

# COVID-19 IMPACTS ON BUSINESS SUPPORT ORGANISATIONS IN THE ECOWAS REGION

*A feedback survey conducted by the International Trade Centre*

*July 2020*



West Africa Competitiveness Programme (WACOMP)



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## 1. Introduction

This report presents the findings of a COVID-19 Impact Survey undertaken as part of the West Africa Competitiveness Programme (WACOMP) framework. WACOMP aims to strengthen competitiveness of West African countries and enhance their integration into the regional and international trading system. The project is funded by the European Union under the 11th European Development Fund and implemented by the International Trade Centre (ITC) in partnership with the Commission of the Economic Community of West African States (ECOWAS)

The objective of the questionnaire was to gather the views of Business Support Organizations (BSOs) from the ECOWAS Region regarding the impact and future implications that COVID-19 (may) have on their organisation and delivery of their services. The BSOs targeted under the survey are members of the prioritised Regional Business Associations receiving capacity-building support under WACOMP, namely the Federation of West African Chambers of Commerce and Industry (FEWACCI), the Federation of Business Women and Entrepreneurs (FEBWE) and the Federation of West African Employers Association (FOPAO). The inputs provided by this survey will help inform ITC interventions under the WACOMP and will influence the development of subsequent capacity building sessions in support of the RBAs.

The survey was administered in late June 2020 through *Google Form* and targeted BSOs from the 15 ECOWAS countries and members of the RBAs mentioned above (FEWACCI, FOPAO and FEBWE)<sup>1</sup>. A total of 24 representatives from 23 BSOs responded to the online survey, as indicated in the table below.

*Table 1: Total response ranged by affiliation to RBAs*

Country	No of answers from BSO representatives
FOPAO	11
FEWACCI	7
FEBWE	8
Other	1
<b>TOTAL</b>	<b>24</b>

Main findings gathered from the responses to the online questionnaire are presented below. First, data and figures will showcase how BSOs are impacted by COVID-19 and the challenges they are facing. In a second section, innovative solutions and arising opportunities for BSOs will be presented. Finally, potential obstacles to implement these solutions and to respond to the emerging needs of their members will be outlined. The role of ITC in supporting them to overcome these issues will also be highlighted.

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<sup>1</sup> The Ghana National Chamber of Commerce and Industry and the Chamber of Commerce, Industry, Agriculture and Services (CCIAS) of Guinea-Bissau are both members of FOPAO and FEWACCI respectively. For this reason, their feedback is integrated into the analysis relating to both RBAs in the Table 1.

## 2. Results' analysis

### 2.1 Impacts of COVID-19 Pandemic on BSOs

The COVID-19 pandemic has created new challenges for BSOs and are exposing them to several risks. While BSOs have a crucial role to play in supporting businesses survive and thrive, they are themselves confronted to health-safety concerns, teleworking challenges and risks of revenue loss.

Key results from the questionnaire indicate that COVID-19 is mainly affecting BSOs in the following ways (see Figure 1).

*Figure 1 Summary of responses to “Has the coronavirus (COVID-19) pandemic affected your organisation in any of the following ways?”*



**BSOs face financial difficulties due to lost revenues:** all' representatives of the BSOs surveyed indicated that the revenue stream of their organisation have been negatively affected. BSOs traditionally rely on revenue from charged services such as training delivery, business matchmaking and networking events, trade exhibitions and renting out event space. Government health and security “lockdown measures” on social distancing, physical gatherings, movement and travel during the COVID-19 pandemic make it impossible for BSOs to undertake these face to face activities. The measures have also inhibited BSO ability to reach out to government agencies, amongst others, for funding support which in turn affects BSO sustainability and ability to retain staffs. On this last point, the survey reveals that 30% of the BSOs have placed some staff on unpaid leave or have laid off some staff within the 3 months prior to the survey.

