

# COVID-19 and ENTERPRISES

## Briefing Note [No. 20]

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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)

## 1. Resources for enterprise response

### [ILO issues guidance for safe, healthy, return to work during COVID-19](#) | 22 May 2020

Two guidance documents for creating safe and effective return-to-work conditions during the COVID-19 pandemic have been issued by the ILO. The Guidance Note says that return to work policies need to be informed by a human-centred approach that puts peoples' rights at the heart of economic, social and environmental policies. Social dialogue – bringing together governments, workers' and employers' organizations – will be critical in creating the effective policies and trust needed for a safe return to work.

### [ILO Monitor 4th Edition: COVID-19 and the world of work](#) | 27 May 2020

The ILO's latest analysis of the labour market impact of COVID-19 exposes the devastating and disproportionate effect on young workers, and analyses measures being taken to create a safe return to work environment. More than one in six young people have stopped working since the onset of the COVID-19 pandemic while those who remain employed have seen their working hours cut by 23 per cent.

### [IOE and WEC partner on a new industrial relations and labour law newsletter](#) | 27 May 2020

With extensive coverage on how the Covid-19 crisis is impacting business and industry, the inaugural edition of the joint International Organisation of Employers (IOE) and World Employment Confederation (WEC) Industrial Relations and Labour Law Newsletter is now online. The Newsletter will be published on a monthly basis with a focus on industrial relations matters and labour law developments at the global, sectoral and local levels.

### [McKinsey - Briefing note: New insights on consumer sentiment and the return to work](#) | 27 May 2020

McKinsey's new surveys of consumers in Argentina, Australia, Brazil, Central America, and the United States show consumers are less anxious and

depressed about health concerns. Business executives are a bit more optimistic this month than last. Surveys of global B2B buyers and those in Asia and Europe suggest that confidence is holding firm. This note suggests that for businesses to absorb uncertainty and incorporate lessons into the operating model quickly, analytics skills are needed particularly to forecast demand, identify potential supply-chain disruptions, target support services to at-risk workers, and determine the effectiveness of crisis-intervention strategies. Businesses also need to renew and refresh connections to customers through digital excellence, safe and contactless engagement, and dynamic customer insights.

**Global Deal Webinar “Social Dialogue for the Transition from the Informal to the Formal Economy” | 3 June 2020, 15:00 (CEST)**

Global Deal partners and experts will present and discuss good practices from around the world to highlight how social dialogue, involving governments and representatives of employers’ and workers’ organizations, has contributed to the transition to formality and the reduction of decent work deficits in the informal economy. The Global Deal is a global partnership with the objective of jointly addressing the challenges in the global labour market and enabling all people to benefit from globalisation.

**¡Pymes, a exportar durante pandemia! CAN abre capacitaciones gratuitas. - El programa está dirigido a pequeñas y medianas empresas de Colombia, Bolivia, Ecuador y Perú | 22 May 2020**

La Comunidad Andina (CAN) informó que a partir del próximo miércoles 27 de mayo iniciará el programa de capacitación “Pymes exportadoras frente al covid-19”. La actividad, que forma parte de la estrategia de reactivación económica de la CAN ante el coronavirus, consta de ocho sesiones virtuales y se realizará de forma gratuita a través de conferencias y talleres por internet.

## 2. Government response for 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.

### [La crise du Covid-19 pousse l'Union Européenne à accélérer le déploiement du devoir de vigilance](#) | 19 May 2020

L'union européenne devrait se doter d'une réglementation contraignante sur le devoir de vigilance des donneurs d'ordre vis-à-vis de leurs sous-traitants d'ici 2021. C'est ce qu'a annoncé le commissaire européen à la Justice, Didier Reynders, fin avril. Si le sujet était déjà dans les cartons, la crise du Covid-19 a mis en lumière l'importance d'un meilleur encadrement des chaînes de valeur devenues de plus en plus complexes et mondialisées. Selon les premiers éléments distillés par le commissaire européen, le devoir de vigilance toucherait tous les secteurs d'activité, toutes les tailles d'entreprises et toute la chaîne d'approvisionnement, sur l'ensemble des droits humains (sociaux et environnementaux).

### [EU - Major €2,4 trillion recovery plan for Europe unveiled to repair and prepare for the next generation](#) | 27 May 2020

To kick-start the European recovery, protect lives, livelihoods and jobs, the European Commission is proposing a major €2,4 trillion recovery plan which is based on using the full potential of a powerful, modern and revamped EU budget to deliver a more sustainable, digital, inclusive and fair Europe.

