

COVID-19 and ENTERPRISES Briefing Note [No. 25]

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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 Monitor: COVID-19 and the world of work: 5th Edition](#) | 30 June 2020

The International Labour Organization's latest analysis of the labour market impact of COVID-19 finds its impact on the world of work was more severe than previously estimated, and offers three scenarios for the second half of 2020.

[ILO and IOE: COVID-19 forces the pace of change in employers' and business membership organizations](#) | 29 June 2020

A new report demonstrates that representative business organizations are affected by the crisis but are nevertheless reacting, adapting and innovating quickly in order to continue to reinforce their role as advocates for a private sector led recovery.

[ILO: Risk management, inclusive finance and COVID-19](#) | 29 June 2020

The COVID-19 pandemic highlights the importance of financial inclusion and risk management for businesses, workers and households. Find out ILO's Social Finance Programme's response and support to enterprises on this priority topic.

[UNEP - Signatories share responses to COVID-19](#) | Updated regularly

To help support their customers and in turn communities in the most effective ways, UNEP Finance Initiative's coalition of over 220 banks from over 60 countries has been sharing practices, solutions and lessons learned as they respond to the COVID-19 crisis and its economic impacts.

[World bank blogs: How will COVID-19 impact Africa's trade and market opportunities?](#) | 02 June 2020

The economic damages of the pandemic on African economies are unavoidable. Nevertheless, the final impact widely depends on the intervention measures and policies. "African countries can build more resilient and sustainable economies if they can do things right following the pandemic" says Douglas Zhihua Zeng. The article discusses four policy options among which digitalization and intra-regional trade. The author is a senior economist with the Trade and Competitiveness Global Practice at the World Bank Group.

[IMF Blog: Digital financial inclusion in the times of COVID-19](#) | 01 July 2020

Mobile money, fintech services and online banking: the shift towards digital financial services is announced as unavoidable during the recovery era according to many experts. This article published on the IMF blogs emphasizes its inclusive dimension as well as the challenges ahead. "To build inclusive societies and address rising inequalities during and after the ongoing crisis, global and national leaders must close the digital divide across and within countries to reap the benefits of digital financial services. "

[UN Women: Addressing the economic fallout of COVID-19: Pathways and policy options for a gender-responsive recovery](#) | 01 July 2020

As the world economy is projected to contract sharply by 3% in 2020 (IMF 2020), the pandemic seems to be pushing backward the effort made on vulnerable groups. This brief presents emerging evidence of the COVID-19

pandemic's impact on women's economic empowerment. Drawing on the latest available research and data, the brief provides recommendations to be considered by governments and international organizations to guarantee the economic rights of women during the public health crisis and for the recovery era.

[McKinsey - COVID-19: Implications for business Briefing note](#) | 02 July
2020

McKinsey continues to track economic and epidemiological developments around the world. In its latest briefing materials, it documents the evolution of the crisis, and shows how countries and companies can transition toward the next normal, and offers planning advice across multiple horizons.

[Global macroeconomic scenarios of the COVID-19 pandemic](#) | 24 June
2020

The Australian National University's working paper estimates the likely impact of COVID-19 pandemic on the global economy in coming years under six scenarios by using currently observed epidemiological outcomes across countries and recent data on sectoral shutdowns and economic shocks. The scenarios in this paper demonstrate that even a contained outbreak (which is optimistic), will significantly impact the global economy in the coming years. The economic consequences of the COVID-19 pandemic under plausible scenarios are substantial and the ongoing economic adjustment is far from over.

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.

[New Zealand modifies legislation to favour business sustainability and collective agreements' ratification](#) | July 2020

In preparing for its Covid-19 recovery phase, New Zealand enacted temporary legislation to facilitate economic sustainability and mitigate unnecessary and potentially longer-term impacts on society. The Covid-19 Response (Further Management Measures) Legislation Bill amended nearly 50 pieces of legislation as detailed in its explanatory note. Amendments relate to the general running of businesses and societies as well as procedural requirements on collective agreements. Business NZ and the NZ Council of Trade Unions rapidly understood the need to modify the legislation because of the impossibility to comply with the usual timeframe and the impracticability of meeting in person. Changes related to collective bargaining were largely the result of successful joint employer and union advocacy.

3. Enterprises response

Employment protection

[French energy Group covered Covid-19 hospitalization costs for its employees worldwide](#) | July 2020

ENGIE Group's social protection programme appears in the re-negotiation of a global framework agreement that will include the commitment "to guarantee

177,000 employees a common social protection based in terms of parenthood, health, disability and death, throughout the world, which will be operationalized via the ENGIE CARE programme”.

