

COVID-19 and ENTERPRISES

Briefing Note [No. 1]

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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

1. Resources for enterprise response

[ITCILO - E-platform on Business Continuity during COVID-19: Preserving Businesses and Decent Work](#)

Created on the ITCILO E-Campus, the online platform aims to provide information to constituents on best practices and experiences to facilitate business continuity during calamities, including recent measures undertaken by Governments and other institutions during COVID-19.

[ILO - COVID-19 and world of work: Impacts and responses](#) | 18 March 2020

An initial assessment of the impact of COVID-19 on the global world of work says the effects will be far-reaching, pushing millions of people into unemployment, underemployment and working poverty, and proposes measures for a decisive, co-ordinated and immediate response. The crisis could increase global unemployment by almost 25 million.

[ILO - Multi-hazard Business Continuity Management: Guide for small and medium enterprises](#) | 24 August 2012

The ILO - jointly with the International Organization of Employers (IOE) - devised a user-friendly model business continuity management plan which aims at supporting small and medium-sized enterprises in their effort to develop contingency plans to protect their workers and businesses from the consequences of sudden disasters. This model business continuity management plan tries to capture the essence of the many questions that arise prior to the occurrence of a likely disaster and presents options for a possible response.

[ILO - Working Paper: Restructuring enterprises through social dialogue: Socially responsible practices in times of crisis](#) | 1 December 2010

The paper analyses examples of companies in which management, in collaboration with workers' representatives and unions, has designed and implemented socially responsible enterprise restructuring plans. The selected examples show that by creating space for dialogue and (self-)regulation aimed

at protecting the levels, as well as the terms and conditions, of employment in specific plants (plant-level agreements) or across different operations of multinational companies (transnational company agreements), win-win situations can emerge, even in times of crisis.

[McKinsey - Implications for business](#) | 9 March 2020

The briefing note on March 9 sets out seven action areas that can help businesses of all kinds: namely 1) Protect your employees; 2) Set up a cross-functional COVID-19 response team; 3) Ensure that liquidity is sufficient to weather the storm; 4) Stabilize the supply chain; 5) Stay close to your customers; 6) Practice the plan; and 7) Demonstrate purpose.

[PWC Global Crisis Center - Covid 19](#)

[Seven key actions business can take to mitigate the effects of covid 19](#) | 12 March 2020

Seven actions are suggested to help businesses to protect their workers and their bottom lines. They are: 1) Review workforce locations and travel. 2) Revisit crisis and continuity plans. 3) Evaluate the supply chain. 4) Identify potential points of failure. 5) Get communication right. 6) Use scenario analysis. 7) Don't lose sight of other risks.

[EY - COVID-19: How to build supply chains resilient to disruption](#) | 18 March 2020

The objective of this article is twofold: 1) To serve as a point of reflection for executives navigating through the recovery process and share insights to support an accelerated recovery journey; and 2) A call to action for companies that are currently not set up to withstand a major unpredictable event, such as the current coronavirus outbreak, to build a resilient supply chain in preparation for future disruptive instances.

[Deloitte - COVID-19: Managing cash flow during a period of crisis](#) | March 2020

Supply chain disruptions have cash flow implications across the extended

supply chain that can't be underestimated. This paper will suggest ways organizations can mitigate damages to their business during this volatile event.

[UN Global Compact - Uniting Business to respond to COVID-19 outbreak](#) | 19 March 2020

A Special Appeal from the United Nations Global Compact: The power of the Ten Principles of the UN Global Compact to guide business leaders in responding to the crisis. As the world's largest corporate sustainability initiative, the United Nations Global Compact is calling on business leaders everywhere to unite to support workers, communities and companies affected by the COVID-19 pandemic.

[Ireland - Business Continuity Planning: Checklist of preparatory actions in responding to COVID-19](#) | 13 March 2020

Guidelines issued by Irish Department of Business, Enterprise and Innovation for enterprises to consider in responding to the COVID-19 outbreak.

[Guía laboral para empresas frente al coronavirus](#) | 11 March 2020

La enfermedad del coronavirus y su masivo contagio y expansión plantea un escenario nuevo: no contamos con antecedentes de estas magnitudes y con un campo de afectación tan amplio. En lugares como Vitoria y la Comunidad de Madrid las autoridades competentes han adoptado medidas de carácter excepcional y se está promoviendo una situación de contención y evitación de propagación del virus que tienen un fuerte impacto en empresas y trabajadores.

[Guía para la actuación en el ámbito laboral en relación al nuevo coronavirus](#)

Gobierno de España, Ministerio de Trabajo y Economía Social: El objetivo del presente documento es facilitar la información necesaria sobre la aplicación de la normativa laboral en relación con las diferentes situaciones en las que pueden encontrarse las empresas y las personas trabajadoras.

2. Government support to enterprises

[How to prevent a covid-19 slump, and protect the recovery](#) | 19 March 2020

The European Central Bank launched a €750bn bond-buying programme that covers government and corporate debt. Banks in the euro zone tapped €109bn in ultra-cheap loans under a new facility. China's central bank lowered the amount of cash holdings that banks are required to keep in reserve, a measure intended to free up loans to businesses. Industrial output in China shrank by 13.5% in January and February compared with the same two months in 2019, the biggest drop on record. In Britain the government unveiled a £330bn (\$380bn) loan package for firms.

[Small Business Guidance & Loan Resources by U.S. Small Business Administration \(SBA\)](#)

This page lists key information on government support measures to small businesses in the US, including funding options; guidance for businesses and employers; and local assistance contacts.

