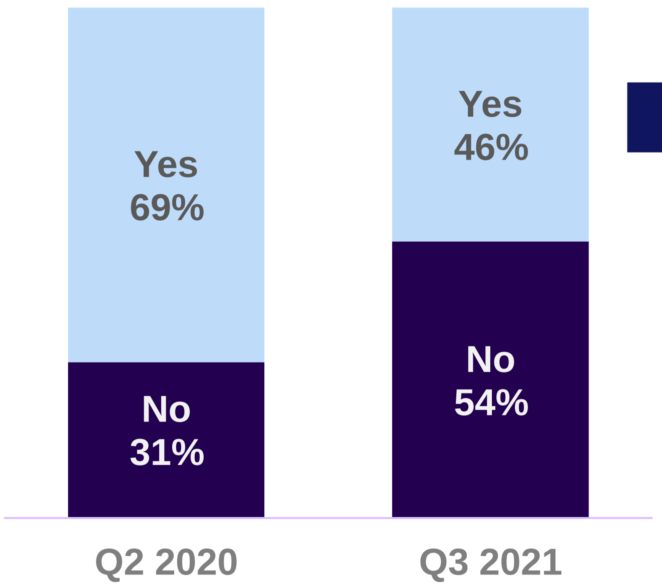
with losses of more than 25% in Q3 2021, down from 2 in 5 in Q2 2020.

45%

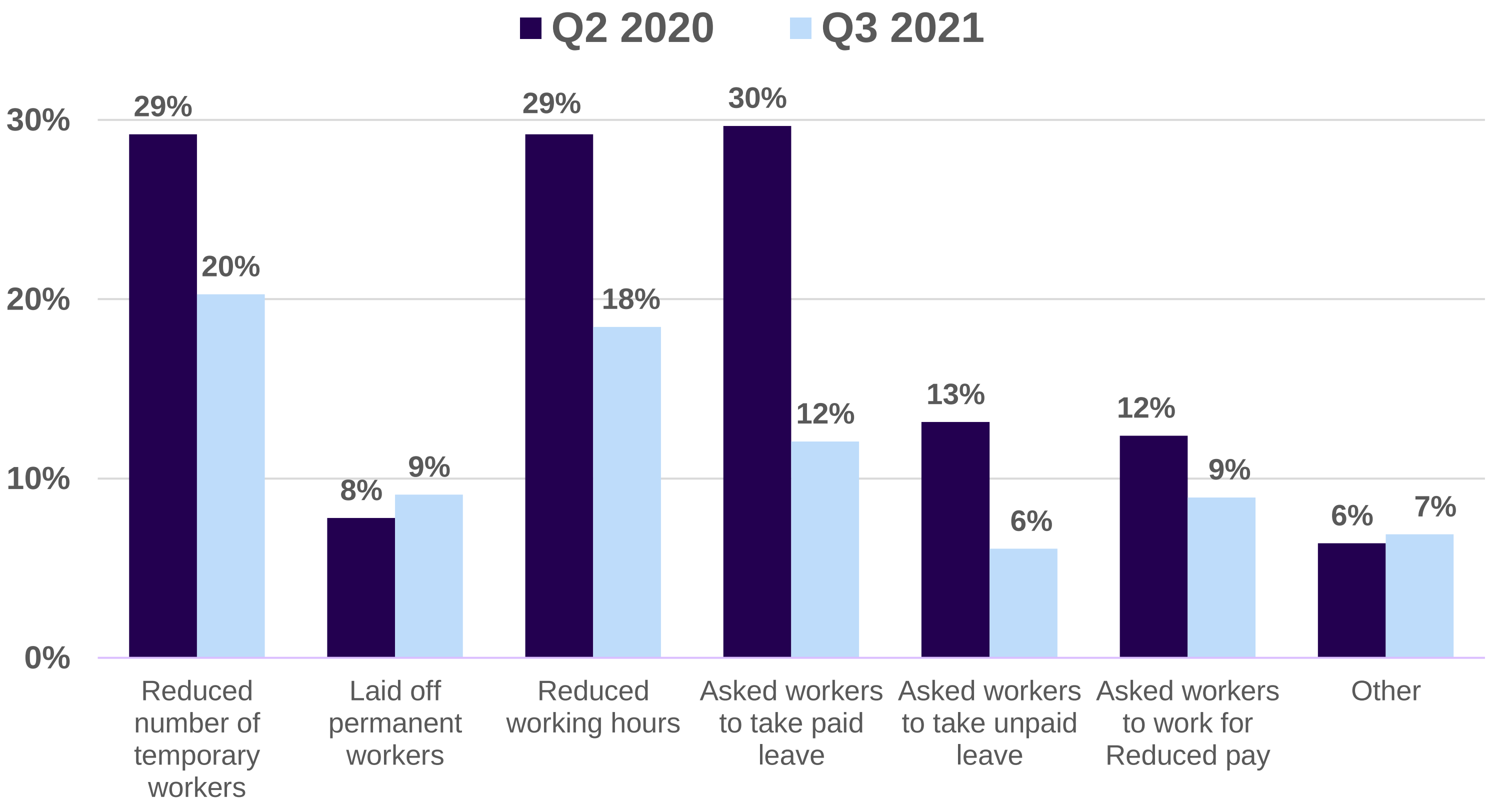
expect fewer workers in Q4 2021 than in Q4 2019

