International Labour Organization

COVID-19 and ENTERPRISES Briefing Note [No. 17]

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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

ENTERPRISES Department

1. Resources for enterprise response

ILO - COVID-19 crisis and the informal economy: Immediate responses and policy challenges | 7 May 2020

This policy brief focuses on the immediate responses that countries can take to address the consequences of the COVID-19 pandemic on the informal economy at its early stages, while pointing to areas that will need sustained investment in the future in order to ensure well-being and decent work for workers and economic undertakings in the informal economy. This brief will be followed by another on mid- to long-term responses, once the rapid propagation phase of the virus has passed.

ILO - COVID-19 and the automotive industry | 7 May 2020

The ILO's series of sectoral briefs includes its preliminary assessment of the impact of COVID-19 on specific social and economic sectors and industries, policy responses and measures taken by ILO constituents, available ILO tools and responses at the sector-specific level. This brief focuses on the automotive industry which has been hit by a triple whammy: factory closures, supply chain disruption, and a collapse in demand. Other sectoral briefs are available here.

IOE & SHRM - Return to work during COVID-19 | 6 May 2020

The guide is structured to account for major thematic considerations along with key questions and resources to be considered when implementing a return-to-work plan. The core elements include: 1) The decision to return to work; 2) Implementation and execution of return to work; 3) Coping with after-effects; 4) Sustaining the right culture post-Covid-19; 5) Embracing the new realities of work; and 6) Support and guidance from your employers' organisation. The guide was launched ahead of the IOE digital conference on this topic with WHO, ILO, ITUC, Society for Human Resource Management (SHRM) and Randstad on 6 May. Presentations are available here.

Randstad, Adecco Group & ManpowerGroup - Safely back to work in the new normal | 16 April 2020

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The HR services industry has formed an alliance spearheaded by Randstad NV, the Adecco Group and ManpowerGroup to enable companies and workers to return to work safely when the time is right. The alliance's actions will be based on sharing best practices on health and safety protocols, which will need to be either set-up or updated for the temporary 'physical distancing economy'. This white paper presents recommendations for a safe return to work and how the HR industry can contribute, and calls for collaboration of wider stakeholders.

ICTD - Covid-19 and the informal economy: event summary and resources | 20 April 2020

On 16 April, the International Centre for Tax and Development (ITCD) hosted a virtual roundtable on Covid-19 and the informal economy. Being more financially affected by containment measures and less attainable by government programs, informal workers can be considered a vulnerable group. Attended by over 200 participants from around the world, the seminar sparked a useful discussion about how the pandemic and responses to it will affect vulnerable populations in the short-and long-term. Researchers and esteemed panelists have shared insights, experiences and resources around three key topics.

McKinsey - CEO's guide to COVID-19: Restarting after the crisis | 5 May 2020

Companies will need to take a holistic approach to restarting. Based on a research and conversations with leaders of large French, European, and Asian companies from all sectors, this article focuses on eight key actions namely: 1) Creating a detailed relaunch map; 2) Providing customers with safety guarantees that restore trust; 3) Safeguarding the health of employees; 4) Reviving demand; 5) Rebooting operations and supply chain; 6) Shifting IT and technology to restart mode; 7) Steering the restart with care; and 8) Sustaining value creation born from crisis and reinvesting in recovery.

McKinsey - To emerge stronger from the COVID-19 crisis, companies should start reskilling their workforces now | 7 May 2020

Even before the current crisis, changing technologies and new ways of working were disrupting jobs and the skills employees need to do them. The coronavirus pandemic has made this question more urgent. Workers across industries must figure out how they can adapt to rapidly changing conditions, and companies have to learn how to match those workers to new roles and activities. This article offers six steps leaders can take to ensure that their employees are equipped with the skills critical to their recovery business models.

Financial Times - Global Digital Conference: Global Economic Crisis - What Now? | 12-14 May 2020, 12:00-18:00 BST (13:00-19:00 CET)
The Financial Times, in partnership with TNW, will gather the most senior global decision makers and leading minds in policy, business, tech and finance for three days of online conversations to analyse the impact of the pandemic across global economies. The ILO Director-General Guy Ryder is among the confirmed speakers.

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.

ILO - State practice to address COVID-19 infection as a work-related injury
The ILO's Global Programme on Employment Injury Insurance and Protection (GEIP) Programme is collecting growing State practices in relation to COVID-19 infection as a work-related injury. The table will be updated on a regular basis.

