BUSINESS FIGHTS POVERTY MAGAZINE

ISSUE 5

SUPPORTING THE MOST VULNERABLE

THE BUSINESS AND COVID-19 RESPONSE
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With thanks to our Supporters
cycle and, through 18 events in the following 9 weeks, we brought together over 14,000 people across our amazing community and co-created 50 outputs to guide and inspire business action, in partnership with Jane Nelson and funded by UK aid from the UK Government, along with a number of our corporate partners.

You can find all of these materials in our Business and COVID-19 Response Centre, and I invite you to share them widely. These include our original Response Framework, published in March, and our follow-up, Rebuild Better Framework, which looks towards how businesses can support efforts to create a more inclusive, sustainable and resilient future. We have also produced seven Action Toolkits that focus on specific topics: tackling gender-based violence, supporting vulnerable workers, helping micro and small businesses, promoting handwashing and other preventative measures, creating national collaboration platforms, driving rapid innovation through collaboration, and supporting NGO partners.

While we were busy distilling actionable insights for decision-makers at the global level, Myriam and her team were accelerating massive action on the ground in Kenya through the National Business Compact on Coronavirus, and you can read more about her experience and reflections in her Action Toolkit (also available in the Response Centre).

This has been a true team effort, and I am grateful to all those who played a part: our lead authors, the close to 30 other people who stepped into our core team, the many experts and practitioners who shared their insights through our events, and the various companies and content partners who came forward to support this collective effort. More broadly, I have been moved by the many people across our community who have sprung into action, mobilising their businesses, NGOs, or government departments, and collaborating in new ways – even with traditional competitors – to make an urgent difference. Over 30 of our fellow business networks have also been coordinating and collaborating with us behind the scenes.

Most inspiring has been the fact that you have all done this despite unprecedented personal and professional stress. We have all been impacted, and we have all been moved by those on the frontline who have been keeping us safe. We took the early, but difficult, decision to cancel our flagship Washington event, due to take place in April, and have since cancelled all of our large in-person events this year. Iain Forrest, a medical student and cellist from New York, was due to open our DC event. Instead, we asked him to perform for a video that we dedicated to all front line workers. The result is a performance that moves me to tears every time I watch it!

This is only the start. The pandemic is far from over – and is only just peaking in many countries with weak health systems and social safety nets. With the pandemic likely to come back in force in many countries, and with the most vulnerable facing the greatest risks, we will be dealing with a complex mix of emergency response, recovery and rebuilding for a long time to come. Importantly, we as a community have the opportunity and, I believe, the responsibility, to act now to build a better future. Let’s face it; the pandemic has exacerbated deep inequalities and fragilities in the current system that have always been there. Actions we take now will have long-term consequences for those who have been most impacted, the very people whom all of us in this community have dedicated our careers to supporting.

That is why we are launching a series of discussions across our community and beyond – to understand what “better” means for you at a society level, business level and individual level. Please join us for Business Fights Poverty Online 2020 and share your views on what actions we need to take to rebuild better together.
LESSONS FOR COVID-19-ERA

WHEN THE GLOBAL ECONOMY IS IN CRISIS, THE CALL FOR CORPORATIONS TO “LEAD WITH EMPATHY” IS NO LONGER THEORETICAL. JANE NELSON, FOUNDING DIRECTOR OF THE CORPORATE RESPONSIBILITY INITIATIVE AT THE HARVARD KENNEDY SCHOOL, OFFERS GUIDANCE.

Does having ethics pay off? Jane Nelson has been answering some version of that question for years. As the founding director of the Corporate Responsibility Initiative at the Kennedy School of Government, Harvard University, she has helped shape empathy-driven models of corporate leadership and define environmental, social, and governance priorities across the globe.

But the COVID-19 pandemic—wrecking lives, economies, and business strategies—has posed an entirely new set and scale of questions for private sector leaders. That’s why, with the organization Business Fights Poverty and support from the UK’s Department for International Development (DFID), she has co-created the Business and COVID-19 Response Framework and online platform—helping companies identify innovative solutions and learn from each other during this humanitarian and economic crisis. From her home in Cambridge, Massachusetts, she spoke to IFC Insights about how CEOs and managers can balance the needs of vulnerable employees, consumers, small business partners, and communities with financial and operational continuity.

Q: How do you define Corporate Social Responsibility, or CSR, in the coronavirus era, and how are leading companies responding to these needs?

A: CSR to me is not simply community and philanthropy engagement. It is how companies identify and manage the most material and salient human rights, social, environmental, and governance risks and opportunities for their business. I see it very much as a core business issue. This is an unprecedented leadership challenge, and there are three key elements of leadership taken by responsible companies in responding to this humanitarian and economic crisis. First and foremost, they are protecting lives and the health and safety of employees, customers, and other core stakeholders impacted by the company’s operations. Secondly, there is a focus simultaneously on business continuity, supply chain resilience, financial liquidity, and overall resilience. This can vary depending on industry sector, but it’s happening at the same time as crisis management. Third, the leading companies are taking a very thoughtful look at who are most vulnerable among their employees, workers, small business partners, customers, and the communities where they operate.
Companies are exploring how to support those who are most vulnerable by harnessing core business capabilities as well as corporate philanthropy and community engagement through partnerships with government and non-governmental organizations, as well as policy dialogue. For example: health care and biotech companies are working collaboratively with research institutes to develop testing diagnostics, therapeutics, and vaccines; information technology and mobile operators are working with governments to develop contact tracing platforms and more reliable and affordable internet access.

Q: How can corporate leaders model these responsible practices to their peers across the private sector?

A: The first and foremost thing they can do is lead through demonstration. This is a time where your business has to be able to demonstrate that the company is serious about the growing conversation around “stakeholder capitalism” — the idea that stakeholders, such as employees, consumers, suppliers, other business partners and communities, are as important as shareholders in managing shared risks and creating and sustaining shared value.

When I talk about corporate leaders, I’m referring not just to chief executive officers, but site managers, or regional managers in companies. They should also show they care—because this crisis is fundamentally about people’s lives, both our actual lives as well as livelihoods. Leading with empathy and a sense of connection with employees, business and community partners, and customers is key, despite physical distancing requirements—as is acknowledging that no one has all the answers.

At consumer goods companies such as Unilever, P&G, Coca-Cola, Nestlé and AB InBev, to name just a few, corporate executive teams and country managers are coordinating efforts to reach millions of consumers with essential health messages and products, and rapidly sharing lessons through joint leadership platforms such as the Consumer Goods Forum and World Economic Forum. There are hundreds of examples of both executive and operational-level leadership that are underway in companies around the world, including mechanisms for employees and community partners to identify and mobilize resources to support innovative solutions.
We’re seeing much more alignment than we’ve ever seen, certainly in my career, between companies balancing financial performance and operational performance on the one hand, and good environmental, social, and governance performance, on the other hand.

mattered for development and addressing poverty, inequality and environmental challenges. At the same time, this pandemic is a very important reminder to all of us just how important government is, and good governance especially. The role of private sector leaders, either individually or collectively through trade associations and business groups, is to engage with government on national, state, and local levels and examine their joint priorities.

In Kenya, for example, a group of companies has come together to form the National Business Compact on Coronavirus, working with the Ministry of Health, the UN Country-Coordinator and AMREF, among others. Similar COVID-19-dedicated business leadership coalitions have been mobilized in Zambia and Nigeria.

Other national and global business leadership platforms such as the Confederation of Indian Industry, Business for South Africa, Instituto Ethos in Brazil, the US Chamber of Commerce, the World Economic Forum, and the World Business Council for Sustainable Development, to name just a few, have created dedicated COVID-19 response initiatives to mobilize their member companies to take action.

Q: How far should these private sector leaders be pushing the government for change?

