

COVID-19 and ENTERPRISES

Briefing Note [No. 27]

Published: 16 July 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

[IOE Position Paper on economic advocacy: fiscal and monetary policies](#) | **June 2020**

This document follows the [IOE Digital Conference on Economic advocacy to assure business sustainability and avoid massive job losses: what works, what does not](#) that took place on 25 March 2020. It presents a range of policy actions that are being considered by Governments in dealing with the impacts of the Coronavirus pandemic. It draws upon policy measures adopted in some countries and highlighted during the IOE Digital Conference.

[IOE: Return to work during COVID-19](#) | **06 June 2020**

Following Covid-19, employers are asking themselves a major question: What does a return to work look like and how will businesses operate? This checklist is a guide for employers and Employer Organisations (EOs) on the broad implications of re-opening business operations while still ensuring the safety of people.

[UNEP : Implications of the covid-19 pandemic for global sustainable finance](#) | **May 2020**

In the context of the COVID-19 pandemic, this paper was developed to support thinking on how to respond to the pandemic from a sustainable finance perspective. It has two objectives: The first is to set out what we know about the ways in which the many different components of our sustainable financial system – market actors, policymakers, regulators, and international institutions – are thinking, planning and reacting to the pandemic, with a focus on implications for sustainable finance markets. The second objective is to set out a framework for assessing what levers may exist to strengthen the role of the financial system in supporting a low-carbon recovery, and the prospective roles for different communities of actors.

[Global State of Small Business Report](#) | 14 July 2020

The Future of Business Survey, an ongoing collaboration between Facebook, the World Bank, and the Organisation for Economic Co-operation and Development (OECD), surveyed small and medium businesses in more than 50 countries and regions in May 2020, to understand their experiences and need for support.

The research demonstrated widespread effects of the pandemic on small and medium-sized businesses (SMBs), particularly among consumer-focused sectors, female-led businesses, and micro-businesses. In addition to direct financial effects, SMBs face issues arising from lockdowns — for example, adding child care and schooling responsibilities to the workday. These, too, disproportionately affect female business leaders. Entrepreneurs are nonetheless resilient, and many remain optimistic about the future despite their circumstances. However, they have an urgent need for financial support such as salary subsidies, tax deferrals, and access to loans and credit.

[McKinsey: COVID-19 briefing materials](#) | 06 July 2020

This briefing note documents the current situation, the economic outlook, the forces shaping the next normal, and the new organizational structures that can help companies sustainably keep pace.

[McKinsey: COVID Response Center - Getting to the Next Normal](#)

Collaboration and knowledge sharing are critical to safeguard lives and livelihoods amid COVID-19. The COVID Response Center draws on what McKinsey and others have learned to provide leaders with resources to help reset their organizations and communities.

[McKinsey: How South African SMEs can survive and thrive post COVID-19](#) | 10 July 2020

In this report, the authors draw on their experience working directly with SMEs in South Africa to provide insights into the headwinds that they are facing at this time, along with best practice examples and recommendations for how to address some of these challenges. It also offers a view on what the public and private sector can do to support this important business segment.

[WORLD Economic Forum: COVID-19: The Great Reset](#) | 14 July 2020

On July 9, the book “COVID-19: The Great Reset” was published. World Economic Forum Founder and Executive Chairman Klaus Schwab and Thierry Malleret, Co-Founder of Monthly Barometer, offer a panoramic overview of the new paradigm from an “economic, societal, geopolitical, environmental and technological” standpoint. They also discuss the changes that will be needed to create a more inclusive and sustainable world going forward. Above is the link to the one-hour long virtual briefing hosted by the authors in Geneva.

[CEPAL: Lanzamiento Informe COVID-19 N° 5. Enfrentar los efectos cada vez mayores del COVID-19 para una reactivación con igualdad: nuevas proyecciones](#) | 15 July 2020

Este Informe Especial es el quinto de una serie que elabora la Comisión Económica para América Latina y el Caribe (CEPAL) sobre la evolución y los efectos del COVID-19 en América Latina y el Caribe. Esta edición se centra en los efectos económicos cada vez mayores de la pandemia en el mundo y la región en aras de una reactivación con igualdad.

[ConnectAmericas: Recursos para enfrentar el COVID-19](#)

El impacto del COVID-19 en las pequeñas y medianas empresas de América Latina y el Caribe presenta oportunidades para articularse a nivel comunitario y aprender de la experiencia que han tenido empresarios de países como China enfrentando los efectos del virus.

Mecanismos alternativos de financiamiento a pymes | 30 June 2020

El adecuado financiamiento a pymes es importante en todas las etapas del ciclo de vida empresarial dado que permite que las mismas inicien, desarrollen y evolucionen sus modelos de negocio, al tiempo que contribuyen al empleo, el crecimiento y la inclusión social. Es por ello que fortalecer los productos financieros a los que las pymes tienen acceso es vital. Las restricciones financieras que impiden que las empresas inviertan en proyectos innovadores o aprovechen las oportunidades de crecimiento, afectan negativamente la productividad, el empleo, la innovación y exacerban la brecha de ingresos. En el contexto actual, en donde las [pymes latinoamericanas están atravesando por una ralentización](#) de sus actividades a causa del COVID-19, encontrar mecanismos alternativos de financiamiento a estas empresas cobra la mayor relevancia.

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.

UK: Government to pay £1,000 "bonus" for every employee brought back from furlough | 8 July 2020

The government has announced a Job Retention Bonus to support furloughed employees and businesses back into work. A "bonus" of £1,000 will be paid to employers for every person who is brought back from furlough and stays in employment until at least January, with no cap on the number of bonuses to be paid.