Nearly half the enterprises surveyed still have idle workers

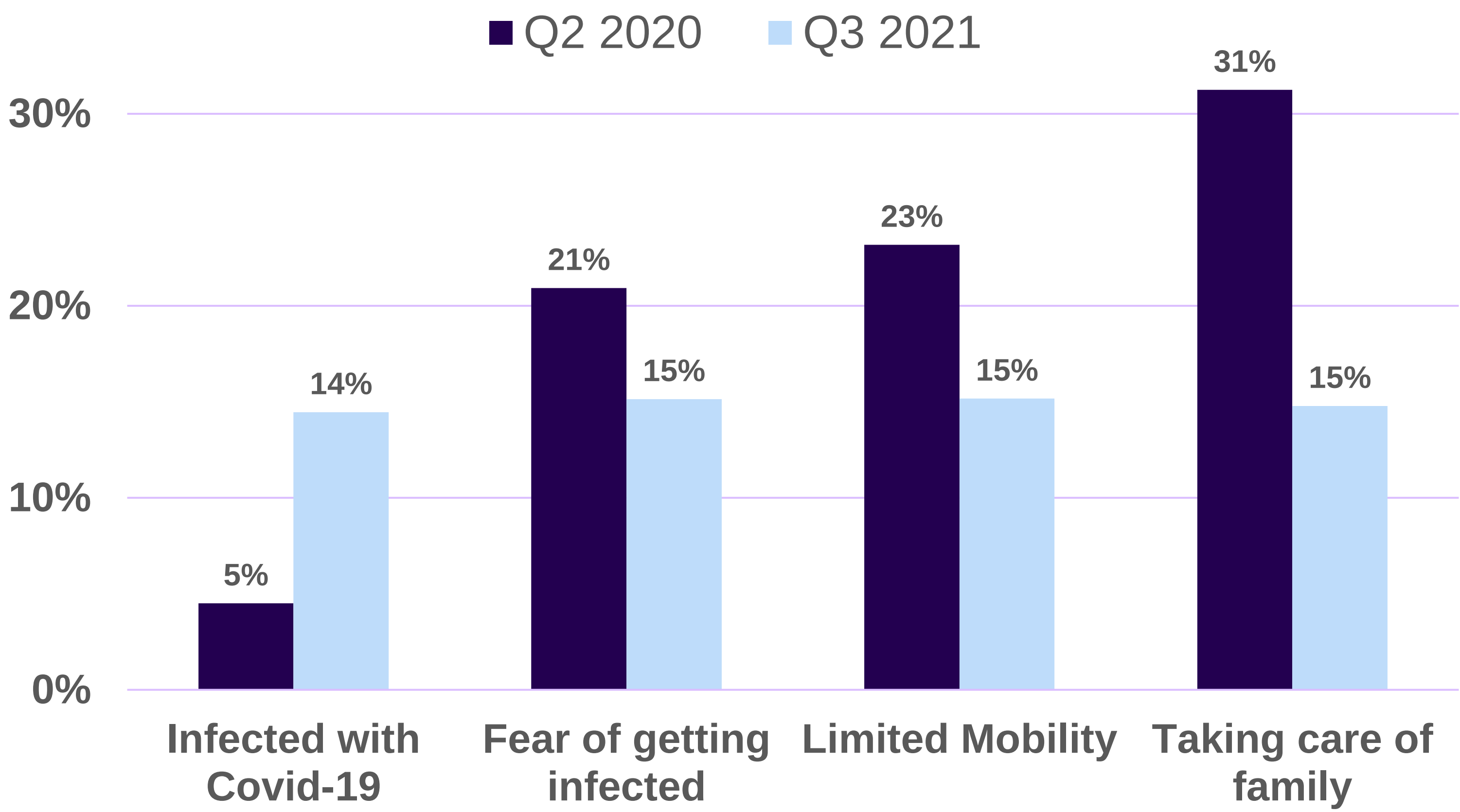
Enterprises with idle workers



Actions to deal with idle workers