A: They can advocate for government to do things differently if they feel that there are certain systemic challenges that aren’t being addressed or certain inequalities that aren’t being addressed. They can employ a combination of leading by example, through their own companies, their own industry sector, in their own communities. Then they could engage in policy dialogue and institution-strengthening with government partners and civil society partners, and trade union partners.

This is how the leading CEOs and their colleagues are stepping up at the moment. It’s not easy because in almost every industry sector, they’re also having to worry about their operational continuity and financial resilience of the business. It really is a call to leadership on a level that most have probably not experienced before.

Q: So far, are companies able to balance their short-term needs and their long-term interests?

A: We’re seeing much more alignment than we’ve ever seen, certainly in my career, between companies balancing financial performance and operational performance on the one hand, and good environmental, social, and governance performance, on the other hand. This has been an ongoing trend over the past few decades that has started to gather momentum in recent years as complex, system-level threats such as climate change and inequality become more material to sustaining business success in selected countries and industry sectors. The COVID-19 pandemic is arguably highlighting more than ever before the tensions between and the need to meet both shareholder and other stakeholder needs, manage both financial and non-financial goals, and balance both short-term and long-term imperatives.
Q: You and Business Fights Poverty came up with a COVID-19 Response Framework within the first month of the pandemic to help guide business leaders toward proactive solutions that will help vulnerable people and communities, including their own workforce and employees throughout their supply chains. Will this be developed further?

A: Yes. There's a lot of difference among industry sectors, so we are doing deeper dives to look at specific industry sectors, and also on particular issue areas, such as supporting vulnerable workers and micro- and small-scale enterprises in corporate value chains, implementing handwashing and other preventative measures, supporting and innovating with NGO partners, building national business coalitions, and tackling gender-based violence. Gender-based violence, for example, has increased in many countries and the particular elements of responding to this challenge cannot be captured by a very broad framework.

Q: You've written that the pandemic's long-term impact will have a disproportionate effect on women. Can you expand on this?

A: In a broad sense, the COVID-19 pandemic has brought into sharp relief and exacerbated existing inequalities in the system and exposed existing cracks in our social, economic and health systems. Within this, there are several areas where we see particular vulnerabilities and challenges for women and girls. Gender-based violence is one. In addition, we know that between 60 to 70 percent of health workers and social workers in most countries are women, and many of the retail workers are women. So you’ve got a whole category of what are now known as essential workers—women on the front lines—who are exposed to the pandemic.

We know that women are doing most of the unpaid care work, a burden that has skyrocketed because of kids at home as well as the need to look after the elderly, parents, and community members. We are also looking at potential long-term threats on women's and children's health issues, due to the potential of scarce resources being shifted away from women and girls’ health, ongoing losses in jobs, and high-levels of burden sharing, for example. As much as possible, we need to have women leaders as decision-makers at the table, both in government and business and civil society to address these.

Q: Do you see any opportunities arising from this crisis after the worst of it has passed?

A: I hope we as a society can think very seriously about social safety nets, universal basic income and health care, and living wage for so many people who don't currently earn a living wage, and yet are among essential workers on the front lines. I also hope this pandemic will accelerate the conversations that were already underway around what many people are calling stakeholder capitalism. Capitalism has created incredible wealth, produced goods and services for millions of people around the world, and created jobs, but the pandemic is highlighting and exacerbating key market failures and governance gaps. I’d like to see this shift so that in addition to the explicit commitment to shareholders, we see a commitment to other key stakeholder groups and to proactively managing ESG issues, with comparable metrics to track performance on these. Lastly, my hope coming out of the pandemic is the recognition that good governance really, really matters.

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we know that between 60 to 70 percent of health workers and social workers in most countries are women, and many of the retail workers are women.
The COVID-19 pandemic has had, and will continue to have, devastating impacts on the lives, livelihoods and learning of millions of people, particularly the most vulnerable. While efforts are rightly focused on mitigating the immediate impacts, we need to start thinking about how to recover and rebuild, because action taken now will have long-lasting effects on people’s wellbeing and resilience. This is an effort that must be led by government, but business, along with civil society, has a critical role to play.

Zahid Torres-Rahman, CEO, Business Fights Poverty, and Jane Nelson, Director, Corporate Responsibility Initiative, Harvard Kennedy School

In March, we published a Business and COVID-19 Response Framework that sets out guidance for how businesses can support the most vulnerable across three areas of impact: in their lives (health and safety), livelihoods (jobs and incomes) and learning (education and skills). The Response Framework sets out actions that businesses can take through their core business capabilities and activities, philanthropic donations and volunteering, and policy engagement, advocacy, and support for institution strengthening.
Beyond the immediate “respond” phase, we look at what actions business can take next in the near term to help individuals, enterprises and communities “recover” – to get back on their feet – and ultimately to “rebuild better”.

We separately published an online Action Mapping Tool that sets out over 300 examples and a range of deep-dive Action Toolkits to provide advice on specific topics, including supporting micro and small businesses and vulnerable workers, tackling gender-based violence, promoting handwashing and preventative measures, partnering with NGOs, and investing in rapid innovation partnerships, with more in development. You can find all of these resources in our Business, and COVID-19 Response Centre.

Our new Rebuild Framework adds a further dimension to our previous framework: time, and as part of that, ambition. Beyond the immediate “respond” phase, we look at what actions business can take next in the near term to help individuals, enterprises and communities “recover” – to get back on their feet – and ultimately to “rebuild better”. With this final phase comes the opportunity to be ambitious and enable those people who have faced the most severe social and economic impacts to thrive, and at a deeper level, to create a future that is more inclusive and resilient.

In many respects, the pandemic has exposed and aggravated deep-seated inequalities and vulnerabilities that were already there. Rather than build back to the old normal, what could a new normal be? How can we embrace the best values that have been demonstrated during this crisis: selfless bravery, compassion, and a sense of community that might enable us to accelerate progress towards the world envisioned in the internationally-agreed Sustainable Development Goals (SDGs) for people and planet? In short, how can we build back better?

You can download the Rebuild Better Framework here. The aim is to guide business action and inform a wider conversation. We look forward to hearing your perspectives and examples of action.
It was clear that the response had to be rapid, and it had to be flexible. As Dr Mercy Mwangangi, Assistant Minister of Health, Kenya, said: “We have realised that the response to this pandemic has necessitated the need for very prompt action and course correcting as we move.”

The coalition that we have built includes an industry wide approach where competing companies in hygiene, including Unilever, Reckitt Benckiser, Pwani, PZ Cussons and Menengai, as well as community-based soap manufacturers agree to work together. The coalition was convened by the Marketing Society of Kenya and brought in the Kenya Association of Manufacturers with its member companies. The Coalition also includes the UN family in Kenya and non-government organizations such as Amref.

“It is clear that this is going to be an all-of-society response,” said Sid Chatterjee, the UN Resident Coordinator. “What we have to do is flatten this curve with urgency and speed. And that will happen when we are all in this together, supporting the government of Kenya in making it happen.”

The approach that we decided on was threefold. Firstly, we had to create a unified communications strategy to amplify the government’s messaging on how to stay safe and limit the spread of the virus. Secondly, we need to scale up the distribution of hygiene facilities, alongside soap and water in vulnerable communities, in the acknowledgment that handwashing is the best line of defence against COVID-19. And thirdly, we must create a flexible funding mechanism to quickly respond to the government’s needs as the crisis evolves.

Together, the partners with a national approved communication brief, quickly developed a multi-channel communications campaign, using radio, television, billboards, and digital.
and producing a puppet show to bring the message to a younger audience. This campaign has had to be dynamic to keep up with a crisis that is rapidly evolving. As Manwa Magoma, Advisor to the Cabinet Secretary on Information, Communication and Technology, said, “The nature of this pandemic is that every other day it keeps changing... It’s forced those of us in the world of communication to think how we can adapt our communication needs or our communication material.”