Spain: Government and social stakeholders sign Agreement for Economic Reactivation and Employment | 3 July 2020

The government and social stakeholders have signed the Agreement for Economic Reactivation and Employment. According to the Spanish Government, it is a new agreement that lays the foundations to speed up the economic recovery and create quality jobs following the crisis caused by COVID-19. This agreement comes from a vocation to achieve sound, inclusive and sustainable growth as soon as possible.

3. Enterprises response

Employment protection

[Aéronautique : un accord au sein du groupe Safran, implanté dans sept sites de la région Centre-Val de Loire](#) | 8 July 2020

Le groupe a signé ce 8 juillet avec FO, la CGT, la CFDT et la CFE-CGC un accord dont le but assumé est "d'éviter un plan social". L'accord garantit selon le syndicat FO qu'il n'y aura "aucun départ contraint" jusqu'en 2021, mais que 3000 salariés du groupe (qui en emploie plus de 95 000) pourront prendre leur retraite de manière anticipée grâce à "des primes de départs pouvant aller jusqu'à 11 mois de salaire pour 40 ans d'ancienneté" ou au "financement à 100 % par Safran des rachats 4 trimestres de cotisation retraite".

Supply chain stabilization

[Digital platforms, adoption of mobile technology conduits for exchange of value](#) | 15 July 2020

This article published on the Guardian.ng depicts once again the potential boost in business from the adoption of digital platforms and mobile technologies. The current crisis has been a live test to SMEs that are reliant on goods from affected areas. According to Soromfe Uzomah, digital commerce platforms and advanced digital analytics "can significantly help to mitigate the risks of supply

chain fragility". He also discusses access to new markets for SMEs as well as the creation of a single continental (African) market for goods and services.

Production innovation and adaptation

Collaboration 'key to Increasing climate action post Covid-19' | 8 July 2020

Martin Xu, president of global government affairs, Huawei, spoke about how the Covid-19 pandemic has impacted his company's environmental ambitions and how companies can work together to ensure a green recovery post Covid-19. "To fasten implementation of frontier technology we need more companies working together, with government and policy makers from different industries and countries. Then the benefits of the technologies can be more widely amplified".

6 ways businesses can turn COVID-19 uncertainty to their advantage | 14 July 2020

New opportunities and business models are emerging in the wake of COVID-19 for those that are ready; Adopting a serendipity mindset can help leaders and businesses take advantage of this unpredictable time; Providing a sense of direction while preparing for uncertainty, as well as looking at how the situation should shape corporate culture, are two approaches businesses can take.

How Businesses Have Successfully Pivoted During the Pandemic | 07 July 2020

The reality of how companies are dealing with the crisis and preparing for the recovery tells a very different story, one of pivoting to business models conducive to short-term survival along with long-term resilience and growth. Pivoting is a lateral move that creates enough value for the customer and the firm to share.

Support to customers and communities

[African innovators tackle coronavirus with drones and phones](#) | 14 July 2020

This article gives us a (very welcome) tour of innovations around the continent. It depicts half a dozen innovative startups that are creating new markets and helping poor households adapt to and survive the pandemic. Although the crisis is far from over, drones are disinfecting open air markets in Ghana, charities are using a blockchain-backed local currency in Kenya, and digital networks are pushing forward new businesses in Zimbabwe.

Recovery and post-recovery planning

[Remote working is not working for the poor, the young and women, a new study finds](#) | 15 July 2020

This article highlights the (sometime) forgotten question of equity in the “future of work”. Beside the fact that remote working is not always feasible, it appears that it might also unveil many discrepancies. Using interesting statistics such as “the work-from-home feasibility index” the author states that the impact on precariously employed workers “could be particularly severe, amplifying long-standing inequities in societies.”. Also, for the same job description, strong differences appear between and within countries.

Other/multiple response

[10 Best Practices for Communication Management of COVID-19](#)

Businesses and nongovernmental organizations around the world are quickly working to develop communication management plans to respond to the coronavirus. Here are 10 things to keep in mind when assembling your organization’s COVID-19 plans.

4. Workers/multi-stakeholders response

[Germany: Verdi and Veolia Deutschland sign collective agreement creating 'post-pandemic' support fund for staff in waste management division](#) | 10 July 2020

On Thursday 9 July, German services trade union Verdi and the management of the German subsidiary of environmental services group Veolia announced that they have signed a collective agreement concerning the waste management division and some of its 11,000 employees.

[Worker involvement in managing the Covid-19 crisis – Joint statement of the ETUC and ETUFs industriAll Europe, UNI Europa, EFFAT, EPSU, ETF, EFBWW](#) | 29 June 2020

Three months after the COVID-19 health crisis hit the world and thousands lost their lives, the European Union is now facing massive restructuring processes in different sectors. Social dialogue, collective bargaining and worker involvement in the workplace are key to shape responsible restructuring processes. Workers' rights to information, consultation and participation stemming from EU and national law must be enforced and complied with, as restructuring will affect their health, their working conditions and their jobs, and thus, before any decision is finalised. This is a prerequisite for any restructurings to be properly anticipated and managed in a socially responsible way.

[UNDP and Stanbic Bank Uganda launch Youth4Business Facility](#) | 14 July 2020

In Uganda like elsewhere, COVID-19 has made the situation for small businesses exceptionally challenging. The United Nations Development Program (UNDP) has, in partnership with Stanbic Bank Uganda Limited, launched a Youth4Business Innovation and Entrepreneurial Facility designed to address the youth unemployment challenge and enable MSMEs to recover from the impacts of COVID-19.