Responding to Covid-19

Guidelines for engaging with the Base of the Pyramid (BoP)

March 2020
The Covid-19 Pandemic

Over the past few weeks, the Covid-19 pandemic has demonstrated itself to be one of the gravest threats to public health, personal security, and global social and economic development faced in generations.\(^1\) At the time of writing, Covid-19 cases have been reported in 206 of the world’s countries and associated territories;\(^2\) as a result, no business, organisation or individual should expect to remain unaffected by this crisis. However, while many of the direct and indirect effects of this developing situation will not become evident for weeks, months, and possibly even years, there are steps that can be taken to mitigate the impacts in the interest of safeguarding public health, promoting business continuity and protecting individual livelihoods.

The implementation of risk avoidance or reduction strategies are especially important for BCtA member companies, as businesses who include individuals living at the base of the economic pyramid (BoP) face additional challenges related to the BoP’s raised level of physical and socio-economic vulnerability. These vulnerabilities can require businesses to take stronger action in order to adequately protect key stakeholders based on their particular circumstances and needs. This document outlines these steps, suggesting implementable actions that are designed to simultaneously protect businesses and BoP populations.\(^3\)

Potential Effects of Covid-19 on the BoP and BoP-Engaged Businesses

Even though the majority of Covid-19 cases have been reported in middle- and high-income countries,\(^2\) the virus poses a serious, and potentially far greater, threat to the health and security of low-income and BoP populations, given that these communities tend to live in states with poor health and communications infrastructure, large informal sectors and underdeveloped social security systems.\(^4\) Thus, while the BoP has until now largely avoided intra-community contamination, the potential for a new wave of the virus to hit developing countries, coupled with necessary (but economically and socially damaging) civic controls, means that concerted action is necessary to support these populations. This is especially the case for notably at-risk groups: migrant workers,\(^5\) women and girls,\(^6,7\) and older people.\(^8\)

As champions of the role that BoP-engaged business can play in the promotion of human development, BCtA member companies can be leaders in this global effort to contain the spread of Covid-19 and protect vulnerable groups. The next section provides advice for
achieving this, beginning with universal measures to be implemented, before then considering the specific needs of the BoP and identifying actions that can protect the BoP according to particular mechanisms of engagement.

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**Estimated Impact on Developing Countries in Figures**

- Large increases in illness and hospitalisation from Covid-19 and other diseases
- 75% of people lack access to soap and water, and overpopulation, poor urban planning and inadequate service delivery increase exposure and limit effective treatment
- Reduced food security and nutrition, human rights protection and education
- 55% of people lack any form of social safety net
- 25 million job losses
- US$ 220 billion in lost income

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**General Measures to Effectively Manage the Impact of Covid-19**

Covid-19 is already disrupting supply and distribution chains, causing significant shifts in demand patterns, limiting the movement of people, necessitating changes in work modalities, increasing absenteeism, reducing economic confidence and prompting business closures, such that these effects should only be expected to become more prevalent in the short and medium term. While the economic impact of Covid-19 will vary by country and business sector, the overall impact will be overwhelmingly negative. However, businesses can take the following actions in order to manage this impact effectively:

1. **Testing, educating and providing protective equipment to stakeholders**, including in the sharing of techniques for preventing contagion through communications channels, the regular cleaning of premises and equipment, and the supply of face masks, sanitising gels, disinfectants, PPE and other associated products (potentially including charitable donations to community organisations with demonstrated experience of distributing supplies effectively)

2. **Keeping up to date on situations as they change** in order to take appropriate steps for managing risk, implementing advice and making use of relevant support (government credits, loans, tax breaks or subsidies, for example) 10

3. **Communicating action being taken to stakeholders** (including suppliers, distributors, employees, creditors, investors, unions, shareholders, regulators, associations, customers and communities) to stabilise confidence in your business
4. Distributing regular updates to stakeholders on changes in their mechanisms of engagement in order to provide access to information, to limit the spread of inaccurate news about your company and to allow BoP actors to plan their actions effectively

5. Reviewing supply, production and distribution volumes in accordance with anticipated changes in demand and productive capacities, thereby reducing the potential for over- or under-supply, and their associated bottlenecks, while ensuring adequate inventories for operational continuity