Magoma said that the private sector has helped to augment the government’s communication strategy, bringing new resources and expertise to the table. The flexibility has come in part because of the seniority of the people involved, said Pheodor Brown, Chairman of the Marketing Society of Kenya. “It was important to have the right level of leadership around the table, and having people who could make decisions,” he said.

To support the second pillar, and accelerate the distribution in the communities, the coalition is working with a combination of digital distributors and community-based organizations. For example, Copia serves over 180,000 rural customers and has over 5,000 agents. We equipped their distribution retailers with over 1,500 handwashing facilities, soaps, and messaging for customers coming to pick up their items. Similarly, working with over 6,000 community health workers of Amref who are being trained via mobile and having access to some of the most vulnerable communities. The combination of retail distributors and community health workers means that we will have a better chance to support the estimated 6 to 10 million Kenyans that will be at risk and might find it very difficult to have access to regular soap, water and masks.

This joint approach has focused on making sure that the communities they are working with feel ownership of the process, from retailers to community health workers. “It’s important that it’s not just government-owned, but that it’s whole-of-society owned,” Githinji Gitahi, CEO of Amref, said. “The community needs to drive the response and see it as their own, so they hold each other accountable.”

E-commerce firm, Copia, has supported this initiative but has also leveraged its supply chains and networks of local agents in the fight against the outbreak. The company has distributed public health advice and soap through the shopping bags that it delivers to its customers. Since joining the Business Compact, the company has been working to put hand washing stations at its agent locations. Within three days, it had established 1,500 stations and hopes to expand these to include all 8,500 of its locations.

We invite you to get involved at [covid19businessresponse.ke](https://covid19businessresponse.ke) and to join the wider effort, with Business Fights Poverty, to accelerate global learning and local action at [https://snipbfp.org/C19_ResponseCentre](https://snipbfp.org/C19_ResponseCentre).

On April 9, Business Fights Poverty hosted a webinar with the National Business Compact on Coronavirus, that focused on action being taken in Kenya and the lessons that can be learnt for other countries. To watch the recording of the webinar, click here.

Miriam Sidibé, Senior Fellow, Mossavar-Rahmani Center for Business and Government, Harvard Kennedy School, and Co-Founder and Co-Chair, National Business Compact on Coronavirus, Kenya
HOW CAN BUSINESS RESPOND TO THE INCREASE IN DOMESTIC VIOLENCE DURING COVID-19?

Prior to COVID-19, 1 in 3 women were already estimated to experience violence in their lifetimes. Now, as the UN has noted, the economic and social stresses, as well as restrictions on movement and confinement, have dramatically increased the numbers of women and girls facing violence and abuse from intimate partners in almost all countries.

There is a 30% increase in reported cases in France and a 25% increase in calls to emergency lines in Spain. In the UK, the charity Refuge reported a 700% increase in calls to its web helpline over a 24-hour period. This rise in violence is happening at a time of reduced capacity of service providers (health, police, judicial, social services) to cope with the increased demand.

There are ethical, business and legal reasons for business to take action. Domestic violence and sexual harassment at work result in significant impacts on worker wellbeing, losses to productivity and reputation. A new Global Convention (ILO Convention No. 190) was agreed in 2019 to tackle violence and harassment, including gender-based violence and domestic violence, in the world of work, and some companies have been taking action across their organisations. The COVID-19 pandemic will require increased and altered action by business.

A new Business Fights Poverty Action Toolkit suggests that there are two main ways business can do this.

Firstly, they can adopt measures to protect their own employees. This will mean overcoming the challenges of doing so when contact with an employee is maintained only through online and telephone communication.
Secondly, business can harness its core business, its philanthropic funds and its influence on public policy, to tackle the issue more widely. For example, Avon has developed a multi-pronged campaign 'Isolated Not Alone' to raise awareness of domestic violence during the COVID-19 crisis. It includes a $1m commitment to front-line services; mobilising their sales network to offer lifesaving signposting to those affected and using its influence to communicate its concerns to government.

Below are illustrative examples of action. Please refer to the full toolkit for more.

1. PROTECTING EMPLOYEES INTERNALLY

- **Undertake a risk assessment** and mitigation plan for the women most at risk of economic insecurity and violence in your supply chain, e.g. garment workers.

- **Communicate.** Use daily electronic messages (SMS, WhatsApp message, email, other corporate channels), to inform employees about the heightened risk of domestic violence and online abuse, with advice about where they can seek help.

- **Adapt reporting procedures for confinement,** e.g. train managers and set up a cover/secret code and a secure channel (hotline, App, WhatsApp) to report cases and seek help. Work with police or domestic violence experts to carry out an immediate risk assessment and safety plan if an employee discloses.

- **Publicise** an up-to-date list of domestic violence support services that survivors can access for online and telephone support, counselling, legal assistance, recognising that many of these services will have changed or provided differently.

- **Support women’s leadership during the response.** Involve women from diverse backgrounds in leadership positions and decision-making around the company’s response to the COVID-19 pandemic and recovery efforts.

This rise in violence is happening at a time of reduced capacity of service providers (health, police, judicial, social services) to cope with the increased demand.
2. HARNESSING CORE BUSINESS AND WORKING WITH OTHERS FOR WIDER CHANGE

- **Maintain supplies of essential services for survivors**, e.g. emergency contraception and antiretroviral drugs to prevent the transmission of HIV post-exposure.

- **Scale-up and leverage existing online and virtual platforms**, e.g. the MyPlan app in the US and the Vodafone/Hestia’ Bright Sky’ app, which helps with safety decisions if an individual is experiencing abuse.

- **Train health care (and other) personnel to identify and refer cases**, e.g. as is happening in pharmacies and supermarkets in Spain and France.

- **Provide secure and safe accommodation** by supporting existing providers and by collaborating with the hospitality industry to increase the provision of safe spaces and shelters.

- **Ensure workers are financially supported during the pandemic**, e.g. governments and employer associations in South East Asia are working to provide financial support to garment workers who have lost their jobs due to cancellations of orders by major retailers. Brands need to consider how they can also financially support these efforts. Rapid digitisation of wages, sick pay and benefits are also important for those most affected at the bottom of the supply chain.

- **Develop public awareness-raising campaigns/engage in the debate** of the heightened risks of domestic violence and abuse in the home and online, and ensure the messaging also reaches men and boys. See, for example, social media campaigns from Avon #IsolatedNotAlone and Kering #YouAreNotAlone.

**Whilst immediate actions are necessary, there is also an important window of opportunity to fundamentally rethink how society addresses gender-based violence and domestic violence and abuse in particular.**

Whilst immediate actions are necessary, there is also an important window of opportunity to fundamentally rethink how society addresses gender-based violence and domestic violence and abuse in particular. Businesses need to encourage this conversation and collaborate with all relevant partners including government, civil society/NGOs, workers’ organisations and service providers.
This includes:

- Shifting the assumption that women and children should move out of the home rather than removing the abuser.

- Engaging men and boys in gender-transformative approaches to ending violence against women, including, for example, education and campaigns on unhealthy and harmful masculinities. And funding specialist NGOs that support potential and actual perpetrators.

- Shifting the unequal distribution of global caring roles to achieve greater gender equality, e.g. encouraging more men to participate in caring jobs, including health and education, and enabling more men to share unpaid care work through improved paternity policies.

Despite the challenging times we are experiencing, it is clear that there are a number of ways that business can help prevent and protect those experiencing violence. This is also an opportunity to think through new, innovative and inclusive strategies for the future. To find out more and access the Action Toolkit, click here.

