

COVID-19 and ENTERPRISES

Briefing Note [No. 24]

Published: 26 June 2020

Contents

- [1. Resources for enterprise response](#)
- [2. Government response for enterprises](#)
- [3. Enterprises response](#)
- [4. Workers/multi-stakeholders response](#)

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 warns of COVID-19 migrant 'crisis within a crisis'](#) | 24 June 2020

A package of ILO briefing and policy documents focusing on the effects of the COVID-19 pandemic on workers who are migrants, refugees, or forcibly displaced persons, draws attention to the potentially serious social and economic impact if returns occur over a short period of time and if migrants are not included in social protection measures or given help to reintegrate into national labour markets.

[ILO - The New Training Package on Essentials in Occupational Safety and Health: An innovative training tool to promote a healthy and safe workplace](#) | 22 June 2020

The package enables employers and business members' organizations to set up an innovative training service that can be delivered online. It has been transformed from a collection of static documents into an interactive and engaging platform. New modules were added, including one on managing health crises and COVID-19, in response to the need to manage the ongoing pandemic and to keep the workplace healthy and safe.

[UN Working Group on Business and Human Rights - Ensuring that business respects human rights during the Covid-19 crisis and beyond: The relevance of the UN Guiding Principles on Business and Human Rights](#) | 29 April 2020

Business respect for human rights is mission critical during the crisis and for a resilient recovery. The second pillar of the Guiding Principles – the business responsibility to respect human rights – applies regardless of how governments are meeting their obligations and applies in all contexts. As the crisis puts enormous strain on numerous businesses across sectors, and many are faced with very tough business decisions, now is a time to show what commitments to responsible business conduct mean in practice.

[ICC - 7 resources to help small business](#) | 15 June 2020

The article highlights seven digital business resources to help micro-, small- and medium-sized enterprises (MSMEs) during this unprecedented period and beyond, such as ICC's collection of banking rules, model contracts, a guide on international commercial contracts and 'certificate of origin' guidelines.

[ADA, Inpulse and the Grameen Crédit Agricole Foundation - Beyond the difficulties posed by the COVID-19 crisis, new opportunities are emerging for microfinance institutions](#) | 20 June 2020

ADA, Inpulse and the Grameen Crédit Agricole Foundation have joined forces to closely monitor and analyze the effects of the COVID-19 crisis among their partners. The first round of results, which include responses from 110 organizations in 47 countries, shows though there are strong regional differences, common problems among all MFIs surveyed include difficulties with disbursements, collection of reimbursements and meeting with clients.

[McKinsey - Which small businesses are most vulnerable to COVID-19—and when](#) | 18 June 2020

The new research finds that before accounting for intervention, 1.4 million to 2.1 million of US small businesses (25 to 36 percent) could close permanently as a result of the disruption from just the first four months of the COVID-19 pandemic. Certain sectors are particularly at risk such as restaurants, hotels, retail trade, educational services, healthcare, and social assistance. The article sets out recommendations for business leaders, policy makers, and concerned people generally to support small businesses during the crisis.

Events and webinars

[IOE - Climate change action in a post-Covid-19 landscape](#) | 29 June 2020

Massive financial dislocation and the corresponding loss of jobs following Covid-19 can be viewed as a foreshadow of how climate related events could disrupt economies and societies across the world. The high-level digital conference will examine how to build a better normal by strengthening

synergies between pandemic recovery and climate adaptation and mitigation strategies to foster economic growth and job creation.

[UNTFSSSE - “What role for the Social and Solidarity Economy in the post COVID-19 crisis recovery?” | 23 June 2020](#)

This webinar aims to examine how and why the SSE plays – in a pluralist economy – a transformative role in pursuing the SDGs and highlight the urgency to unlock its potential to tackle the current structural economic, societal, social and environmental crises.

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.

[OECD - Policy implications of Coronavirus crisis for rural development](#) | 16 June 2020

This note focuses on the implications of COVID-19 on rural development and the policy responses that OECD member countries are adopting. It summarizes government actions and initiatives for rural communities and enterprises in four areas: 1) health responses and improving access to the medical services; 2) maintaining basic services; 3) supporting rural business and workers; and 4) improving digital infrastructures and digital accessibility.

[EU - Response to the COVID-19 pandemic in the energy sector: Council adopts conclusions](#) | 25 June 2020

The Council highlights the crucial role of the energy sector in the EU's economic recovery and notes that the European economy needs to become greener, more circular and more digital while remaining competitive globally. The

Council further acknowledges the need for initiatives to support a robust recovery plan, towards an affordable, safe, competitive, secure and sustainable energy system.

