ILO SCORE Global Covid-19 Enterprise Survey

How are enterprises affected and how can we support them?
Responses from eight countries

1066 enterprises:

- 570 from Indonesia
- 282 from Peru
- 70 from Myanmar
- 37 from Colombia
- 31 from Ghana
- 30 from Tunisia
- 29 from Bolivia
- 17 from Pakistan

To avoid bias towards countries with larger sample sizes, data from each country has been given equal weight in the aggregate analysis.
Enterprise characteristics

Size
>50% micro enterprises 21% are large enterprises

Economic activity
Most common industries: Food & Beverages, Commerce and Textile

Ownership
92% private sector 22% owned by a woman
Impact of Covid-19 on business operations
Has your enterprise stopped operations due to Covid-19?

27% No

70% Yes

3% Other*

- 50% temporarily stopped because of instructions by authorities
- 18% temporarily stopped because of reduced orders
- 12% permanently stopped
- 10% temporarily stopped because of Covid-19 cases in the business
- 10% stopped operations previously but currently running again

* Options include instructions to close partially
Revenues – outlook is grim

Current Situation

- None
- 0 to -25%
- -25% to -50%
- -50% to -100%
- Increase
- Don't know

Expected for 2020

- None
- 0 to -25%
- -25% to -50%
- -50% to -100%
- Increase
- Don't know

- 75% experienced reduction in revenues
- 1 in 3 lost more than 50% of revenues
- 79% expect revenue reduction for all of 2020
Revenues – entrepreneurs in some countries expect the situation to improve over the year

**Myanmar**

- Less than -25%: 60
- More than -25%: 30
- Don't know: 10

**Ghana**

- Less than -25%: 70
- More than -25%: 30
- Don't know: 10

**Bolivia**

- Less than -25%: 50
- More than -25%: 50
- Don't know: 10

**Colombia**

- Less than -25%: 40
- More than -25%: 40
- Don't know: 20

- Don't know: 20
Revenues – entrepreneurs in other countries expect losses to continue for all 2020

Indonesia

Tunisia

Peru

Pakistan

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= Current situation  = Expected all 2020
Orders – similar picture as for revenues

Current Situation

Expected for 2020

73% experienced reduction in orders and expect reduced orders for 2020

33% Suffered reduction of more than 50% of orders

19% expect more than 50% order reduction for all of 2020
Orders - entrepreneurs in some countries are more optimistic orders will bounce back soon

Myanmar

- Less than 25%
- More than 25%
- Don't know

Ghana

- Less than 25%
- More than 25%
- Don't know

Bolivia

- Less than 25%
- More than 25%
- Don't know

Colombia

- Less than 25%
- More than 25%
- Don't know

= Current situation

= Expected all 2020
Orders - impact currently vs all 2020 - less optimistic countries

**Indonesia**

- Less than -25%: 80
- More than -25%: 60
- Don't know: 20

**Peru**

- Less than -25%: 80
- More than -25%: 60
- Don't know: 20

**Tunisia**

- Less than -25%: 100
- More than -25%: 80
- Don't know: 20

**Pakistan**

- Less than -25%: 100
- More than -25%: 80
- Don't know: 20

- **Current situation**
- **Expected all 2020**

Legend: **Current situation** = dark purple, **Expected all 2020** = light pink
Majority report supply chain impacts, likely to persist

Supplies/input materials

67% of the enterprises face a shortage of supplies

- 24% No (Current situation)
- 67% Yes (Current situation)
- 9% Don’t Know (Current situation)
- 24% No (Expected for 2020)
- 55% Yes (Expected for 2020)
- 16% Don’t Know (Expected for 2020)

Shipping of finished goods

65% of enterprises report problems shipping goods

- 24% No (Current situation)
- 52% Yes (Current situation)
- 11% Don’t Know (Current situation)
- 65% Yes (Expected for 2020)
- 31% No (Expected for 2020)
- 17% Don’t Know (Expected for 2020)
Cash Flow – situation is critical worldwide