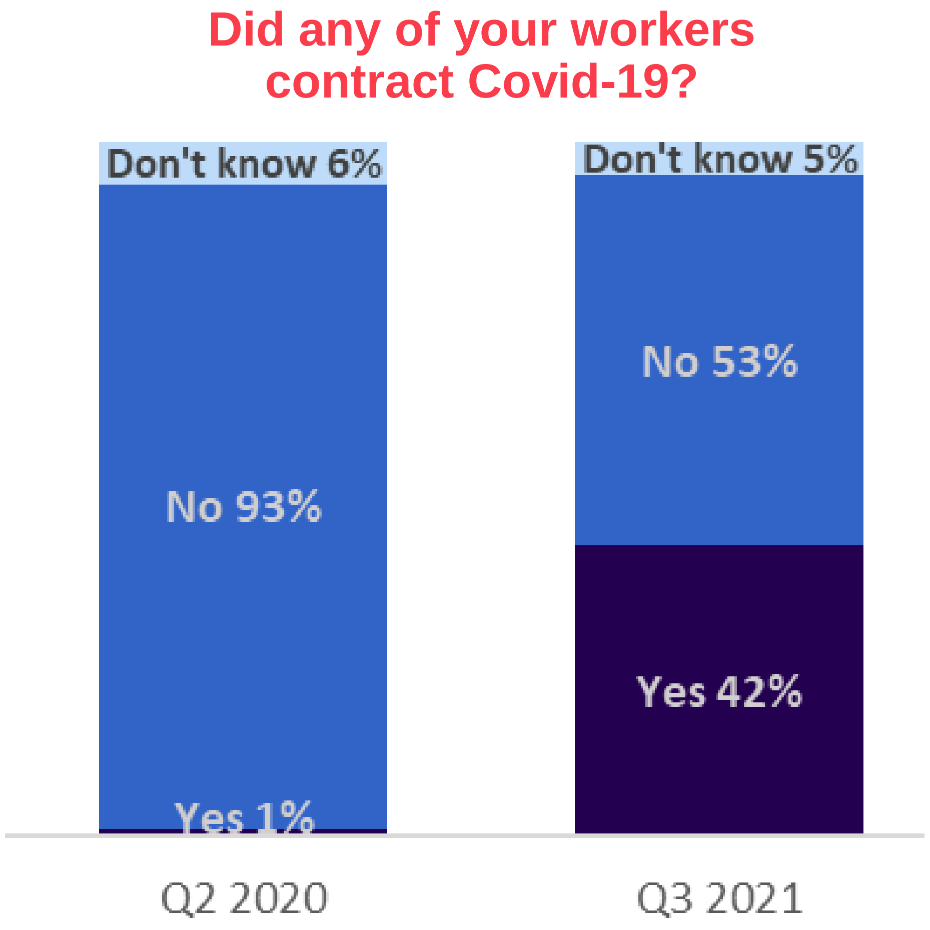


Worker shortages now occur less often and for a balance of reasons

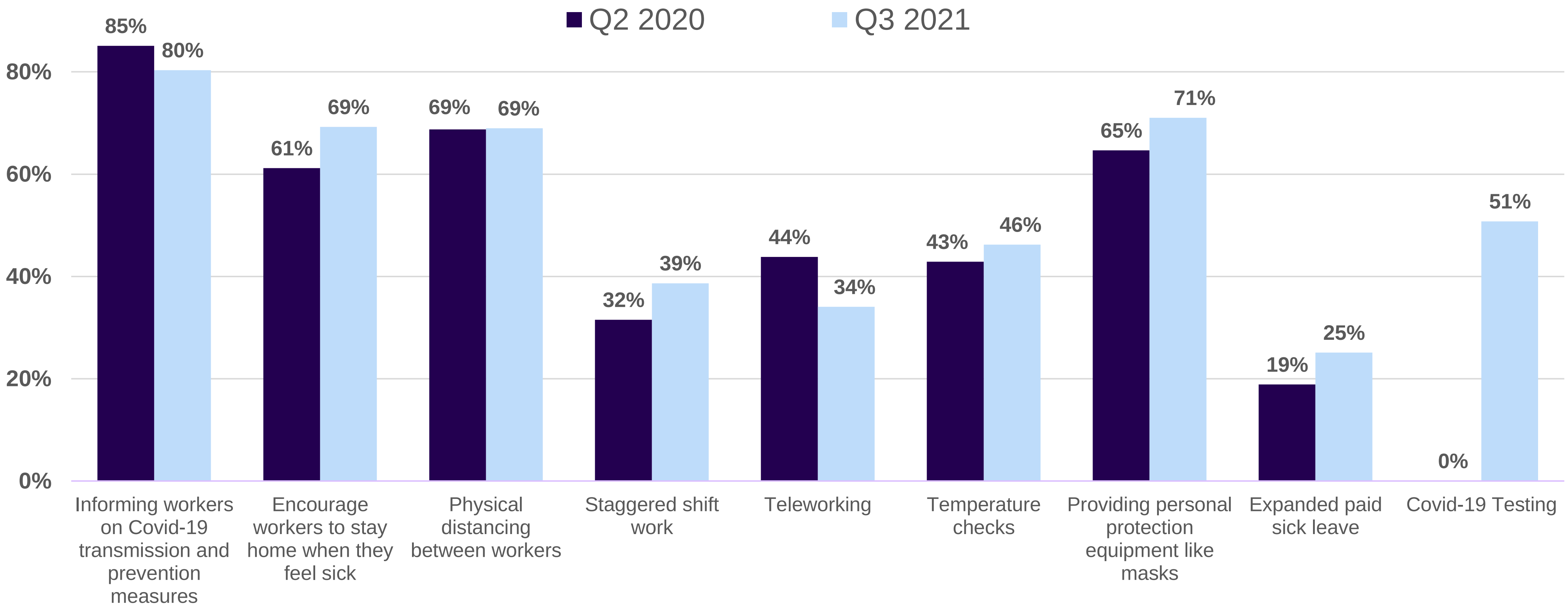