OECD - Investment promotion agencies in the time of COVID-19 | 6 May 2020
Unpredictable events and crises – such as the current COVID-19 pandemic – pose significant challenges to public authorities. Investment promotion

agencies (IPAs) are at the forefront of business attraction and supply chain management and need to be ready to react quickly to these challenges. This note reviews the impact of the COVID-19 crisis on international investment flows and government responses. It summarizes the findings of the OECD IPA Network meeting on 9 April 2020 and outlines short-term and long-term responses.

OECD - Corporate sector vulnerabilities during the Covid-19 outbreak: assessment and policy responses | 5 May 2020
This brief investigates the financial vulnerability of non-financial firms associated with confinement measures introduced in most world economies to tackle the Coronavirus (COVID-19) epidemic. Based on empirical simulations, it evaluates the extent to which firms may run into a liquidity crisis and discusses the immediate steps that governments can take to reduce the risks and depth of such crisis, ensuring that it does not turn into a solvency crisis.

OECD - A systemic resilience approach to dealing with Covid-19 and future shocks | 28 April 2020
Policymakers often have a linear view of the world, where pulling the right levers will get the economy and society back on track after shocks and crises. This paper argues that such an approach ignores how systems interact and how their systemic properties shape this interaction, leading to an over-emphasis on a limited set of characteristics, notably efficiency. The emphasis on efficiency in the operation, management and outcomes of various economic and social systems was not a conscious collective choice, but rather the response of the whole system to the incentives that individual components face. This has brought much of the world to rely upon complex, nested, and interconnected systems to deliver goods and services around the globe. While this approach has many benefits, the Covid-19 crisis shows how it has also reduced the resilience of key systems to shocks, and allowed failures to cascade from one system to others. A systems approach based on resilience is proposed to prepare socioeconomic systems for future shocks.

Restrictions on creditor rights, relaxation of obligations to file and other insolvency-related reforms/proposals | Last updated 4 May 2020

This tracker by Linklaters, a multinational law firm, contains an overview of changes made in light of the COVID-19 outbreak which impose restrictions on creditor rights, relax debtor obligations to file for insolvency or concern other insolvency-related issues. Several jurisdictions around the world, including Australia, Germany, Spain, United States, Singapore, India and the United Kingdom have proposed or implemented changes to their insolvency frameworks to provide companies, particularly SMEs, with more time and flexibility and avoid insolvencies due to the COVID-19 disruptions.

Italy to offer permits to illegal migrants for farm work in Covid crisis | 5 May 2020

Italy plans to give work permits to thousands of irregular migrants to help farms deal with the Covid-19 epidemic that has cut the flow of cheap labour from abroad, a political source said on Tuesday.

Malaysia - Government committed to helping SME weather economic challenges | 25 April 2020

As the restrictions related to Movement Control Order are slowly being relaxed, Prime Minister Muhyiddin Yassin has reinforced government commitment to helping SME weather economic challenges. In his 1st may first speech, he also stated "We must find ways to balance between healing the nation's economy and addressing Covid-19". Malaysia has to reopen its economy on 4 May. Small and medium enterprises (SME) sector are cornerstones of its economy.

New Zealand - Fast, private sector economic growth is the best road to recovery | 3 May 2020

This article suggests five key ways in which the government can create the right frameworks and environment for private sector led growth in recovering from COVID-19: 1) Encourage export led growth; 2) Enhance productivity and increase digital capability; 3) Focus on good quality jobs and make skills training more accessible; 4) Ensure equality and inclusion; and 5) Adopt a ‘can do’ attitude and increase the pace.

Maroc - La CCG lance la "GARANTIE AUTO-ENTREPRENEURS COVID-19" | 25 April 2020

Après avoir lancé la garantie exceptionnelle « Damane Oxygène » visant à soutenir la trésorerie des entreprises marocaines en difficulté financière, la CCG (Caisse Centrale de Garantie) a annoncé le 28 avril 2020 le lancement de la « Garantie Auto-Entrepreneurs Covid19 ». Décidé par le Comité de Veille Économique (CVE), la Garantie Auto-Entrepreneurs Covid19 s’adresse aux auto-entrepreneurs n’ayant pas bénéficié de la première mesure.

Sénégal - l’Association Professionnelle Des Banques Et Établissements Financiers Du Sénégal (Apbefs) et l’État du Sénégal s’engagent auprès des PME et des Grandes Entreprises | 25 April 2020

L’État du Sénégal a signé un accord-cadre avec l’APBEFS portant sur la mise en place de crédits de trésorerie et d’investissement afin de soutenir les entreprises affectées par le covid-19. Un montant total de 200 milliards de francs CFA (environ 333 millions de dollars) a été décidé pour les entreprises s’engageant entre autre à maintenir leurs employés et un certain niveau de salaires.