Alice Allan, Senior Adviser, Business Fights Poverty, Natalie Deacon, Executive Director Corporate Affairs and Sustainability, Avon, and President, Avon Foundation for Women, Jane Pillinger, Expert, Gender-Based Violence in the Workplace, and Senior Visiting Research Fellow, Open University
**WHAT ARE THE PARTICULAR CHALLENGES COMPANIES AND NGOs ARE FACING DURING THE COVID-19 CRISIS TO DATE?**

Companies and NGOs have some common challenges as they grapple with the financial and operational impacts of COVID-19. Organisations in both sectors are looking to reduce financial exposure, shutting down parts of their operations, furloughing staff or even considering redundancies whilst adapting to home working, new online modes of delivery, and managing increased rates of staff absence and stress. The crisis is resulting in heightened demand for NGOs’ services at the same time as many are seeing dramatic reductions in funding and capacity. The challenge for partnerships is to spend what money is available quickly and effectively to support their service users through the crisis, whilst keeping the bigger picture in view.

The key to successful adaptation is in the frank and empathetic discussion of the challenges and risks that each partner is facing, and in each partner playing to their strengths.

**WHAT CAN COMPANIES AND NGOs DO TO ENSURE STRONG PARTNERSHIPS DURING THIS CRISIS AND MANAGE IMMEDIATE IMPACTS?**

The crisis will act as a test of the resilience of partnerships, which will need to rapidly adapt to the changed landscape. The unprecedented challenge demands that we embrace flexibility as never before - on goals, existing contractual commitments, funding allocations, timescales and delivery modes.

Existing programmes can be re-focused to address new priorities. For example, one of Mastercard’s grantees, Technoserve, has shifted from helping MSMEs grow to helping them address financial distress.
Mercy Corps in Kenya is leveraging its partnership with Safaricom, Twiga Foods and Jumia to provide food vouchers to the most vulnerable urban population.

The key to successful adaptation is in the frank and empathetic discussion of the challenges and risks that each partner is facing, and in each partner playing to their strengths. Business can provide not only funding, but also a wide range of skills that will help NGOs to continue, and even scale up, crucial services to support the most vulnerable.

Funders can also take action, for example, in repurposing funds or streamlining grant application processes. The Council on Foundations, the European Foundation Centre and CAF have both issued recommendations for funders in response to COVID-19.

**Q:** What should companies and NGOs do to ensure their partnerships emerge from the crisis even stronger than before?

**A:** Those partnerships that embrace openness, flexibility and mutual support during the crisis can emerge stronger, with a deeper understanding of their partners and a renewed commitment to the shared values and mission that originally brought them together.

Partnerships can start now to build for the future, planning how they will evolve as the immediate crisis recedes and the focus turns to recovery and building back better.

There will be many lessons to be learned. COVID-19 has shone a light on the pressing need for cross-sectoral partnerships that spark transformative systemic shifts – in our health system, our food system, and beyond. Additionally, the closer the focus of a partnership is to companies’ core business, the more likely they are to be prioritised during this time of crisis. Now is the time for companies to embrace social purpose, and commit to partnerships which align with their core business priorities.

David Norman, Senior Adviser, Business Fights Poverty
SPOTLIGHT SERIES

BUSINESS FIGHTS POVERTY SPOTLIGHT INTERVIEWS PROVIDE YOU WITH INSIGHTS FROM ACROSS THE BUSINESS FIGHTS POVERTY NETWORK. KATIE HYSON, DIRECTOR OF THOUGHT LEADERSHIP, ASKS LEADERS FROM THE SUSTAINABILITY, IMPACT, AND BUSINESS SPACE ABOUT THEIR LIFE AND WORK, FINDING OUT WHAT INSPIRES AND MOTIVATES THEM. EACH GIVES YOU FIRST-HAND UNDERSTANDING, INSIGHT AND POTENTIALLY USEFUL CAREER ADVICE FOR HOW YOU CAN HARNESS THE POWER OF BUSINESS TO FIGHT POVERTY

NEIL FLEMING
Director, The Challenges Group

Neil Fleming shares his first-hand insight into what it’s like supporting small and medium-sized businesses globally during the COVID-19 pandemic, highlighting the vital importance of SMEs in job creation now and in the future and the real risk of many businesses going under. Neil is Director at The Challenges Group, an international NGO working across 66 countries, with five offices in sub-Saharan Africa.

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These spotlight interviews are available as podcasts on the Business Fights Poverty website and also on iTunes. If you would like to be a part of our Spotlight Interview series or would like to nominate someone, please contact:
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ANDREW HUNT
Co-Founder and CEO of Aduna
Meet award-winning social business founder, radical thinker and business model disrupter, Andrew Hunt.
Andrew joined us during the first few weeks of the coronavirus pandemic to share his insights on supply, demand, and what it is to be a small business with a value chain in the global South during the crisis.
Andrew generously shares his very personal life story with us, taking us from nervous breakdown and clinical depression to Africa-inspired co-founder of Aduna.

ANDREW MEANS
Senior Director of Global Impact Data Strategy for Salesforce.org
Andrew Means is at the leading edge of social impact data, a self-confessed “cynical optimist”. This podcast interview with Andrew explores why data is everything – only with good impact measurement can real scalable and lasting social change be made.
“It’s easy to cast yourself in the role of hero, saving people. [Instead, we all need to] go out and collect evidence of our impact.” Andrew explains.

JON JACKSON
CEO of Dimagi
As the globe continues to grapple with the coronavirus epidemic, we hear from an expert in frontline healthcare data – Jon Jackson.
The technology Jon and his company Dimagi have created has already helped during the Ebola crisis. During this podcast, we explore how data can assist us today. Whether it is contact tracing, data collection, decision support, or information dissemination – Jon explains why this information can make a real difference, but also why COVID-19 is very different from Ebola.

RACHEL COOPER
Director, Pharmaceuticals and Healthcare Programme, Transparency International
The COVID-19 global pandemic leaves people and systems vulnerable to bribery and corruption. Rachel Cooper, is a leading expert in understanding the causes and cures of ethically dubious bad practice.
During our conversation, Rachel reveals some of the real global examples of the appalling bribery and corruption taking place right now, during the COVID-19 pandemic, that are diverting vital resources away from saving lives.

NATALIE DEACON
Executive Director of Corporate Affairs and Sustainability and the President of Avon Foundation for Women.
How does a business like Avon – the multinational ‘more than beauty’ company – deal with coronavirus? During our conversation, Natalie talks about Avon’s responsibility to help their representatives to maintain their livelihoods, and also the importance of supporting women throughout the global COVID-19 crisis. Natalie explains how women are disproportionately negatively impacted by the COVID-19 crisis. She explains how Avon is working to help women living with domestic violence, raising awareness of these issues and creating refuge, support and empowerment for women around the world.

SINEAD DUFFY
Head of NGO Engagement, Bayer
During this podcast, we hear from Sinead Duffy. Sinead is the Head of NGO Engagement at one of the world’s major life science companies focused on health and agriculture, Bayer. Sinead shares with us how business can support those most vulnerable during the COVID-19 global crisis.
Rapid Innovation Through Partnerships

The novel coronavirus (COVID-19) pandemic has spread rapidly around the world, creating the worst humanitarian and economic crisis in a generation. The response to this pandemic has needed to be equally rapid, and innovation has been required at many levels. Private sector partnerships have been playing an important role in generating creative solutions.

Quick Examples

Innovation partnerships have already made impressive progress in the fight against COVID-19 and its consequences. A few quick examples:

- GSK and Sanofi partner to develop a COVID-19 vaccine. The competitors bring complementary parts of a potential solution. Sanofi has a COVID-19 antigen and GSK contributes its adjuvant technology, which may reduce the amount of vaccine protein required per dose, allowing more vaccine doses to be produced and therefore contributing to protecting more people.

- Ford and 3M have co-designed a new respirator model. The new design employs existing parts from both partners, thus enabling them to produce 100,000 units per week.

- Apple and Google, leaders in the market for cell phone operating systems, are collaborating to enable contact tracing across technical platforms while maintaining strong protections around user privacy.

- In Spain, energy companies have come together to launch Positive Energy +, and initiative to support start-ups with an energy angle to build back better.
Building back better and achieving the SDGs will require much more collaboration and innovation across sectors.