Health and safety in the workplace

Enterprises have now adjusted to managing a workforce with Covid-19

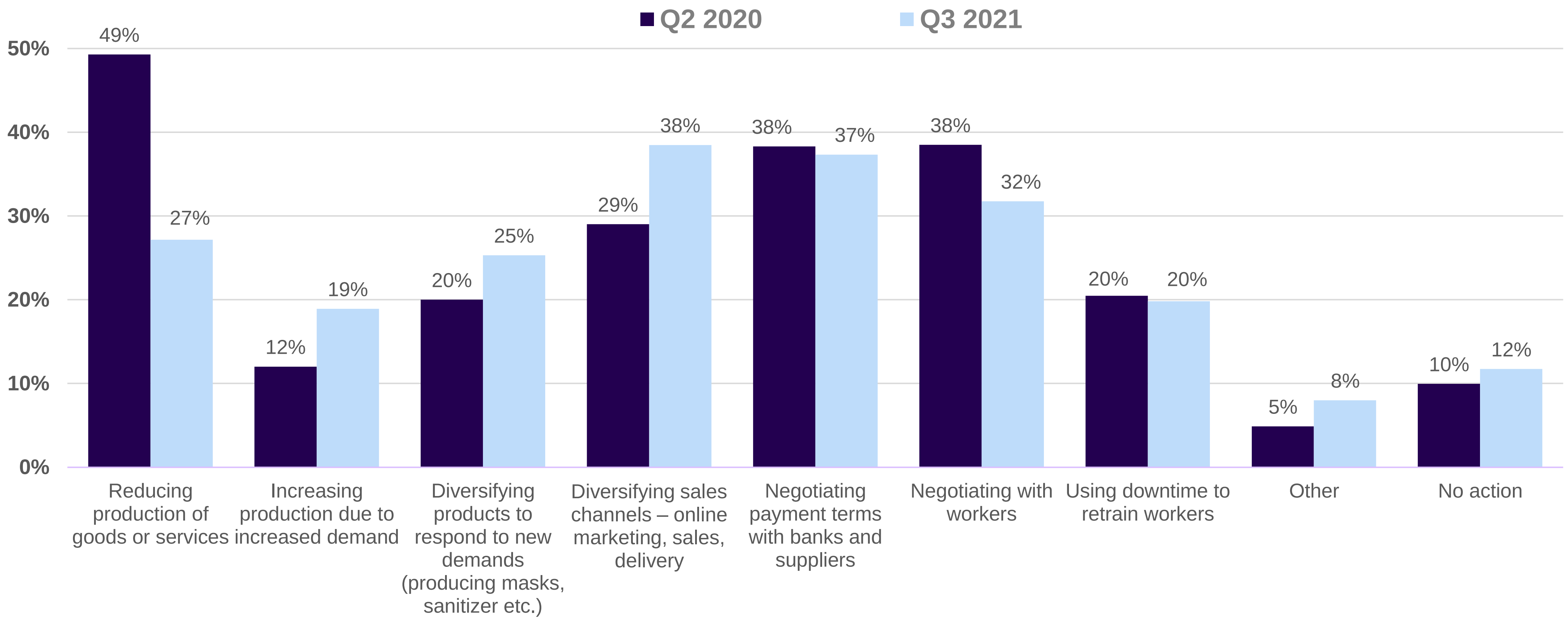