6. Reviewing supply, production, and distribution methods and routes with an emphasis on reducing the exposure of personnel (e.g. though pick-up deliveries or collections), avoiding negative impacts on partners, utilising excess capacity to produce essential products and services, and strengthening compliance systems to prevent price gouging or counterfeiting

7. Changing the products or services offered to satisfy immediate needs and adapt to new demand patterns

8. Identifying and testing alternative modalities in supply and distribution chains, productive activities, labour delivery procedures, sales channels, payment systems and communication methods, with an emphasis on diversifying exposure to risk should one become unavailable

9. Running tests of emergency response and substitute arrangements to prepare stakeholders (suppliers, distributors, employees and consumers) for switching to different interaction modalities with minimal disruption

10. Recognising that an imperfect response is better than a delayed response, while incorporating potential for strategies to be modified and remaining open to strategy revisions in the interest of incorporating lessons learnt and new requirements as they arise

11. Establishing a response coordinator or cross-departmental response team that is in charge of devising response strategies and implementing changes

12. Adopting shorter reporting cycles to ensure that necessary changes can be made to incorporate lessons learnt and rapidly change strategies where appropriate

13. Connecting with other businesses and organisations to share experiences and learn about effective responses to crisis situations, as well as supporting data-collection efforts, the conduct of research into effective responses and prospective government policy revisions
Supporting the BoP and Continuing to Implement Commitments

BoP populations commonly have restricted access to socio-economic resources for withstanding shocks and crises. Their poorer living and travel conditions, and weaker immune systems, put them at greater risk of contracting diseases, as does their inability to take action to shield themselves from the spread of viruses, given that their lack of reserve supplies, savings, insurance or social security reduces their ability to self-isolate. Furthermore, when BoP populations become ill their risk of death is greater and, even following recovery, illness can have continuing socio-economic consequences, such as reduced access to education, poorer employment prospects and sub-standard healthcare, as well as severe social stigmatisation. Moreover, the economic effects of the Covid-19 pandemic are likely to hurt the poorest most, as they are forced to sacrifice their future wellbeing in the interest of satisfying immediate needs, becoming trapped in their present developmental state following a reduction in self-investment and a lack of social opportunity. The following presents a list of actions that member companies can take to support the BoP in this crisis, in part disaggregated by engagement mechanism.

General Actions

1. **Continuing to measure impact on the BoP** in order to recognise changing dynamics and identify potential mechanisms for extending positive impacts

2. **Using BoP-accessible means of communication** to keep people informed about necessary changes in their day-to-day interactions with your business (potentially making use of low-cost distanced communications methods such as hotlines, websites, remote platforms, social media and direct messaging services – e.g. SMS and WhatsApp)  

3. **Refraining from cancelling contracts and calling in debts with BoP actors** in order to provide the support they require and to include these populations in the post-Covid-19 recovery phase

Employee Needs

1. **Ensuring that employees have access to healthcare and health insurance**, either through the company, the state or the private market, and that this care is of adequate quality
2. **Providing access to remote working arrangements** and the tools required to complete tasks when away from the office, where necessary and feasible, while also ensuring that home environments are safe for BoP individuals (and potentially providing alternative arrangements if this is not the case)

3. **Delivering income security for employees** through sick leave payments, salary advancements or one-off disbursements (to the greatest extent possible) should normal working arrangements be disrupted (and distributing temporary wage reductions as evenly as possible, should this be unavoidable)

### Supplier or Distributor Needs

1. **Keeping income flows for suppliers and distributors** (to the greatest extent possible) should the level of demand fall (and distributing temporary order or allocation volume reductions as evenly as possible, should this be unavoidable)

2. **Considering the issuance of advances to suppliers and distributors (especially for individuals)** to allow them to cover temporary costs associated with personal protection and to compensate for reduced income or demand

3. **Incorporating flexibility into previously agreed supply and distribution schedules**, recognising that production difficulties will be present across all sectors because of a range of logistical, financial and technical issues

### Consumer Needs

1. **Changing products or services to suit reduced incomes**, thus retaining customers while ensuring market access (even if they consume smaller quantities), or reducing prices to guarantee the continued consumption of essential goods

2. **Introducing greater flexibility within payment arrangements** to ensure that consumers continue to receive access to products and services during periods of reduced income or when earmarking scarce resources for immediate needs

3. **Providing extra customer service support**, as BoP populations are more likely to require deeper engagement with your company to clarify future arrangements and resolve issues stemming from policies implemented during and after the crisis
How BCtA Will Support Your Business

BCtA’s Covid-19 response strategy is a constituent part of UNDP’s Covid-19 programme, which is fully operational in 170 countries and is mobilising UNDP’s extensive asset range to respond to this unprecedented challenge, working across systems and sectors.