FIVE SUCCESS FACTORS

So, how have some companies managed to set up innovation partnerships in a matter of days or weeks in the context of the COVID-19 crisis, and even deliver results? In normal times, these partnerships take months, and sometimes years, to come to fruition.

Five success factors emerged in our discussion with company representatives and experts:

1. The crisis creates a ‘laser focus’ – a simultaneous prioritisation by all relevant players.
2. Risk tolerance is much higher. Sign off happens with far less information (while still adhering to health standards, such as ensuring patient safety when it comes to vaccines).
3. High-level leadership speeds up decision making and access to internal resources.
4. Teams have put in extraordinary effort, sometimes working day and night.
5. Working with organisations with similar values for the common good can speed up the negotiation process.

While some of these success factors are crisis-specific, we can still learn from these experiences to make innovation partnerships more effective and efficient. For example, organising collaboration in sprints might help to generate joint focus and accelerate progress. An agile approach, starting fast and figuring things out on the way, can reduce barriers and up-front costs.

Building back better and achieving the SDGs will require much more collaboration and innovation across sectors. Organisations need to learn to open up and join forces with others to create more resilient, inclusive systems that create long-term value. The incredible speed and effectiveness of innovation partnerships to address COVID-19 related challenges show what is possible. This is a gift of the crisis we must harness as we emerge from it.

Christina Tewes-Gradl, Senior Advisor, Business Fights Poverty

The incredible speed and effectiveness of innovation partnerships to address COVID-19 related challenges show what is possible. This is a gift of the crisis we must harness as we emerge from it.
On 30 April 2020, Business Fights Poverty convened an online discussion, which examined how business can help build national coalitions and collaborations to fight COVID-19. What is making these collaborations work, what lessons need to be learned, and how can these be replicated to make a greater impact?

WHAT EXAMPLES OF NATIONAL COLLABORATIVE PLATFORMS TO FIGHT COVID-19 ARE THERE?

The participants shared many examples of national platforms, operating in countries as diverse as Bangladesh, Brazil, Iran, Kenya, Lebanon, Nigeria, South Africa, the United Kingdom and Zambia. In addition to these, we are seeing the mobilisation of regional initiatives such as AfroChampions, and global platforms such as the UN Global Compact.

Dave Prescott, Creative Director of the Partnering Initiative, observed that collaborative platforms tend to be focused on advocacy, resource coordination, and systemic transformation to aid global recovery. Within these three main roles, the private sector is providing invaluable support in areas as diverse as public health awareness campaigns; establishing new medical facilities; donating and distributing soaps and personal protective equipment (PPE), and building public handwashing stations; supporting diaspora migrant workers; training community health workers; alleviating economic hardship; helping build resilience in small businesses; increasing access to online medical care; collaborating on the development of COVID-19 diagnosis and treatment; and engaging with governments on public policy.

We are seeing unprecedented collaborations involving companies within and between sectors. Myriam Sidibé, Co-Founder, Kenya National Business Compact on Coronavirus and Founder, Brands on a Mission, provided an example from Kenya: “The National Business Compact on Coronavirus has the leading brands in hygiene working together, not
competing. The main soap manufacturers, along with other companies, are putting their resources into a unified platform of communication. They bring together the best of advertising, media and branding to remind consumers that the preventive actions are a matter of life or death.”

“We have long had a saying in Africa: ‘If you want to go fast, go alone. If you want to go far, go together’”, commented Sam Abrahams, Chief Executive, First Aid Africa. To respond to this crisis, collaboration is key. This doesn’t simply mean throwing some money at CSR teams and having a photo taken with our donations; it means genuine interaction and dialogue between government, the private sector, and charitable organisations. If we’re smart, this collaboration will last long beyond this pandemic.”

Jane Nelson, Director, Corporate Responsibility Initiative at Harvard Kennedy School, observed that coalitions tend to fall into three broad structural “types”. In addition to the formation of new coalitions that are innovative and agile, established coalitions on inclusive and sustainable development (such as the UN Global Compact) and more traditional business organisations (such as Chambers of Commerce) are mobilising their members to work together in new ways. These diverse coalitions are tackling the immediate crisis as well as working to build back better.

**LESSONS LEARNED**

Whilst remembering that “one size doesn’t fit all”, Jane Nelson identified four key lessons that seem to be common to many coalitions’ responses to COVID-19. They tend to build on existing relationships and/or platforms and coalitions and only build new initiatives where there is no existing infrastructure to meet a specific need. To maximise impact, coalitions focus on a few key and compelling national priorities and work in alignment with government priorities where possible. Whilst working nationally, coalitions are seeking to engage with inter-governmental actors such as the UN country coordinating offices, World Bank and other international donors.

**RISKS**

National coalitions will inevitably face risks, many of which may be exacerbated by the need to work at speed to respond to the crisis. Unless coalitions are able to coordinate with other in-country initiatives, there is a risk that duplication will waste scarce resources and may even detract from good work being done by acting in competition with one another.

As societies wrestle with finding the balance between protecting public health and reopening the economy, there is a role for business in providing important information and insight to assist government decision-making on how to resume economic activities in a way that protects both employment and the welfare of employees.
Governance is also a particular risk, which can be mitigated by working within existing platforms, working in partnership with accountancy professionals, and utilising international guidelines such as The UN Global Compact’s Ten Principles. Steve Kenzie, Executive Director, UN Global Compact Network UK, described these as “a truly universal, well-established public good that’s ready to go.” Marcelo Linguitte, Head of Strategic Partnerships, Projects and Resource Mobilization at the United Nations Global Compact Brazil, shared that the UN Global Compact’s Brazilian platform is developing a guideline on how organisations may strengthen compliance processes.

**OPPORTUNITIES AND BEST PRACTICE**

The speed and urgency of the response is resulting in new approaches to partnering that are agile, working across silos and embracing non-traditional thinking. Zahid Torres-Rahman referred to five factors that underpin effective partnerships which will be critical in the current climate: “A compelling and shared why – a shared goal for the partnership; clarity about who needs to be around the table; a laser focus on what needs to be created, and by when; and a process – the how – that is based on authentic co-creation.” To be inclusive and effective, partnerships must listen to key stakeholders – especially the most vulnerable. As Stephen Gelb points out, “There is a need for joint ownership of policies – there’s a difference between ‘in consultation with’ vs ‘after consultation with.’”

As never before, COVID-19 has called business to place purpose before profit. According to Ali Kolahi, head of the Nafas Campaign Business Associations’ Liaison Committee, Nafas Platform Coordinators, the urgent action of Iranian businesses has increased their social capital in the community. Kolahi believes this is an asset that business “should not allow to wither once the pandemic is under control”, and that this new momentum must now begin to address other issues, such as child poverty. Indeed, panellists agreed that national platforms can support transformational change by helping to align the efforts of government, business (from multinational companies to small and medium-sized enterprises) and grassroots initiatives to achieve a more sustainable and equitable future.
“We are all trying to experiment with approaches and partnerships to address systems and supply chain issues, and that’s what we can do on the back of the crisis to have a long-lasting impact.”

Annabel Beales, Challenge Researcher, Business Fights Poverty

HOW CAN THESE COALITIONS AND COLLABORATIONS BE REPLICATED RAPIDLY?

Our panellists suggested that coalitions are most valuable where complementary skill sets combine to maximise impact wherever there is most vulnerability.

Our panellists felt that it is often better to “double down” on existing initiatives, rather than starting afresh. Coalitions can start to scale what is already working. Tazin Shahid, CEO, YY Ventures recommended taking a frugal innovation approach, starting with the minimal solution that works and gradually improving it by bringing in more partners to the coalition. Assets and data generated during the crisis can be repurposed to tackle other pressing issues. Once the initial crisis abates, there will be a process of institutionalisation for coalitions that will look different across different contexts and geographies, broadening their membership and enhancing their governance processes.