What are enterprises doing to protect workers?



How are enterprises responding?

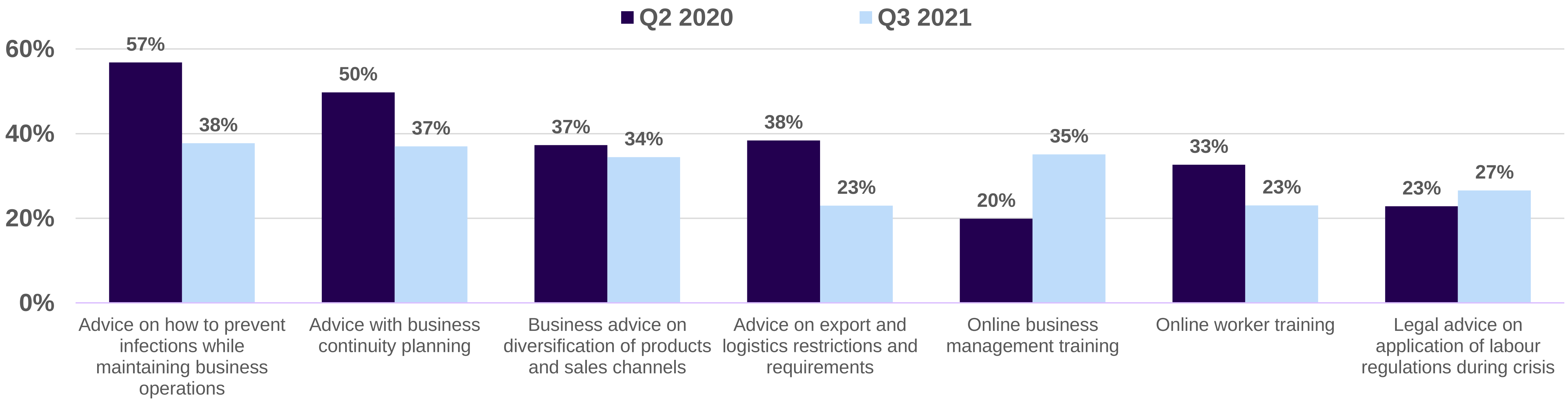
How are enterprises responding?



