

COVID-19 and ENTERPRISES

Briefing Note [No. 16]

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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

1. Resources for enterprise response

[ILO Monitor 3rd edition - COVID-19 and the world of work](#) | 29 April 2020

Compared to pre-crisis levels (Q4 2019), the drop in working hours in the second quarter of 2020 is expected to be 10.5 per cent, equivalent to 305 million full-time jobs. Almost 1.6 billion informal economy workers, out of a worldwide total of two billion and a global workforce of 3.3 billion, have suffered massive damage to their capacity to earn a living. Worldwide, more than 436 million enterprises face high risks of serious disruption, operating in the hardest-hit economic sectors including the wholesale and retail, manufacturing, accommodation and food services, and real estate and other business activities. The ILO calls for urgent, targeted and flexible measures to support workers and businesses, particularly smaller enterprises, those in the informal economy and others who are vulnerable.

[ILO - Recommendations for Asian garment manufacturers on how to address the COVID-19 pandemic](#) | 15 April 2020

The Asian garment industry is facing severe impacts from the COVID-19 global pandemic. This thematic brief sheds light on how the COVID-19 outbreak is affecting Asian garment manufacturers, while outlining key recommendations for factories to overcome the crisis.

[ILO - Restructuring for recovery and resilience in response to the COVID 19 crisis](#) | 24 April 2020

This brief provides guidance to companies on good practices on restructuring in response to the COVID-19 crisis, consistent with the provisions of international labour standards. It also suggests actions that employers' and workers' organizations can take to support enterprises and workers during restructuring.

[Connecting Business initiative & UN Global Compact - UN Business Guide on COVID-19](#) | 17 April 2020

The United Nations calls on all businesses and corporations to take three

primary actions: 1) Adhere to health and safety guidelines and provide economic cushions to workers, including through ensuring worker safety and social distancing and secure wages for those working from home; 2) Provide financial and technical support to governments by contributing to the COVID-19 Solidarity Response Fund; 3) Repurpose their facilities and business plans to focus on meeting the needs of this crisis. This Guide offers companies an overview of how the private sector can join with the UN to take collective action to stem the pandemic.

PEFC - Guidance on COVID-19

To support certified entities and certification bodies during the effects of COVID-19, the Programme for the Endorsement of Forest Certification (PEFC) has produced guidance regarding auditing (chain of custody and sustainable forest management), and the transition to the 2020 standards.

Webinar: IDH - ¿Cómo están respondiendo las empresas agrícolas y los operadores territoriales a COVID-19? | 8 May 2020, 5:00 PM (CET)

IDH Sustainable Trade Initiative en asociación con FMO, Mirova y Proparco le invita a unirse al tercer seminario web de la serie. Este tercer seminario web estará dirigido a público de habla hispana, y facilitará el intercambio de conocimientos prácticos sobre cómo las empresas de América Latina están respondiendo a la crisis actual, en términos de planificación para continuidad de los negocios; la salud y la seguridad en el trabajo, y la comunicación hacia los pequeños agricultores y las comunidades sobre COVID-19.

2. Government support to enterprises

ILO portal on the country policy responses

This ILO portal is being frequently updated to provide recent updates on the measures implemented by governments, employers' and workers' organizations, and the ILO by country and territory.

IMF - A “New Deal” for informal workers in Asia | 30 April 2020

This article highlights emerging policy responses for informal economy workers in Asia, from expanding existing social assistance programmes and introducing new transfers to establishing public works programmes and employment retention schemes for MSMEs. A “New Deal” to build a stronger safety net in the informal economy should concern: 1) Strengthening public health infrastructures; 2) Setting up more expansive and inclusive safety nets using citizen identification and digital technologies; and 3) Investing in digital capacity and bandwidth.

UNCTAD - How investment policies are responding to COVID-19 | 4 May 2020

A special issue of UNCTAD’s Investment Policy Monitor provides an overview of various investment policies in response to the coronavirus pandemic, including facilitation and retention of investment, providing incentives, financial support to crisis-affected companies, supporting local SMEs in supply chains, as well as protecting national security and public health through foreign investment screening.

Global Deal - Social partnership in the times of the COVID-19 pandemic | 10 April 2020

A key concern is to prevent this initial shock from turning into an even deeper and prolonged recession. This brief by the global multi-stakeholder partnership Global Deal stresses that social dialogue can help, for instance by shaping compromises whereby employers maintain jobs, workers accept shorter working hours while governments provide compensation. It refers to several recent cases where social partners, in collaboration with governments, have quickly stepped up to the challenge by expanding short time work systems.