To support this work, it will be essential to share best practice across international networks. Fora such as Business Fights Poverty, the Partnering Initiative, and many others, have already started to distil and share learning and best practice on national platforms, to support the vital work of businesses across the globe.
RECENT EVENT RESOURCES

DRAW ON INSIGHTS FROM PEERS AND EXPERTS TO SHAPE ACTION.

SUMMARY REPORT: Forum Discussion on Business and COVID-19

On 19 March, we hosted an online written discussion looking at the role of business in tackling COVID-19. Read the written summary of the key insights shared by our panel and participants.

ACCESS

SUMMARY REPORT: Forum Discussion on Gender Based Violence

On 6 April, we hosted an online written discussion on how businesses can respond to an increase in gender based violence during the COVID-19 outbreak. Read the written summary of the key insights shared by our panel and participants.

ACCESS

VIDEO AND SUMMARY REPORT: UNDP and McKinsey Webinar

On 26 March, we hosted a webinar with UNDP, McKinsey, the Connecting Business Initiative and Harvard Kennedy School. Visit the Response Centre to watch the video and read the summary report.

ACCESS

SUMMARY REPORT: Supporting NGO Partnerships

On 9 April, an online written discussion on how businesses can support their NGO partners also looked ahead to the future beyond the crisis, examining whether actions now can have a beneficial impact for NGO-company partnerships in the longer term.

ACCESS

VIDEO: Webinar on Local Action in Kenya

On 9 April, we hosted a webinar with the Kenyan National Business Compact on Coronavirus, focusing on actions being taken on the ground and the lessons that can be learned by other countries. Visit the Response Centre to watch the video.

ACCESS
SUMMARY REPORT:
Rapid Innovation Partnerships
COVID-19 requires rapid action, often in the form of partnerships with competitors, other businesses, NGOs and governments. The online written discussion on 22 April looked at how these partnerships can be rapidly formed in days and weeks.

ACCESS

SUMMARY REPORT:
National Coalitions
This online written discussion on 30 April looked at how we can bring together businesses, networks and civil society behind governments’ efforts to curb the pandemic, and what we can learn from efforts already under way, such as the National Business Compact on Coronavirus in Kenya.

ACCESS

DISCUSSION:
Purposeful Collaborations
On 14 May we hosted an online written discussion that built on the previous week’s webinar to learn from the immediate response to the pandemic, and how we can use this knowledge to help us to recover and rebuild better. This is an effort that must be led by government, but business, along with civil society, has a critical role to play.

ACCESS

NEW REPORT:
Strengthening Markets through Collaboration
On 4 June, a new guide was launched by Business Fights Poverty and Endeva on how stakeholders can more effectively tackle barriers to the growth of micro, small, and medium enterprises. An online written discussion was held to mark the launch of the report.

DOWNLOAD

NEW REPORT:
Embedding Purpose
On June 17 a new discussion paper was launched on how companies and investors can collaborate to embed purpose authentically into business. This online written discussion marks the launch of the report.

DOWNLOAD

VIDEO AND SUMMARY REPORT:
Respond and Rebuild Better
On 7 May, we hosted a webinar on how we can Respond and Rebuild Better. Hear directly from Jane Nelson and the Action Toolkit authors. An online written discussion the following week launched a longer collaborative project to generate insights, deepen relationships and find practical solutions to this urgent challenge. Visit the Response Centre to watch the video and read the summary report.

ACCESS
Click on a video below to watch online:

- **Illovo Sugar Africa**
  - This one action will save lives in rural African communities.

- **GSK and Sanofi**
  - We need to accelerate the global effort to develop a vaccine.

- **CEMEX**
  - In uncertain times one action can make a big impact.

- **AB InBev**
  - To produce hand sanitizer as a donation to hospitals.

- **Safaricom**
  - M-Pesa by Safaricom is East Africa’s leading mobile money service.

- **Morrisons**
  - These vulnerable businesses are critical to food supplies.

Check out these inspiring stories of companies taking action in response to the COVID-19 Pandemic.
ACTION TOOLKITS AND FRAMEWORKS

CLICK ON AN ASSET BELOW TO ACCESS OR VIEW

**REBUILD BETTER FRAMEWORK**
Use this guide to inform business action to support people’s longer-term wellbeing and resilience.

**RESPONSE FRAMEWORK**
Use this guide to inform business action to support people’s longer-term wellbeing and resilience.

**ACTION MAPPING TOOL**

**GENDER-BASED VIOLENCE**

**VULNERABLE WORKERS**

**MICRO AND SMALL BUSINESSES**

**HANDWASHING AND OTHER MEASURES**

**RAPID INNOVATION THROUGH PARTNERSHIPS**

**SUPPORTING NGO PARTNERS**

**NATIONAL COLLABORATION PLATFORMS**

Visit the Response Centre for latest COVID-19 resources
PRACTICAL STEPS LARGE COMPANIES CAN TAKE TO SUPPORT THEIR MICRO, SMALL AND MEDIUM ENTERPRISE (MSME) PARTNERS THROUGH THE COVID-19 CRISIS

WHILE COVID-19 IS HURTING ALL BUSINESSES, MSMEs ARE PARTICULARLY VULNERABLE, ESPECIALLY THOSE CASH-BASED INFORMAL BUSINESSES IN DEVELOPING COUNTRIES WHICH HAVE NO SOCIAL PROTECTION AND ARE UNABLE TO ACCESS MOST FORMS OF GOVERNMENT EMERGENCY FINANCE OR TRANSITION TO REMOTE WORKING. A NEW ACTION TOOLKIT HAS BEEN PUBLISHED TO HELP COMPANIES SUPPORT THEIR MSME PARTNERS.

As MSMEs struggle, the impact on their communities is also significant as they are often the only source of goods and key services for the poorest and most vulnerable populations. For large companies who rely on MSMEs in their value chains as suppliers (including small-scale farmers), distributors, retailers and customers, supporting them through the COVID-19 crisis beyond the immediate humanitarian imperative will be critical to ensuring supply chain resilience, business continuity and recovery in the months ahead.

The new Business and COVID-19 Response Centre now hosts an Action Toolkit to help companies support their MSME partners.

There are several practical ways that large companies can act now through their core business, philanthropy and policy engagement to support their MSME partners through the crisis. To help stimulate thinking and action within companies and between partners, Business Fights Poverty and the Corporate Responsibility Initiative at the Harvard Kennedy School have produced a practical guide structured around an action framework developed together by the organisations.
CORE BUSINESS

First, through their core business, large companies with direct relationships with MSMEs can help to reinforce existing public health messages and provide health and hygiene information for business partners to share with workers and communities. Small retailers, for example, often act as community hubs and are ideally placed to share information with their communities. Large companies who do not have a direct relationship with informal MSMEs in their value chains can still work with their suppliers, business partners, donors, and NGOs with established networks and relationships, to get information out.

Second, it is vital that large companies take all reasonable steps to keep their MSME partners in business. First and foremost, MSMEs need help with cash flow, and here large companies should consider introducing greater contractual flexibility, for example, paying small suppliers straight away. They can also offer direct financial support through cash grants, extending credit or making affordable loans, and work with banking and technology partners to make financial support quick and easy for MSMEs to access, especially through digital technology and payments.

Third, large companies need to help MSMEs to adapt to new market conditions. They can work with MSMEs to re-focus on products and services that meet new areas of demand, enabling them to generate fresh sources of revenue and to re-assign workers to other jobs. For example, helping small-scale retailers to focus more on distributing essential health products and providing health advice and information. Large companies with existing MSME support programmes can also work with their implementation partners to re-orientate support to focus on short-term survival strategies. And, either directly or through intermediaries, they can provide reassurance, tailored advice and support to MSMEs on the key steps they could take to protect and manage their businesses through the crisis, leveraging appropriate digital tools, remote working apps and global social media platforms.