What support do enterprises want?

What business development services do enterprises need?

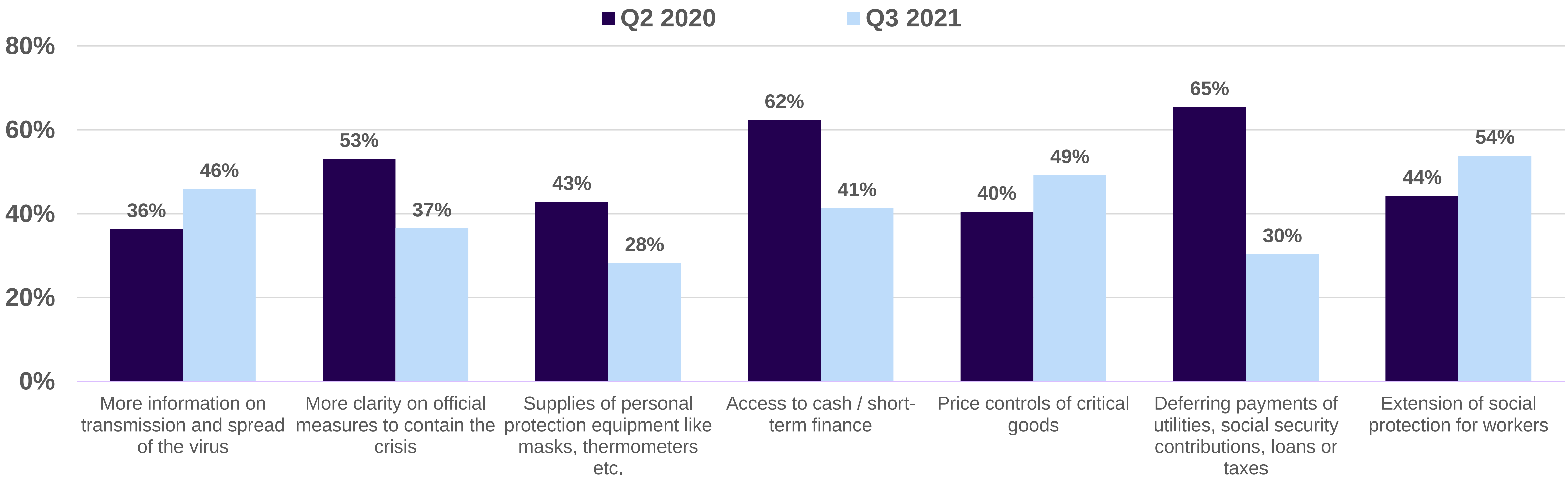
- Enterprises still need advice on preventing infections, business continuity planning and product diversification
- Online business management training has gone from being the least needed in Q2 2020 to among the most needed in Q3 2021



International Labour Organization

What government action do enterprises want?

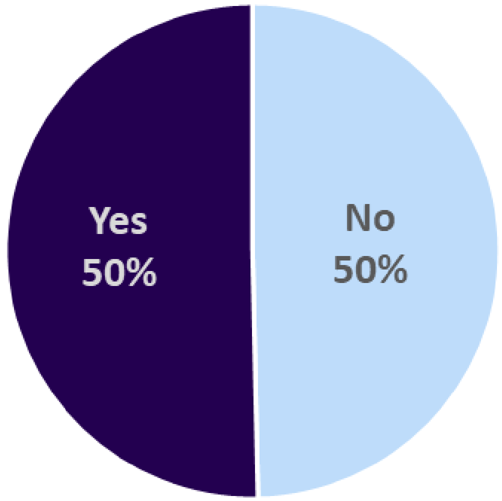
- Enterprises need the extension of worker social protection more than any other government action
- Price controls and information on the virus are also top priorities and more important than in Q2 2020