EU - Banking package: supporting households and businesses | 28 April 2020

To ensure that banks can continue to lend money, support the economy and help mitigate the economic impacts of the Coronavirus, the European

Commission has adopted a banking package. The package will allow banks to continue lending to households and businesses throughout the EU, and includes an Interpretative Communication on the EU's accounting and prudential frameworks, as well as targeted "quick fix" amendments to EU banking rules. The Commission will engage with the European financial sector to explore how it can develop best practices that could further support citizens and businesses.

EU - Package of measures to support transport sector | 29 April 2020

The European Commission today adopted a package of measures that will provide significant relief to the transport sector by solving practical problems, removing administrative burdens, and increasing flexibility. This package includes measures to support the aviation, rail, maritime, inland navigation and road sectors, ensuring that no single player is hit harder than any other, as the entire sector moves on from the travel restrictions put in place during the coronavirus pandemic.

African Union Covid-19 Response Fund Board of Trustees holds inaugural meeting | 30 April 2020

The fund was set up in early April by the African Union and the Africa CDC to mobilize and manage funds from member states and the private sector in Africa. The partnership aims to raise an initial US\$ 150 million for immediate needs to prevent transmission and up to US\$ 400 million to support sustainable medical response. US\$ 61.5 million had so far been raised. The governance structure of the AU Covid-19 response Fund Board of Trustees is made up of member states, the private sector and AU representatives.

Perú - Produce prevé formalizar a 100 mil emprendedores al 2023 | 4 May 2020

El Ministerio de la Producción (Produce) prevé formalizar - solo este año- a más de 26 mil mypes tras la aprobación de una norma que exonera el pago de la tasa registral por concepto de constitución de una empresa. Pero la meta, al 2023, es alcanzar a 100 mil emprendedores.

3. Enterprises response

Workplace safety and working conditions

[Kroger 'Blueprint for Businesses' offers cross-industry coronavirus action plan](#) | 22 April 2020

As the biggest U.S. supermarket operator, The Kroger Co. released “Sharing What We've Learned: A Blueprint for Businesses,” the first installment of a series of recommendations for retailers, restaurants and foodservice companies, manufacturers, logistics and distribution centers, and other industries looking at how to establish safe work environments amid the lingering risk of COVID-19. Inside the blueprint are actions and learnings that Kroger has applied in the past weeks to protect employees, customers and the communities it serves.

[Aldi Süd introduces digital access control system in stores](#) | 28 April 2020

German discounter Aldi Süd has announced that it has introduced a digital system for access control in almost half of its 1,930 outlets to regulate the number of customers in a store in wake of the coronavirus pandemic. The sensor-based system developed by Stuttgart-based start-up company provides an account of the number of customers in a store in real-time, allowing the retailer to adhere to government regulations regarding the maximum number of customers in an outlet at a given time.

[Carrefour Belgium takes steps to strengthen staff safety](#) | 27 April 2020

Carrefour Belgium has introduced new measures to ensure the safety of staff during the coronavirus epidemic, including the distribution of yellow vests adorned with a message inviting customers to respect the principle of social distancing. The retailer has also distributed plastic face shields to protect employees.

[Walmart now requires all U.S. workers to wear face coverings](#) | 20 April 2020

Walmart began requiring all U.S. employees to cover their faces while at work to help prevent the spread of novel coronavirus.

[SPAR Spain launches app showing footfall to support social distancing](#) | 14

April 2020

SPAR Spain partner Líder Aliment, license holder for the SPAR Brand in Western Andalusia and Extremadura, has launched an app that monitors how busy SPAR Supermarkets are. The app aims to help customers plan their shopping trip in accordance with social distancing guidelines during the COVID-19 pandemic. In the app, customers can choose their nearest store and obtain real-time occupancy that is classified into low, average, and high.

Employee protection

[Employee-sharing schemes are softening the blow for China's pandemic-hit businesses](#) | 28 April 2020

Revenues in the restaurant sector dropped 46.8% in March compared to a year ago, according to China's National Bureau of Statistics. With the restaurant industry hit hard in China by the pandemic, many workers are being shared with supermarkets like 7Fresh to maintain their salaries. Loaning employees can cut staff costs while retaining employees for the post-pandemic economy.