[European Investment Bank \(EIB\) Group will mobilise up to EUR 40 billion to fight crisis caused by Covid-19 and calls on Member States to set up a further guarantee for SME](#) | 16 March 2020

Potential financing of up to EUR 40 billion can be mobilised at short notice, backed up by guarantees from the European Investment Bank Group and the European Union budget. Extra funding available for healthcare sector for emergency infrastructure and development of cures and vaccines. President Hoyer calls for significant, scalable additional guarantee from Member States to ensure access to finance for SMEs and midcaps.

[ADB Announces \\$6.5 Billion Initial Response to COVID-19 Pandemic](#) | 18 March 2020

The initial package includes approximately \$3.6 billion in sovereign operations for a range of responses to the health and economic consequences of the pandemic, and \$1.6 billion in nonsovereign operations for micro, small, and

medium-sized enterprises, domestic and regional trade, and firms directly impacted. ADB will also mobilize about \$1 billion in concessional resources through reallocations from ongoing projects and assessing possible needs for contingencies. ADB will make available \$40 million in technical assistance and quick-disbursing grants.

[SME Bank offers special relief fund for Covid-19](#) | PUTRAJAYA, Malaysia,

March 16

SME Bank is offering a special financing of up to RM1 million (approx. USD 230,000) to small and medium enterprises (SMEs) affected by Covid-19 under the Special Relief Fund (SRF). Entrepreneur Development and Cooperatives Minister said the initiative, in the form of a working capital financing, has been offered since March 6 and will continue until December 31 this year.

[How European economies are trying to mitigate the coronavirus shock](#) | 17

March 2020

Facing an economic maelstrom that could be more painful than the 2008 financial crisis, European leaders are being urged to deliver a robust and coordinated fiscal response to shield companies and households from the impact of the [coronavirus outbreak](#).

[Estas son todas las medidas aprobadas por el Gobierno para combatir la crisis del coronavirus](#) | El País, 17 March 2020

El plan, dotado con 200.000 millones de euros, incluye moratoria de las hipotecas y ayudas para familias, empresas, trabajadores y autónomos.

[Vietnam to Issue Incentives to Counter COVID-19 Impact](#) | 17 March 2020

The Vietnamese government is planning to issue incentives in the form of tax breaks, delayed tax payments, and delay land-use fees for businesses impacted by the COVID-19 outbreak.

3. Enterprises response

Workplace safety and working conditions

[How Uber, Lyft, Seamless and more are addressing taxed gig economy workers](#) | 16 March 2020

Grocery and food delivery services along with ride-hailing apps are going to play a fundamental role in helping individuals enact government-recommended social distancing. Many companies (Deliveroo, Uber Eats, Delivery.com, Postmates, Seamless) have introduced contactless delivery options for the safety of workers and drivers, and some (Uber, Postmates) have begun offering paid sick leave to workers.

[Amazon ramps hiring, opening 100,000 new roles to respond to a surge in demand](#) | 16 March 2020

Amazon decided to employ an extra 100,000 warehouse and logistic workers in America to help it cope with a surge in online shopping. It will invest over \$350 million globally to increase pay by \$2/hour in the U.S., C\$2 in Canada, £2/hr in the UK, and approximately €2/hr in many EU countries for employees and partners who are in fulfillment centers, transportation operations, stores or those making deliveries so that others can remain at home. It is also restricting space in its warehouses to household essentials and medical supplies, leaving little room for third-party sellers. Although Amazon is hiring, Steven Mnuchin, the treasury secretary, reportedly thinks America's unemployment rate could hit 20% if drastic action isn't taken.

Production innovation and adaptation

[Italian 3D printing start-up Isinnova distributed 3D-printed versions of respirator valves for COVID-19 treatments](#) | 17 March 2020

The official product is the better long-term solution, but for now, hospitals can use this printed alternative to fulfill a sudden, drastic demand.

[Chinese companies rush to produce anti-covid kit](#) | 14 March 2020

Makers of booze, cars, nappies and spacecraft are retooling to fight the epidemic. Over 10,000 companies have added masks, hazmat suits, thermometers and the like to their product lines in the past two months, estimates Tianyancha, a data firm. Thomas Luedi of Bain, a consultancy, says weak demand during the outbreak spurred factories to redeploy workers to make vital goods.

Support to customers and communities

[Facebook is offering its Workplace service for free to coronavirus pandemic responders](#) | 18 March 2020

Facebook is offering the premium version of its workplace chat service, Workplace Advanced, for free to emergency services and government organizations for 12 months. This is part of the social media company's ongoing efforts to help fight the spread of the coronavirus disease, COVID-19.

Recovery and post-recovery actions

[Rebooting manufacturing in mainland China](#) | March 2020

Report on how manufacturers in mainland China are restarting production following the disruption from the covid-19 outbreak.

Other responses

[Airlines are running out of cash](#) | 19 March 2020

The International Air Transport Association warned that the forecast it provided only recently about the hit to airline revenues during the crisis is now out of date. The association is calling for governments around the world to provide carriers with direct financial support, favourable loans and tax relief, which it now reckons could cost between \$150bn and \$200bn.

4. Other noteworthy resources

[Bloomberg - Women Are Bearing the Brunt of Coronavirus Disruption](#) | 11 **March 2020**

While the illness hits men harder, women are on the front lines at work and at home. The vast majority of nurses, flight attendants, teachers and service industry workers are female, and their jobs put them on the front lines of the outbreak. At home, women still do more caretaking, so when the virus closes schools, restricts travel, and puts aged relatives at risk, they have more to do.