Commission President Ursula von der Leyen said: "These investments will not only preserve the outstanding achievements of the last 70 years, but will also ensure that our Union is climate natural, digital, social and a strong global player in the future. This is about all of us. It is way bigger than any of us. This is Europe's moment."

**[EU - The Commission publishes a factsheet collecting industry initiatives to help European citizens](#) | 26 May 2020**

European companies have shown extraordinary solidarity to face the pandemic together in order to protect the health of the European citizens. Many companies across Europe retooled and revamped their production to meet the demand for Personal Protective Equipment (PPE), disinfectants and medical devices. The Commission has published a factsheet and an interactive tool collecting stories of companies manufacturing vital products to combat the virus across Europe. It also explains how the Commission has helped companies to retool and ramp up production of PPE and medical supplies.

**[UK and Switzerland call for global action to protect vital money transfers](#) | 22 May 2020**

The joint call highlighted the urgent need for people to be able to continue accessing money transfer services, and for governments to make sure those funds reach those reliant on this support. Both the UK and Switzerland are also urging countries to support greater access to digital remittance services and to declare remittances an essential financial service. They are also encouraging remittance service providers to reduce costs and fees for people making payments.

**[Canada - Prime Minister announces additional support for businesses to help save jobs](#) | 11 May 2020**

The Prime Minister, Justin Trudeau, announced new measures to support businesses so they can keep their workers on the payroll and weather this pandemic. These include 1) establishing a Large Employer Emergency Financing Facility (LEEFF) to provide bridge financing to Canada's largest employers under key guiding principles; 2) expanding the Business Credit Availability Program (BCAP) to mid-sized companies with larger financing needs; and 3) continuing to provide financing to businesses through government institutions.

### [Japan's Cabinet approves biggest-ever extra budget amid pandemic](#) | 27

**May 2020**

Japan's Cabinet approved a draft second supplementary budget for fiscal 2020 of 31.91 trillion yen (\$296 billion) to finance measures to mitigate the impact of the novel coronavirus pandemic. The largest-ever extra budget will help cover a package of projects worth about 117 trillion yen, centering on support for small businesses reeling from the outbreak of the novel coronavirus and front-line medical staff, which will also be funded by loans from government-affiliated financial institutions and the private sector.

### [China - New policy tools to boost real economy](#) | 27 May 2020

China will use various monetary policy tools to maintain sufficient liquidity, with the measures expected to be more precise and targeted to spur economic recovery and prevent risks in the financial system. Five specific financial support measures for small and medium-sized enterprises are: to extend loan and interest repayments, increase credit loans, improve government financing guarantees, increase bond financing and develop supply chain finance.

### [China to support air transport enterprises amid fight against COVID-19](#) | 27

**May 2020**

China plans to provide financial support to Chinese and foreign air transport enterprises to enhance cargo transporting capacity and stabilize the global industry and supply chain amid the fight against the COVID-19 pandemic. The financial support will be offered for the refitting of passenger aircraft into cargo flights authorized by Chinese civil affairs authorities, as well as airlines that fly cargoes with passenger air routes in and out the Chinese mainland from April 1, according to the Ministry of Finance and the Civil Aviation Administration of China.

### [China issues guidelines on disabled people's well-being amid COVID-19 control](#) | 26 May 2020

Chinese authorities have issued guidelines on guaranteeing the basic well-being of disabled people amid normalized COVID-19 prevention and control,

the China Disabled Persons' Federation (CDPF) said on May 25. Jointly issued by the CDPF, the Ministry of Finance and three other authorities, the guidelines include specific requirements for guaranteeing disabled people's basic livelihood and employment, as well as helping to lift the economically disadvantaged out of poverty.

### **Colombia - Así funcionará el subsidio a 50% de la prima de junio de trabajadores de salario mínimo | 28 May 2020**

Mintrabajo abrió la puerta para que 50% se pague a cuotas, y anunció un subsidio para trabajadores con contrato suspendido. El ministro de Trabajo, Ángel Custodio Cabrera, anunció que el Gobierno Nacional asumirá el costo de 50% de la prima de junio de todos los trabajadores formales que estén en el rango de un salario mínimo. La medida, dijo el Presidente Iván Duque, cobijará a aproximadamente cuatro millones de trabajadores que se encuentran en ese rango salarial.