As part of UNDP’s action programme, the UNDP-led Covid-19 Rapid Response Facility, has already been launched. This facility is enabled by UNDP teams to offer immediate assistance to countries in their national responses. In the longer term, UNDP will work with countries to assess the social and economic impacts of Covid-19 and take urgent recovery measures to minimise long-term impact – particularly for vulnerable and marginalised groups – and to help societies to recover better.

BCtA is committed to supporting member companies at this challenging time, fulfilling its key role within UNDP’s global humanitarian response plan. BCtA is already surveying its network to understand what contributions are being made by members, understand specific issues and identify opportunities for BCtA to step in with meaningful support. BCtA intends to further encourage member companies to directly share the challenges faced, the solutions implemented and the effectiveness of approaches with fellow members, especially in areas such as digital conversion and relations with stakeholders. In addition, opportunities for collective action between member companies will be explored and shared. In this vein, BCtA will engage directly with member companies to gather best practices within Covid-19 responses and host webinars to share experiences.

In the longer term, BCtA will support companies in their recovery from this crisis and their adaptation to the new economic and social structure that is expected to emerge. This will include the provision of technical assistance tailored to member company cohorts working in the same region and in similar business sectors, as well as facilitating adaptation through connections with governments, UNDP country offices and local business networks. Furthermore, as BCtA develops effective support models, these solutions can be widely applied, potentially even in the provision of assistance to non-members who wish to establish IB models in the context of a new economic reality.

This crisis has already highlighted that the wellbeing of communities depends on the economic and social security of the BoP. Consequently, the role of the private sector and
of inclusive business (IB) should be expected to expand as more businesses begin to recognise this reality.

**BCtA will assist member companies to thrive in their expanded roles as market leaders within the field of IB.** As pioneers in IB practices, BCtA member companies should expect to see increased interest in their business models from other companies looking to implement similar structures, as well as a range of other governmental and civil society actors. This crisis will likely also boost the level of goodwill associated with BCtA members, expand access to financial, technical and trading partners, and raise the value of inclusivity in discussions with these partners.

**Preparing for the Next Local, Regional or Global Crisis**

Considering the number of social, environmental, biological and physical risks that currently threaten our world, it is unlikely that Covid-19 will be the last major crisis that your business faces. Therefore, the Covid-19 pandemic should act as a timely reminder that all business can raise their level of preparedness for the next shock to day-to-day operations by formulating detailed contingency plans. Both during and after the Covid-19 pandemic, businesses should seize the opportunity to identify what actions work in crisis situations, what activities should be prioritised and how strategies can be managed to safeguard future operations in collaboration with employees, suppliers, distributors and customers. As this crisis has shown, it is the businesses that have seamlessly implemented pre-planned alternative operational mechanisms which have been able to bounce back the quickest, while reactive businesses remain in Covid-19-induced slumps.¹²

**Responses of BCtA members**

**Dimagi (Nigeria and Sierra Leone)**

Social enterprise Dimagi is providing their open-source mobile platform CommCare for free to support governments and organisations in their Covid-19 responses. The company has released a customisable app template that implements the WHO’s FFX (First Few X) case reporting and contact-tracing protocols and can be deployed immediately. These standardised protocols developed by the WHO help with the systematic collection and rapid sharing of data in a format that can assist in the production of Covid-19 transmission mapping. CommCare has previously
been used to control and respond to other infectious disease outbreaks, including Ebola and the Zika virus.

**BLUETOWN (Ghana)**

Global internet service provider BLUETOWN has provided free data access for all users to view informational Covid-19-related videos produced by the WHO. The company’s IB model is built around bridging digital divides, improving access to digital content and services, and reducing poverty and inequality, with a company spokesperson stating “in this time of crisis, vital and timely access to information should be for everyone regardless of purchasing power.”

**Sevamob (India)**

Shelley Saxena, Sevamob’s founder, has stated that the company’s patient data management system stands ready to serve the population during the Covid-19 crisis should it be required. The system allows for the uploading and saving of patient reports on a central cloud server that is available offline. This is particularly valuable in rural areas, where health teams may experience sustained connectivity issues.