**Many BSOs already find it difficult to collect fees from member companies,** while they usually represent BSOs' major sustenance. Because of the lockdown and movement restriction, membership fees became difficult to collect due to the limited access to banks, the lack of credit cards from BSOs members and consequently the impossibility to pay their dues through online mechanisms. Moreover, it became sensitive for BSOs to request for membership renewal/subscription fee payments as their members themselves struggled to stay afloat. Indeed, several BSOs mentioned that their members'

cash flows are negatively affected by the crisis. Some companies have closed down completely or earned such reduced revenues that they are unable cover operational costs including staff salaries. Consequently, BSO members simply cannot afford to pay their subscription fee, which in turn affect revenue streams of the BSOs. 67% of the respondents reported that less than 25% of their members have paid their annual subscription.

71% of the respondents indicate that their **organisations faced challenges to deliver services to their members**. BSOs' core services are usually delivered physically, such as organizing business meetings, face to face training, roundtable meetings, study tours, facilitating co-working space facilities, as well as issuing membership certificates, among others. However, this is not possible anymore because of COVID 19 lockdown, social distancing and other restrictive requirements. BSOs need to design new ways of operating by using remote tools and digital means in order to keep engaged and connected with their members.

However **the technology gap** limits BSO abilities to deploy digitised service delivery. Many of the BSOs in the ECOWAS region do not have adequate IT equipment such as laptops to enable staff working from home. They also do not have functional Local Area Networks (LAN) in place, Client Relationship Management (CRM) Systems or have not optimised cloud based services to facilitate shared access to organisational information and client records. National ICT infrastructure limitations, erratic and costly internet connectivity and electricity outages make it more difficult.

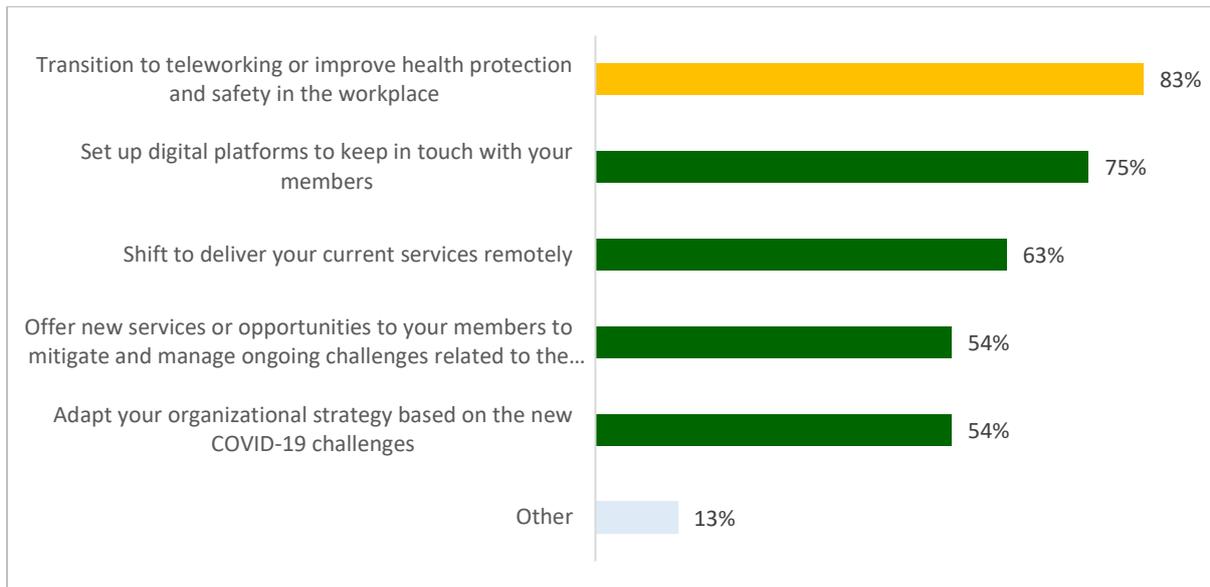
Apart from the challenges listed above, BSOs' representatives expressed difficulty in responding to the emerging needs of their members during the COVID-19 crisis who are now focusing more issues relating to business survival vs. business expansion. Furthermore, not all of BSOs have the resources, ability and knowledge to offer these new services.