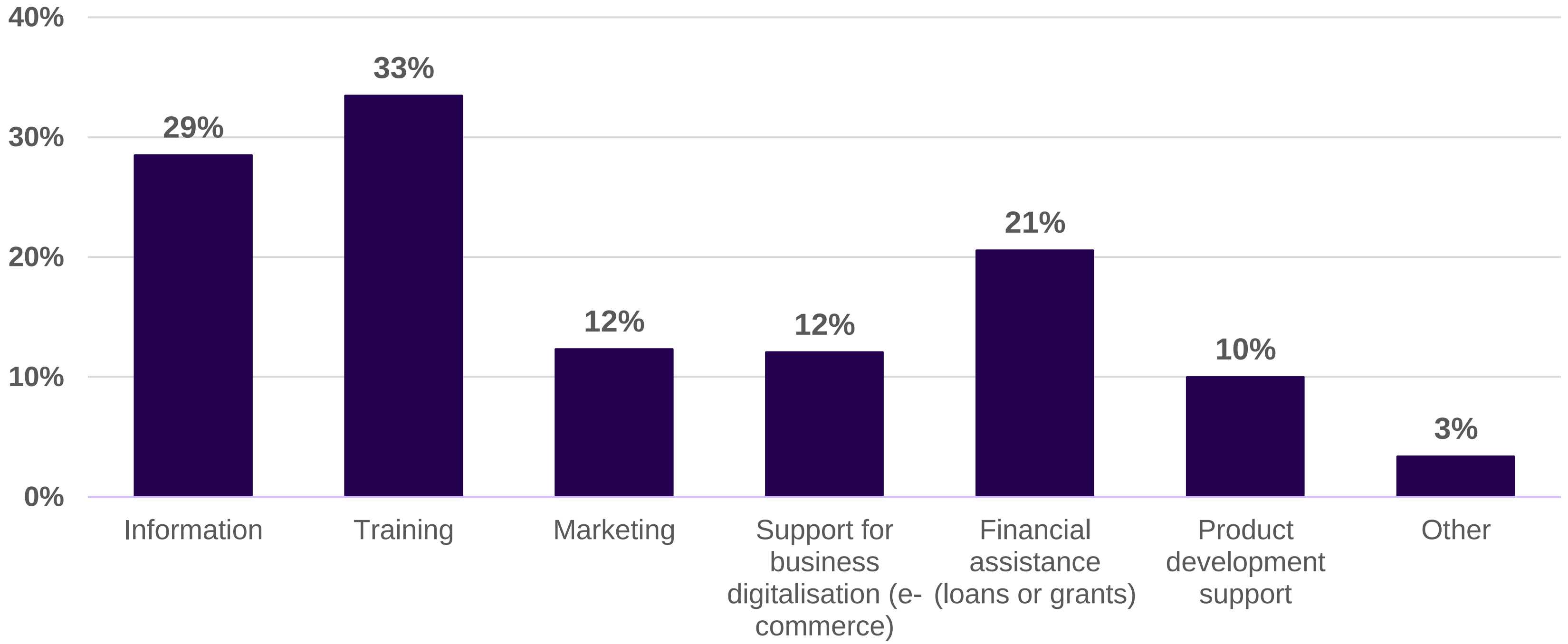
International Labour Organization

Have enterprises received services from business associations?

Enterprises that received services



If yes, which ones?



Conclusions

Economic state and prospects for SMEs remain grim

- Revenues, orders, cash flows, supply chains remain heavily impacted
- Most enterprises still employ fewer workers than before the pandemic
- Enterprises expect a minor improvement in key indicators for Q4 2021, but still a long way to go before full recovery

Enterprises still need assistance

- Government actions focused on extending social protection, price controls and information on the virus are enterprise priorities
- Enterprises prioritised business continuity planning, product diversification and online worker training as most needed business services