UK - 'Bounce back' plan for agriculture, food and drink industry launched | 22 June 2020

The new strategic interventions jointly announced by the Department for International Trade (DIT) and Department for Environment, Food and Rural Affairs (Defra) will offer immediate support to help businesses in the food and drink industry grow their trade activity overseas. The plan will provide unprecedented help for SMEs and allow them to capitalise on trade agreements being negotiated by the Department for International Trade (DIT) with Japan, US, Australia and New Zealand. A new SME E-commerce Accelerator Pilot to increase the level of international e-commerce backing for SMEs in the food and drink industry will also be launched.

US - Fed acts to keep banks 'prudent' amid virus risks | 26 June 2020

The Federal Reserve has warned that America's biggest banks could be hit by losses of up to \$700bn in a severe downturn due to the pandemic. The US central bank said it would require firms to keep money on hand to guard against the risks by barring share repurchases and limiting dividend payments until at least October.

Latin American governments offer mining-specific measures for COVID-19 | 3 May 2020

As COVID-19's impacts are felt across the globe, governments have responded with measures to promote public safety. Some countries have developed sector-specific guidelines to deal with the pandemic, and Argentina, Colombia, and Peru have released mining-specific protocols.

Madagascar offers \$73 mln of loans to help small businesses through pandemic | 18 June 2020

Madagascar has announced a stimulus package offering close to a million small

businesses secure loans at below market rates to help weather the impact of the coronavirus outbreak.

Bolivia - Dos meses después, el Gobierno aprueba un decreto para financiar a las pymes | 16 June 2020

Luego de dos meses del anuncio, el Gobierno aprobó el lunes en la reunión del gabinete un decreto supremo que permite canalizar el financiamiento para las micro, pequeñas y medianas empresas (mipymes). El crédito que se otorgará al sector es a cinco años de plazo y con un año de gracia. Para el Gobierno, este fondo reactivará el sector que genera el 80% del empleo en el país.

3. Enterprises response

Workplace safety and working conditions

Amazon to use AI tech in its warehouses to enforce social distancing | 16 June 2020

Amazon.com Inc launched an artificial intelligence-based tracking system to enforce social distancing at its offices and warehouses to help reduce any risk of contracting the new coronavirus among its workers. The unveiling comes as the world's largest online retailer faces intensifying scrutiny from U.S. lawmakers and unions over whether it is doing enough to protect staff from the pandemic.

Supply chain stabilization

The EIU - The Great Unwinding: Covid-19 and the regionalisation of global supply chains | 14 May 2020

The Economist Intelligence Unit examines how Covid-19 has impacted and will continue to fundamentally reshape global supply chains. With many

multinationals looking to build resilience into their supply chains, the report takes a closer look at the accelerating trend of regional rather than global supply chains networks, in addition to the strategic use of inventory locations. The second half of the report considers how else multinational organisations can respond to large global risks such as the coronavirus outbreak.

[amfori - Maintaining Sustainable Supply Chains During COVID-19](#) | 29 May 2020

In order to better understand the challenges and needs of its Members and Producers, the amfori COVID-19 Task Force conducted a survey in April. The common top challenges for both Members and Producers due to the COVID-19 are 1) Cancellation or reduction of orders due to decreased consumer demand; 2) Blocked or delayed shipment due to logistics system control/suspension; 3) Cashflow. Members are encouraged to adopt amfori's Responsible Purchasing Practices in order to sustain businesses amidst this challenging time and uphold sustainable working conditions. The survey shows that 65% out of 160+ respondents have engaged their suppliers/producers in their impacted sourcing plan/communication. However, only 43% out of 400+ producers confirm that their customers/buyers have engaged them in their impacted sourcing plan/communication. There is certainly room for enhanced communication between the two groups.

Recovery and post-recovery planning

[IOE - What the pandemic has taught us about labour productivity](#) | 22 June 2020

Mthunzi Mdwaba, IOE Vice President to the ILO and Chairperson of the Board of Productivity South Africa, calls for more ambitious work-related reforms to strengthen global productivity, referring to some studies that found the increase in labour productivity during the pandemic.

4. Workers/multi-stakeholders response

ITUC Global COVID-19 Survey – Key findings | 3 June 2020

A global jobs crisis is sweeping across the world with 87% of countries reporting that companies in their country have announced that they are laying off workers as a result of the economic impact of the pandemic. The Americas and Europe are being hardest hit with 100% of countries in the Americas and 90% of countries in Europe saying companies have begun to layoff workers. 80% of countries in Africa and 76% of countries in the Asia-Pacific have companies where workers are losing their jobs. The global trade union movement is calling on governments to put in place recovery and resilience plans which include: 1) Job protection and job creation; 2) Income protection and minimum living wages; 3) OH&S including global standards and provisions for safe workplaces; 4) Universal Social Protection to build resilience; 5) Responsible business conduct through supply chains; 6) Government accountability with social dialogue and the provision of privacy rights.