The next section will showcase the willingness of the interviewed BSOs to adapt innovative solutions and arising opportunities in response to their members'.

## 2.2 Responses of BSOs to COVID-19 Pandemic

Above results show that BSOs are negatively affected by the COVID situation and face challenges that limit their service delivery capabilities. Nonetheless, further findings and results indicate that BSOs have demonstrated agility, innovation and resilience to continue supporting their members. In particular, all BSOs interviewed reported that they have already taken measure(s) to continue providing their services and to adapt to the COVID-19 situation. Examples of strategies adopted by BSO to cope with the crisis are presented in the Figure below.

Figure 2 Summary of responses to “Which adaptation measures have you taken to continue to provide your services?”



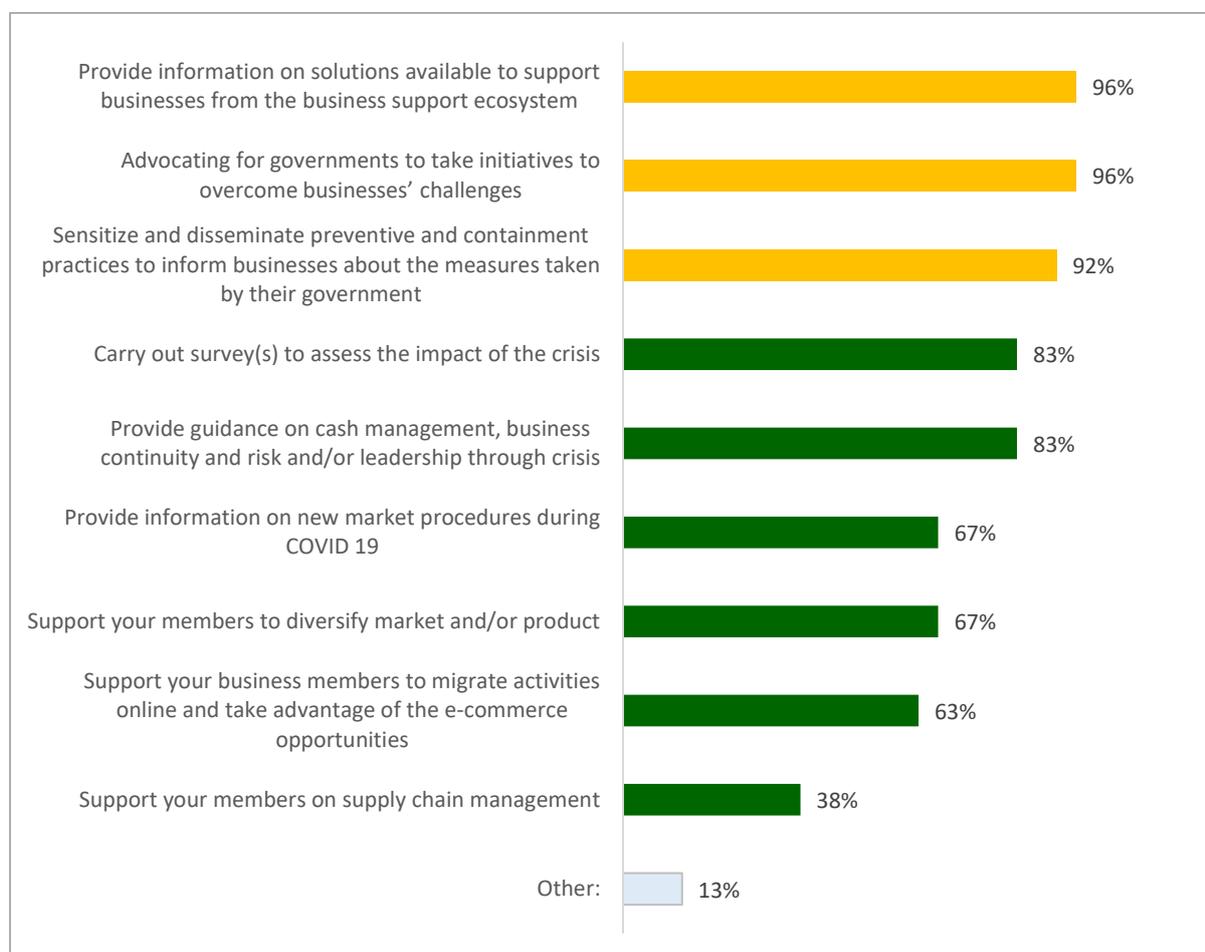
Among the strategies adopted, many BSOs have transitioned to home-based work in order to ensure **workplace safety**. Some of them have put in place flexible office time, followed by periodical team meetings.