Spain - Tiene una pyme? Estas son las 10 medidas para salir a flote en la crisis | 6 May 2020

El Gobierno ha implementado procedimientos que facilitan a estas compañías la dilación del pago de los impuestos y las cuotas de la Seguridad Social, los avales para préstamos, o la puesta en marcha de los expedientes de regulación temporal de empleo, entre otros. Estas son las diez medidas aprobadas por el Gobierno y enfocadas en aliviar las dificultades de las pymes.

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3. Enterprises response

Workplace safety and working conditions

ICC and International SOS launch app for digital verification of COVID-19 compliance status | 6 May 2020
Co-developed by Singapore-based startups AOKpass and Perlin, the app will allow consumers, workers and businesses to more safely and quickly resume commercial activity in the context of the COVID-19 pandemic. At all times, users maintain full control over their medical information, which is stored securely and privately only on their device.

Supply chain stabilization

ICC - 10 ways to use trade to Save our SMEs | 7 May 2020
ICC has issued 10 recommendations for how governments can use trade to help micro-, small- and medium-sized businesses (MSMEs) weather the COVID-19 storm. It comprises recommendations for an immediate response to limit the damage caused by the COVID-19 pandemic and short- to mid-term recommendations to mitigate further damage and level the trading playing field to enable MSMEs to build back better.

Support to customers and communities

African private sector mobilizes COVID-19 response | 20 April 2020
The pan-African business organization, AfroChampions—which was created to help fight Ebola—has launched a COVID-19 response fund in partnership with the African Union and the Africa Centres for Disease Control and Prevention (Africa CDC), aiming to raise over $150 million to support the continental response and procure the necessary medical supplies. At a national level, there are emerging alliances among both the large blue chip companies and startups in Africa's largest markets - Nigeria, Kenya, and South Africa - that are

mobilizing finances, skills, and supplies to aid governments in the fight against the pandemic.

Multiple/other responses

Italian retail and pharmaceutical federations including Coop sign agreement to sell protective masks | 2 May 2020
As of today pharmacies and food stores in Italy will send protective masks in-store for 0,50 euros (VAT excluded). The operation will involve 50,000 points of sale, one every 1,200 inhabitants. As of mid-May, points of sale in which to find the masks will be 100,000, one every 600 inhabitants.

McKinsey - How COVID-19 is accelerating five key trends shaping the Chinese economy | 6 May 2020
Though China's first-quarter gross domestic product declined 6.8 percent over the previous year, according to government statistics, economic activity may have bottomed out in the first quarter. This article explains five accelerating trends shaping the Chinese economy: 1) Digitalization - expanding from B2C to B2B; 2) Declining global exposure - rising importance of domestic markets, technology and capital; 3) Rising competitive intensity; 4) Consumers becoming more prudent and health-conscious; and 5) Private and social sectors stepping up.

La colaboración entre empresas, una oportunidad en tiempos de crisis | 7 May 2020
El informe '10 tendencias post Covid-19' de la consultora de innovación digital Opinno avanza que, de cara al futuro, las empresas cada vez serán más colaborativas: "La colaboración de la sanidad público-privada, las redes vecinales y el apoyo entre partidos de distintos colores dejan claro que la unión hace la fuerza y que todos juntos somos más fuertes. Las empresas tendrán que aprender a colaborar y a trabajar en plataforma con startups, investigadores, universidades, instituciones académicas y filantrópicas, este ecosistema les permitirá adelantarse y protegerse ante futuras crisis".

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4. Workers/multi-stakeholders response

ITUC - COVID-19 should be classified as an occupational disease | 27 April 2020

The ITUC and its Global Unions partners are calling for COVID-19 to be classified as an occupational disease in order to ensure stronger workplace protections and access to compensation as well as to medical care.

European Commission commits to legislation on mandatory human rights & environmental due diligence | 29 April 2020

During a webinar organised by the European Parliament's Responsible Business Conduct Working Group, the EU Commissioner for Justice, Didier Reynders, committed to a legislative initiative on mandatory human rights and environmental due diligence obligations for EU companies in early 2021. The Commission is currently preparing a public consultation on sustainable corporate governance and due diligence, which will inform the Commission's legislative proposal. Mr Reynders said the forthcoming legislation would be part of the EU's COVID-19 recovery package.

Cusco - La pandemia que los guías de turismo nunca se imaginaron vivir en el ombligo del mundo | CRÓNICA | 6 May 2020

Con incertidumbre, sin bonos y buscando otros oficios para hacer frente a la crisis, así va la historia de los guías de turismo en Cusco, la ciudad que recibe al 80% de viajeros extranjeros que llegan al país. El otro lado de la crisis por la pandemia del coronavirus.