PHILANTHROPY

Philanthropic donations, channelled through NGOs and intermediaries, are often the fastest and most effective way that large companies can help to mobilise and direct resources to MSMEs in support of the COVID-19 response. Large companies should identify ways to channel flexible, emergency and unrestricted grants to NGOs supporting MSMEs. They can also engage with international government donors, development finance institutions and foundations providing financing support in relevant locations and value chains and look for ways to combine resources for greater impact.
As major employers and investors, large companies can use their visibility and influence to advocate to national governments, international government donors and other companies for sustained, targeted support for MSMEs.

**POLICY ENGAGEMENT**

As major employers and investors, large companies can use their visibility and influence to advocate to national governments, international government donors and other companies for sustained, targeted support for MSMEs. Joining forces with other companies and NGOs can strengthen the impact and reach of advocacy efforts.

Advocacy to governments should emphasise adequate funding for health systems and ensure supportive policies are put in place for MSMEs through the crisis, for example, tax breaks and other forms of targeted financial support. Advocacy to other businesses should highlight the importance of continuing to invest in countries and supply chains and maintaining commercial relationships with MSME partners.

Across all the activities spanning core business, philanthropy and policy engagement, large companies should look to harness existing MSME-orientated collaboration platforms and partnerships to coordinate action with business partners and other stakeholders in specific value chains and locations to develop more joined-up solutions, reduce duplication of effort and share learnings.

**REBUILDING**

In the medium to long-term, large companies will need to play an integral role in post-COVID-19 recovery efforts. Building resilience from the grassroots up by encouraging MSME growth, entrepreneurship and employment will be critical to ensuring countries are able to recover quickly. There are a number of actions companies can take in the medium- to long-term:

- **Through the core business**, large companies should sustain medium and long-term investments in core operations and value chains to aid reconstruction efforts. They should accelerate efforts to re-calibrate the company’s business models to ensure the economic value created is more equitably shared with MSME partners across the value chain. They should work in partnership with other companies, governments, donors and civil society to build MSMEs resilience and ability to withstand future shocks.

- **Through philanthropy**, large companies can continue to provide support for enterprise development programmes and community-based economic development organisations, focusing on areas worse hit by the crisis.

- **Finally, through policy engagement**, large companies can engage with national governments, international donors, other companies and civil society to develop more strategic, long-term platforms capable of bringing together different players to build a more supportive overall environment for MSMEs, and to capture learnings of what has worked and what has not in supporting MSMEs through the global health emergency for future reference.

Richard Gilbert, Challenge Director, Business Fights Poverty
LIVELIHOODS OF WORKERS IN THE POOREST AND MOST VULNERABLE COUNTRIES ARE BEING DECIMATED EVEN BEFORE THE NOVEL CORONAVIRUS SWEEPS IN, AS SUPPLY CHAINS GRIND TO A HALT. THIS IS DISASTROUS FOR FAMILIES, TRIGGERING AN ALARMING RESURGENCE IN POVERTY. IT IS BAD NEWS FOR BUSINESSES THAT WILL WANT TO REBUILD, AND FOR CONSUMERS IN DEVELOPED COUNTRIES WHO DEPEND ON ROBUST AND RESILIENT SUPPLY CHAINS.

Global brands and large companies acted swiftly to stabilise cash flow and protect their staff in developed countries. Attention in the next part of the ‘respond and stabilise’ phase needs to shift rapidly and ambitiously to workers throughout the value chain. Damage has already been done, but much can still be done to mitigate the worst effects on workers, as the Overseas Development Institute has already highlighted. Business Fights Poverty and Harvard’s Kennedy School have produced a Toolkit to help companies do just that: Toolkit on Addressing Vulnerable Workers in Global Value Chains.

The impacts of COVID-19 on vulnerable workers in the South are huge. But without each country focusing on its own national response, the scale of the problem is easy to miss.

According to the ILO on April 7th, the slump in jobs and working hours in Quarter 2 of 2020 is estimated as the equivalent of 14 million full-time jobs in low-income countries, 80 million jobs in low-middle-income countries, and 100 million jobs in upper-middle-income countries. 2.24 million Bangladeshi garment workers have lost jobs due to over 1,000 factories closing. In Kenya, 500,000 people working in the flower industry are losing their livelihoods, and 600,000 in the tea sector are suffering from the closure of the Mombasa tea auction.

Workers have lost jobs due to over 1,000 factories closing. In Kenya, 500,000 people working in the flower industry are losing their livelihoods, and 600,000 in the tea sector are suffering from the closure of the Mombasa tea auction. Without wage-protection schemes, household savings or government safety nets, laid-off workers and their families are plunged into poverty.

Whole sectors are losing workforces, and with them, years of investment in training, retention and productivity.
SO WHAT SHOULD COMPANIES DO?

First, recognise who are the vulnerable workers in their value chains:

- High vulnerability to COVID-19: people working in cramped or unsanitary conditions, or working with direct exposure to patients and customers.
- High vulnerability to decimated livelihoods: workers in sectors affected by national lockdown, global slump in demand, or disruption of supply, and where public sector safety nets are weak or non-existent.

‘Workers’ includes employees and many more informal workers, migrants, and gig economy workers, who often work in global value chains in informal undocumented roles. Many are women, and lack of visibility is a challenge. Any action to protect these workers will involve working with and through suppliers – Tier 1 and beyond. Due diligence for companies that have invested in strong human rights should already be a step ahead in having visibility of this workforce.

IMMEDIATE ACTIONS TO RESPOND TO THE CRISIS

To protect the health and safety of workers, global brands need to work with suppliers on their physical measures, such as staggered shifts or new hygiene protocols. Some can also use their information infrastructure to support health. For example, online platforms used by Olam to share agricultural information with farmers now share COVID-19 information. Flexibility is needed: so that added time or cost of health and safety measures is accommodated. But so is rigidity: expectations on suppliers to uphold human rights should remain firm and clear.

To protect the livelihoods of workers, the most obvious step is not to cancel contracts, especially where raw materials have already been procured and work done. Cancelled garment orders have caused devastation for garment factories and their workers, with some valuable exceptions: H&M and VF Corporation have paused on hitting the ‘force majeure’ button and are honouring not cancelling commitments made for work already done.

There is plenty more scope for action to maintain some wage flows and keep workers on the books if not at work. Many southern governments are now developing their emergency economic response, but they simply don’t have the fiscal firepower seen in the response of UK or US leaders (the stimulus packages as % of GDP are 15 times greater than in poorer countries). In Cambodia, the government announced that laid-off garment workers would get 60% of their basic wage – 20%
from government and 40% from factories. However, when factories said they could not pay, the guaranteed payment was reduced to just $70 a month – leaving a single worker on the poverty line or a breadwinner’s family well below it. Surely collaboration with global brands could have found a better solution?

A host of other immediate actions to consider include repurposing factories to produce personal protective equipment, investing in training during the lockdown, working with unions and worker representatives on new terms, developing ‘buy forward’ or ‘pay back later’ schemes, connecting suppliers to new sources of finance, or swapping employees into sectors with current high demand. iFood, Latin America’s leading platform of food delivery, is creating a fund of around £155,000 to support the income of its couriers during the crisis. Fairtrade Africa has relaxed rules on how the Fairtrade Premium can be used. Alibaba has an employee-sharing scheme for workers to shift from hospitality and entertainment to food retail. L’Oréal is shortening payment terms and prioritising immediate payments to suppliers whose business is at risk. Natura & Co. is converting its makeup and fragrance factory lines in Latin America to the production of hand sanitisers and soaps. More details of these and others are in the Toolkit.