Supply chain stabilization

[Partnership for Sustainable Textile - Guidelines for responsible purchasing practices in times of COVID-19](#) | 22 April 2020

In order to mitigate short-term negative effects, Partnership for Sustainable Textile members have developed guidelines containing recommendations for handling orders as well as health risks and the danger of infection in production facilities. These guidelines will be further developed to cover actions beyond the immediate time frame of the crisis situation.

[INTERSPAR Austria extends cooperation with local suppliers](#) | 10 April 2020

With the initiative “The best from home!”, SPAR in Austria has supported producers near INTERSPAR Hypermarkets for the past ten years by offering an additional sales channel. This sales opportunity supports the local economy, securing jobs and boosting regional purchasing power, and is currently more important than ever for local small-scale and micro-businesses.

[amfori calls for a living wage in global supply chains](#) | 20 April 2020

The global business association of over 2,400 retailers, importers, brands and associations states that the implementation of a living wage in its members’ global supply chains would enable workers and their families to break out of poverty and live a decent life. To that end and to re-confirm its commitment in the current pandemic, amfori has released a briefing that takes stock of its journey advancing living wages and sets the way forward.

[SupplyShift offers multi-tier supply chain mapping at no cost to assess COVID-19 impact](#) | 17 March 2020

SupplyShift, a leading supply chain responsibility and transparency platform, has announced that they will offer a multi-tier mapping assessment at no cost to help companies measure the impacts of COVID-19 throughout global supply chains.

Support to customers and communities

[Facebook lanza Centro de recursos para apoyar a pymes ante Covid-19](#) | 27 April 2020

Las redes sociales son una de las herramientas para que las pequeñas y medianas empresas enfrenten la crisis derivada del Covid-19, conciente de ello, Facebook lanzó el Centro de recursos para empresas, un espacio con herramientas e información los pequeños negocios.

Recovery and post-recovery planning

[Appel de dirigeants d'entreprises pour une relance économique qui accélère la transition écologique](#) | 5 May 2020

Plus de quatre-vingt-dix dirigeants d'entreprises françaises et internationales appellent à une mobilisation collective pour faire de la relance économique un accélérateur de la transition écologique.

Multiple/other responses

[Consumer Goods Forum - Special Edition: Industry actions to tackle Covid-19 and support people](#) | Updated 29th April 2020

Selection of items on how the industry is making a difference and supporting people to get through this challenging time. Updated regularly.

[GE is cutting up to 13,000 jobs at its jet engine division](#) | 4 May 2020

General Electric is cutting as many as 13,000 jobs in its jet engine business after the coronavirus pandemic brought devastation to the aerospace industry. GE Aviation plans to accelerate its cost-cutting by permanently reducing its global workforce by as much as 25% this year through a mix of layoffs and voluntary actions. This includes the previously-announced plan to cut 10% of GE Aviation's US workforce.

4. Workers/multi-stakeholders response

[TUAC - Covid19 crisis: Mapping out trade union and social partners' responses](#) | Last updated 29 April 2020

Snapshot of social partners and trade unions' responses, agreements and calls for action in 22 countries. It is updated on a regular basis, and broadened to other OECD and non-OECD countries to provide best practice sharing in these critical times. Actions at the sector level are also featured – also via international trade union resource pages.

Amazon worker-activists form international organization to demand change in warehouses | 30 April 2020

Amazon workers across the world are formalizing their activism with the creation of the Amazon Workers International. Its first action is a letter to Amazon CEO and Amazon Director of UK Customer Fulfillment in which the group demands the company makes permanent certain steps Amazon has implemented amid the COVID-19 pandemic.

El empleo temporal en algunos sectores, que sugiere la OIT al país | 2 May 2020

Mantener el empleo de las personas no es solo un asunto de solidaridad. Aunque sea por negocio, es lo que les conviene a las empresas. Su crecimiento depende del consumo de bienes y servicios, y eso lo logran porque las familias tienen ingresos para adquirirlos. Por eso, la principal recomendación de la Organización Internacional del Trabajo (OIT) es entablar el diálogo social en el país para llegar a acuerdos sobre alternativas como la creación de empleo temporal para independientes informales y la formación para el trabajo, ya que la pandemia dejó ver debilidades en el mercado laboral. Una de ellas, la vulnerabilidad de los que no se han apropiado del conocimiento digital. Estas y otras sugerencias expresa Julio Gamero, el especialista en empleo de la OIT.