- 86% of enterprises experienced a shortage of cash flow
- 73% of enterprises expect a shortage of cash flow; 7% can’t tell yet
Impact on Labour Force
69% reduced over-capacity of labour

31% No
69% Yes

- 43% asked workers to take paid leave
- 42% reduced working hours
- 42% reduced number of temporary workers
- 19% asked workers to take unpaid leave
- 18% asked workers to work for reduced pay
- 11% laid off permanent workers
- 9% took other measurements
1 in 3 enterprises is short of workers

- 60% report no issue
- 30% report yes
- 10% don’t know

- 100% report restrictions in workers’ movement or quarantined
- 52% report workers don’t come to work because of family care needs
- 52% report workers staying away as they are afraid of getting infected
- 9% report that shortages are due to workers being infected

Number of enterprises

INFECTED WORKERS WITH COVID-19

LIMITED MOBILITY

FAMILY CARE

FEAR OF GETTING INFECTED
Health and safety in the workplace
What are enterprises doing to protect workers?

Have any of your workers contracted the virus?

- Don’t Know: 6%
- Yes: 1%
- No: 93%

Number of enterprises:
- Informing workers on Covid-19 transmission and prevention measures: 85%
- Physical distancing between workers: 69%
- Providing personal protection equipment like masks: 65%
- Encourage workers to stay home when they feel sick: 61%
- Teleworking: 44%
- Temperature checks: 43%
- Staggered shift work: 32%
- Expanded paid sick leave: 19%
- Other: 3%
How are companies responding?
How are enterprises responding?

- 49% have reduced production of goods or services
- 38% have negotiated with workers
- 38% have negotiated payment terms with banks and suppliers
- 29% have diversified sales channels such as online marketing, sales, delivery
- 20% have used downtime to retrain workers
- 20% have diversified products to respond to new demands (producing masks, sanitizer etc.)
- 12% have increased production due to increased demand
- 5% have took other measures
- 10% still haven't taken any action
Enterprises responses by size

- **Negotiation of payment terms with banks**
  28% of micro enterprises vs 50% of SMEs

- **Diversification of sales channels**
  22% of large enterprises vs 30% of MSMEs.

- **Negotiation with workers**
  45% of small and medium enterprises vs 32% of micro and large enterprises
Responses by women-owned enterprises

- Few differences, likely size-related
- Women-owned enterprises are more likely to diversify their sales channels
  37% vs. 24% of those owned by men
- Women-owned enterprises are less likely to negotiate with banks and suppliers
  30% vs. 34% of those owned by men
What support do enterprises want?
What services do enterprises want?

- Advice on how to prevent infections: 57%
- Business continuity advice: 50%
- Advice on export and logistics restrictions and requirements: 38%
- Advice on diversification of products and sales channels: 37%
- Online worker training: 33%
- Legal advice on labour regulations: 23%
- Online business management training: 20%
Enterprises needs by size

- **Advice on diversification of products and sales channels**
  ~50% of micro enterprises vs. 31% of SMEs

- **Online business management training**
  39% of large enterprises vs 15% of MSMEs

- **Legal advice on labour regulations**
  30% of micro enterprises vs 20% of small and 10% of medium-sized enterprises
What Government action do enterprises want?

- Deferring payments of utilities, social security contributions, loans or taxes (65%)
- Access to cash/short-term finance (62%)
- More clarity on official measures (53%)
- Social protection for workers (44%)
- Supplies of personal protection equipment (43%)
- Price controls of critical goods (40%)
- More information on transmission of the virus (36%)
Enterprises responded differently depending on size

Access to short-term finance
- 65% of MSMEs vs 54% of large enterprises

Extension of workers’ social protection
- 57% of large enterprises vs 40% of MSMEs
Conclusions

Economic prospects for SMEs grim worldwide

- Revenues, orders, cash flows supply chains heavily impacted
- Reductions of workforce through various measures

Enterprises need quick assistance

- Cash and short-term loans, relief of fixed costs
- Clarity on official measures and post-lockdown regulations

Enterprises want business continuity advice

- Strategy/financial/logistics advice
- Covid-19 OSH guidance