**LONGER-TERM ACTION AND AMBITION**

The next phase needs to be more ambitious and collaborative. The Asia Floor Wage Alliance has asked garment brands to jointly create a COVID-19 Workers’ Fund. Initiatives in Nigeria and Kenya seek to bring private sector networks and government together. Governments have to lead on social protection for swathes of impoverished citizens, but businesses need to actively endorse government action, complement it by co-funding wages and retraining for workers in their own value chain, and innovate with governments.

When we can move from ‘respond’ to ‘rebuild’, an ambitious approach would build resilience into global value chains: developing crisis management plans with suppliers; rolling out basic documentation to cover the informal workforce, so they get legal protection and state support; building up resilience funds for the next crisis; committing to fair and transparent tax payments so that developing country governments can invest in social protection and climate responses; channelling build back investment and retraining into greener ways of working. Consumers, trade regulators, investors, and northern and southern governments all have a stake in building robust and safe value chains. The coronavirus crisis demands new forms of collaboration – both to cope with shocks now and build back better later.

**RESOURCES**

Toolkit: [Toolkit on Addressing Vulnerable Workers in Global Value Chains](#).

[ODI tracker](#) of the vulnerability of countries to the coronavirus, economic impacts, and policy responses

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Caroline Ashley, Senior Adviser, Business Fights Poverty, and Dirk Willem te Velde, Director of Programme, Overseas Development Institute
FIT FOR PURPOSE?

PURPOSE AND INVESTORS STARTING POINTS TO #BUILDBACKBETTER

THE NOVEL CORONAVIRUS (COVID-19) PANDEMIC IS CREATING THE WORST HUMANITARIAN AND ECONOMIC CRISIS IN A GENERATION, THREATENING THE LIVES, LIVELIHOODS, AND LEARNING OF HUNDREDS OF MILLIONS OF PEOPLE AROUND THE WORLD.

We have seen inspiring examples of companies taking extraordinary action to respond to the impact of the pandemic, with many now starting to look at how they can support recovery and efforts to build back better. It is during these unprecedented times of crisis through which we see companies’ purpose, values, and culture coming to light. Companies will be long-remembered for the actions they take now - both as part of the emergency response and in how they lay the foundations for a more inclusive, resilient and sustainable future.

As noted by Larry Fink and Paul Polman, among others: purposeful, multi-stakeholder businesses are more likely to have sound corporate finance, a more loyal and engaged workforce, protected value chains, and are well-regarded in public opinion. These are all drivers of business resilience in challenging times. A clear and authentic purpose enables alignment between core business capabilities and stakeholder needs.

Business Fights Poverty has been coordinating a Business and COVID-19 Response to support businesses’ immediate and longer-term actions in supporting the most vulnerable, with Jane Nelson,
In this time of hardship, we believe that investors and financial institutions can be invaluable partners in creating a transformational shift towards a system that rewards models that are purpose-driven and sustainable in the long-term. Today we are launching a discussion paper around the question “How can companies and investors collaborate to embed
In addition to our own experience and research, this draws discussions with our Challenge supporters, as well as over 200 practitioners and experts who shared their insights and an online survey of the Business Fights Poverty community and the outputs of an online discussion that attracted close to 3,000 people.

Embedding purpose requires action across all levels and all operational areas of a company. Consequently, in the first stage of the Challenge, Business Fights Poverty co-created a practical framework consisting of five pillars – “Define, Do, Live, Say, Partner” – to help organisations align their core business activities with a clear sustainable purpose (see box).

In order to deepen the understanding of the important role that investors can play in embedding purpose, in the second part of this Challenge, Business Fights Poverty identified three areas in which collaboration between investors and companies would be particularly fruitful:

1. MATERIALITY:
   Defining company purpose with reference to material factors that impact long-term financial performance.

2. LEADERSHIP:
   Providing leadership for cultural change within organisations to authentically embed purpose.

3. IMPACT:
   Bringing Impact Investing to the mainstream and encouraging transformative approaches to impact measurement and disclosure.

We hope that in these unprecedented times, the practical suggestions introduced by the Discussion Paper will inspire new collaborations able to transform talk of “sustainable purpose” into meaningful and consistent actions – to build back a better society for all the stakeholders of organisations.

Vittorio Cerulli, Challenge Director and Zahid Torres-Rahman, CEO, Business Fights Poverty

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Since we started on our journey in 2005, we have learnt a great deal about collaboration. Most important is the understanding of the huge potential that lies in connecting practitioners and experts across sectors, organisations and geographies. We are grateful for the engagement of our network of over 25,000 professionals and close to 100 content partners, as well as to our supporters, listed on our website.

Our Challenge approach brings together people from across our community and beyond who are passionate about tackling specific societal issues. Each Challenge starts by convening the best people from (and beyond) our global network; co-creating a solution through an interactive process of engagement and analysis that leads to a valuable output within a clear timeframe of 3 to 9 months; and communicating the outputs in a targeted way.

We have run over 30 Challenges in the last couple of years on a wide variety of topics ranging from farmer livelihoods to corporate social innovation, from advocacy partnerships to scaling inclusive distribution models.

When the coronavirus was declared a pandemic on 11 March, Business Fights Poverty pivoted to focus on guiding companies’ immediate and longer-term decision making to support the most vulnerable in the face of COVID-19. We compressed our collaboration approach into a 10-day cycle and, through 18 online events in the following 9 weeks, brought together over 14,000 people to feed ideas into 50 co-created outputs to guide business action, in partnership with the Harvard Kennedy School Corporate Responsibility Initiative and with funding from the UK’s Department for International Development and a number of our corporate partners.

Given the impact of the pandemic, it is right that the focus to date has been on the immediate response, with a focus on supporting the most vulnerable. However, we need to start thinking about how to recover and rebuild better, because action taken now will have long-lasting effects on people’s wellbeing and resilience.

We are focusing on mobilising an ambitious “Rebuild Better” movement focused on supporting the most vulnerable; seizing this opportunity to collectively set out a vision for what “better” looks like - at the level of society, business and the individual, and spark collaborative action to make this a reality.
REBUILD BETTER
BUILDING AN EQUITABLE AND RESILIENT FUTURE
BUSINESS FIGHTS POVERTY ONLINE 2020

13 JULY
PURPOSE

1.00 PM
BST

WELCOME
Welcome and Opening Fireside Chat.

1.45 PM
BST

PEER DISCUSSION:
and Networking

2.00 PM
BST

WEBINAR
How can we embed purpose into business, as we rebuild better?
Hosted with Visa

3.00 PM
BST

PEER DISCUSSION:
and Networking

3.15 PM
BST

WRITTEN DISCUSSION
What social indicators should businesses be measuring?
Hosted with World Benchmarking Alliance

4.15 PM
BST

PEER DISCUSSION:
and Networking

4.30 PM
BST

WEBINAR
Enacting Purpose and Engaging Boards.

5.30 - 6.30 PM
BST

COACHING
Guided personal leadership session with renowned business coach, Marcus Druen.

14 JULY
OPPORTUNITY

WELCOME
Welcome and Opening Fireside Chat.

PEER DISCUSSION:
and Networking

WEBINAR
What do win-win business models that work for businesses and workers look like and how can we make them the new normal?
Hosted with the ILO Lab.

PEER DISCUSSION:
and Networking

WORLD CAFE
Our future economy: youth perspectives
Hosted with Economy of Francesco

PEER DISCUSSION:
and Networking

WEBINAR
How can companies and others best work together to support MSMEs and rebuild better?
Hosted with CEMEX

COACHING
Inner peace and meditation, with Mandar Apte.

BOOK YOUR PLACE
And see the full schedule HERE
AT BUSINESS FIGHTS POVERTY, WE BELIEVE IN THE POWER OF PURPOSEFUL COLLABORATION.

WE HELP COMPANIES AND THEIR PARTNERS ACCESS THE INSIGHTS AND RELATIONSHIPS THEY NEED TO UNLOCK NEW OPPORTUNITIES FOR SOCIAL IMPACT.

businessfightspoverty.org