Additionally, ENGIE Group mobilised EUR 250 million to ensure payment of its suppliers, SMEs and micro enterprises: it benefited companies with less than 250 employees and whose turnover is lower than EUR 50 millions (around 75.000 companies in France and Belgium). The third initiative undertaken in response to the Covid-19 crisis is the 15% pay cut for a period of two months, decided and implemented by the 13 members of the Executive Committee and the Chairman of the Board of Directors.

Supply chain stabilization

[US food supply chain: Disruptions and implications from COVID-19](#) | 02 July 2020

Changes in consumer behavior continue to ripple through the US food and agricultural supply chains. What should companies do now?

Production innovation and adaptation

[Microsoft to help 25 million people worldwide acquire new digital skills needed for the COVID-19 economy](#) | 02 July 2020

Microsoft Corp. has announced the launch of a new initiative to support access to digital skills needed to fill new jobs for the post pandemic era. Besides the \$20 million in cash grants to help nonprofit organizations worldwide, Microsoft seems to join the numerous experts and economists stating that “digitalization” is now and it is here to stay. The approach is

interesting as it relies on innovative tools such as real-time labor market analytics to understand in-demand skills and provide proper training via online products.

['Never let a crisis go to waste': entrepreneurship in the age of coronavirus](#) | 26 June 2020

As COVID-19 has become a global crisis, it presents enormous opportunities to some people. In fact, this crisis is no idle time for many entrepreneurs. They are among the first to offer and deliver innovative responses. Entrepreneurs can respond to opportunity in three ways: business-as-usual, pivoting, and new venture creation.

[São Paulo's informal entrepreneurs have innovated to adapt to COVID-19, but their underlying vulnerability is nothing to celebrate](#) | 26 June 2020

In Latin America as elsewhere in the Global South, there is nothing unusual about a crisis reinforcing the dynamic character of informal economies. When certain markets decline and become unprofitable, thousands of urban workers are forced to reinvent themselves, and especially those that are self-employed. In the case of COVID-19, this is nowhere clearer than in Brazil's biggest city, São Paulo.

Recovery and post-recovery planning

[Dutch businesses endorse sustainability in COVID-19 recovery](#) | 19 June 2020

A broad coalition of Dutch companies pledges support to take sustainability as the cornerstone in the COVID-19 recovery plans. The broad coalition of Dutch businesses endorses a strong focus on sustainability and asks the

Dutch government to: a) Endorse the EU Green Deal as one of the cornerstones of the EU Recovery Plan; b) Build the COVID-19 recovery plan around an investment schedule that firmly puts the Dutch economy on the path of realizing the SDGs and the Paris Climate Agreement; c) Continue to provide long-term certainty regarding the Dutch climate agreement and measurable commitments.

[Impact of COVID-19: How CEOs Respond to SMEs Recovery Planning in Saudi Arabia](#) | 25 June 2020

Businesses have been forced to find creative and innovative ways of addressing some of the great challenges facing our world resulting from COVID-19 pandemic. This report presents an analysis of the findings from the interviews of chief executive officers (CEOs) of 111 small and medium enterprises (SMEs) in Saudi Arabia. Three key areas are highlighted: a) challenges that SMEs in Saudi Arabian businesses are facing due to the COVID-19 pandemic; b) the impact of the COVID-19 health crisis on their businesses; and c) their recovery plans to sustain in their business. The outcome of the findings offers a broader understanding of how a wide-ranging of innovative ideas associated with an organisation's desire for improving its efficiency, effectiveness and value creation for customers and other stakeholders such as government and the community.

Other/multiple response

[Strengthening Africa's best pandemic defense](#) | 02 July 2020

Every crisis is an opportunity. In this short article, Assia Sidibe emphasizes the opportunity to promote the growth of small- and medium-size enterprises (SMEs) in Africa. Through many examples of African entrepreneurship and

innovation, the author seems to invite governments to push forward transparent and reliable regulatory environments and access to capital for startups. “African-owned solutions that are adapted to local conditions and create valuable employment opportunities may be the key to mitigating the pandemic's economic impact. There is even reason to hope that difficult conditions will yield unexpected gems.”

4. Workers/multi-stakeholders response

[IndustriALL - Negotiating the return to work](#) | 16 June 2020

While governments are starting to ease lockdowns, unions around the world are negotiating the return to work. Health and safety are main priorities, and how the return to work will happen is critical for unions and workers.