## **3. Enterprises response**

### **Workplace safety and working conditions**

#### **Aldi introduces “automated traffic light system” nationwide as it prepares for long-term social distancing measures | 26 May 2020**

Aldi is launching a new “automated traffic light system” across its entire UK store estate to limit the number of shoppers allowed in store at any one time.

#### **Bolivia - Ventas de supermercados caen 30% a dos meses de la cuarentena | 26 May 2020**

A dos meses de la cuarentena, el sector de supermercados redujo el volumen de ventas hasta un 30%, según informó la Asociación de Supermercados de Bolivia (Asobosuper). El sector anunció que incluso se realizarán ajustes debido a la crisis generada por la presencia del coronavirus en el país.

## Supply chain stabilization

### [Trade Secrets: Supply Chain Disruption](#) | 28 May 2020

The death of globalisation and world-encompassing supply chains has been foretold so often that it is hard to imagine it might actually be happening. Could Covid-19 be the blow that finally shatters them? The Financial Times special report on Global Supply Chain looks into the impact of Covid-19 on it.

## Production innovation and adaptation

### [Ramadan surge in fried chicken orders helps Asia's tech unicorns](#) | 25 May 2020

A surge in online orders of fried chicken and pizzas during Ramadan has provided relief for south-east Asia's two biggest technology start-ups, whose main business of ride-hailing has been badly hit by the coronavirus pandemic. The trend underscores the growing importance of food delivery globally for ride-hailing groups. Food is giving these companies an additional stream of business which could be as big as rides.

### [China - Businesses change course amid COVID-19](#) | 27 May 2020

Stories of how Chinese companies and self-employers adapt their strategies to survive amid the pandemic.

### [The biggest restructuring exercise facing Singapore businesses has just begun](#) | 25 May 2020

Physical interaction has traditionally underpinned economic activity, but that assumption has all but vanished with safe physical distancing needed among customers and employees. New ways of doing business and fresh revenue sources must be sought. So how should businesses adapt, and more importantly, how can they continue to win in this grim setting? From F&B to retail and fitness, winning Singapore businesses know they must shift gears and rethink their business models to thrive in a pandemic economy.

### **Businesses get creative to battle Covid-19 drop-off | 28 May 2020**

The oversupply of food across Europe that would have been destined for the service sector has prompted providers to explore new ways of doing business. Switching from bulk service sector to retail is a steep learning curve for many companies.

## **Recovery and post-recovery planning**

### **McKinsey - How a post-pandemic stimulus can both create jobs and help the climate | 27 May 2020**

The recovery from the COVID-19 economic crisis coincides with a pivotal time in the fight against climate change. This article suggests that targeted low-carbon programs could restart growth and hiring while ushering in a more environmentally sustainable “next normal” and explains factors to consider in designing and implementing low-carbon stimulus programmes.

### **Colombia - ‘La reactivación de sectores ha sido lenta en zonas del país’ - Presidente de Acesco pide proteger producción local | 28 May 2020**

Ha transcurrido un mes desde que el Gobierno autorizó a los primeros sectores - algunos renglones de la manufactura y la construcción- reiniciar labores en medio de la cuarentena, pero el proceso ha sido lento. Esa es la percepción de Felipe González, presidente ejecutivo de Acesco, quien sostiene que esa situación no ha tomado por sorpresa a la compañía de 50 años, que tiene operación en varias regiones del país.

### **Repensar los planes económicos en favor de las micro y pequeñas empresas - Por Julio Pardavé, presidente de la Asociación PYME Perú | 24 May 2020**

Uno de los sectores más afectados por la crisis económica desencadenada por la COVID-19 es el de la micro y pequeña empresa. Como es sabido, este sector representa el 99.4% de todo el ecosistema empresarial peruano y brinda fuentes de empleo a casi nueve millones de personas a nivel nacional.

## 4. Workers/multi-stakeholders response

### France - La Plateforme RSE demande des actes aux entreprises en matière de responsabilité sociétale | 26 May 2020

Face à la crise du Covid-19, la Plateforme RSE, l'instance de concertation sur la responsabilité sociétale des entreprises placée sous l'égide du Premier ministre, appelle à passer de la "parole aux actes". Une prise de position pas si fréquente pour cette instance qui réunit des voix aussi diverses que celles des ONG, du patronat, des élus, des chercheurs, des experts et des syndicats.