“In a Covid-19-like situation, if you want to identify patients who may cause community-to-community transmissions, literally in minutes you can set up additional forms and questionnaires within the system that become a part of the patient’s record,” explains Mr. Saxena.

**Sehat Kahani (Pakistan)**

Telehealth provider Sehat Kahani is collaborating with the Government of Pakistan to help combat Covid-19 by providing free virtual consultations over the next three months. Through their smartphone app, the company can virtually triage patients and direct them to appropriate healthcare facilities if necessary. It therefore prevents the overburdening of the healthcare system with non-virus cases, while also reducing unnecessary exposure.
The company’s network of 1,500 doctors and extensive technology resources have facilitated a rapid response to the pandemic. “We have the experience [in telehealth], we have a network of 1,500 doctors who are constantly trained, and we knew who to get on board quickly,” stated a spokesperson.

**Thaïs Health (Chile)**

Thaïs Health (formerly known as AccuHealth) is a pioneer in remote patient monitoring, offering tele-monitoring services to chronically ill patients from the bottom of the pyramid. Such remote monitoring helps to prevent acute incidents by being proactive rather than reactive. The company is using a similar form of predictive care to address Covid-19. “Our technology-assisted remote patient monitoring solution addresses the looming Covid-19 treatment capacity crisis,” affirmed the company’s CEO, Xavier Urtubey. This approach provides proactive, collaborative and patient-centred care to those who have been identified as having Covid-19 or those who need to have their vital signs monitored.

**East West Seed Indonesia**

East West Seed Indonesia continues to make vegetable seeds as accessible to its smallholder farmers as possible. While the disruption of vegetable farming could lead to shortages of vegetables, the company notes that farmers require continued access to seeds and other essential agriculture inputs. Working with other seed companies, and central and local governments, East West Seed Indonesia are doing their utmost to negotiate exemptions from lockdowns in order to minimise the impact on farming. The company has put in place safety measures for employees, implemented social distancing techniques and provided workers with hygiene products.
## Further Resources on Covid-19 Responses

### Business Continuity

**Canadian Chamber of Commerce:**  
COVID-19: Pandemic preparedness for business  
(March 2020)

**Forbes:**  
Business planning for the COVID-19 coronavirus  
(01 March 2020)

**Harvard Business Review:**  
How Chinese companies have responded to coronavirus  
(10 March 2020)  
Lead your business through the coronavirus crisis  
(27 February 2020)  
Prepare your supply chain for coronavirus  
(27 February 2020)

**McKinsey & Company:**  
Covid-19: Implications for business  
(16 March 2020)

**MIT Sloan:**  
How companies can respond to the coronavirus  
(09 March 2020)

**PwC:**  
COVID-19: Confidently navigate through the crisis  
(March 2020)

### Impact on the BoP

**British Medical Journal:**  
Call for older people in poor countries to be considered in global responses to COVID-19  
(13 March 2020)

**Business Fights Poverty:**  
Business and Covid-19: Supporting the most vulnerable  
(March 2020)

**Center for Global Development:**  
How will COVID-19 affect women and girls in low- and middle-income countries?  
(16 March 2020)  
The economic impact of COVID-19 in low- and middle-income countries  
(12 March 2020)

**Connecting Business Initiative:**  
Coronavirus Business Guide  
(20 March 2020)

**Overseas Development Institute:**  
Economic vulnerability to health pandemics: Which countries are most vulnerable to the impact of coronavirus?  
(February 2020)  
The economic impact of coronavirus: Five lessons and challenges  
(13 March 2020)

**The New York Times:**  
As coronavirus deepens inequality, inequality worsens its spread  
(15 March 2020)


3 Please note that this document is not intended to replace any advice issued by the World Health Organisation (WHO), respective national governments or any other reputable source of information, but to augment this advice with a specific focus on the BoP.


10 Information should come from reliable sources, such as WHO, national and regional governments and reputable news agencies.

11 Note that care should be taken to communicate that information is being sent through an official channel.

Business Call to Action aims to accelerate progress towards the Sustainable Development Goals (SDGs). It is a multilateral alliance between key donor governments including the Dutch Ministry of Foreign Affairs, the Swedish International Development Cooperation Agency (Sida), the Swiss Agency for Development and Cooperation (SDC) and the UK Department for International Development (DFID).