Another important measure has been a shift to **delivering their services remotely**. Many of them have leveraged online options for service delivery. The use of social media and digital platforms has been highlighted as key to maintaining communication and to keeping members engaged.

With a substantial slowdown in their service delivery and overall activities, BSOs took the opportunity to **upgrade their processes**. For instance, some of them have adapted their organisational strategy or started planning for their new adapted strategy after the lockdown.

ECOWAS BSOs interviewed seem to recognise the urgent need to design and implement measures to support the businesses in order to help them thrive through such a difficult period and make them resilient. To this end, they are offering new opportunities and solutions to their members to respond to the emerging challenges that they are facing during and after the COVID-19 situation. The figure below presents some of the responses and support that BSOs offer to their members.

Figure 3 Summary of responses to “How are you responding to the challenges your members are facing during COVID-19 situation?”



BSOs surveyed have been advocating intensively for governments to take initiatives to overcome businesses' challenges. They have increased their **interaction and inputs to the Government and private sector common agenda** for immediate and long-term crisis mitigation efforts for the industry.

83% of the respondents indicated that they have **assessed the business impact of the pandemic** in order to guide and prioritise their future business support interventions but also to ensure this information reaches governments to enable relevant actions. For instance, the Federation of West African Employers Association (FOPAO) has developed a questionnaire to try to determine the impacted sectors and the consequences of the crisis in order to support its members at the national level and to better understand the help and support they expect from them.

Businesses that receive correct information from a trusted source gain a competitive advantage through improved decision-making. 96% of the respondent BSOs have acted promptly to provide information on solutions available to support businesses from the business support ecosystem. Survey result also show that 92% of them have carried out compliance monitoring and sensitization of stakeholders on safety measures and other health related guidelines put in place by government authorities with respect to the COVID-19 pandemic. Moreover, some BSOs has curated information on COVID-19 from a business perspective, including on cash management, business continuity and risk and access to new markets procedures.

BSOs are **supporting businesses to migrate their activities online**. In concrete ways, BSOS are encouraging businesses to use digital platforms to trade and engage with clients, taking advantage of the e-commerce opportunities to expand their businesses online.

## 2.3 BSOs Success Stories

A selection of concrete strategies adopted by BSOs, drawing from the Survey, are presented in the box below. These examples highlight and illustrate agility and innovation of some BSOs to respond to the emerging challenges related to the COVID-19 crisis.

### Box 1 BSO Success Stories

#### Feedback from the Ghana National Chamber of Commerce and Industry:

“The Ghana National Chamber of Commerce and Industry has organized two important Webinars aimed at helping businesses to survive and grow during and after the COVID 19. We shared with our members and the entire business community in Ghana, strategies for survival and growth, financing options, legal issues and how to stimulate local production. The next webinar will look at leveraging on technology for business survival and growth during and after COVID 19.”

#### Feedback from FEBWE Nigeria:

“We have changed our monthly meetings to online Zoom & Cisco. A new initiative that will still be in place after COVID-19 pandemic. It is safer and comfortable from our different homes. We have formed ourselves into different clusters and cooperatives on platforms. This has really helped us to knit ourselves together with leaders of each cluster having brainstorming session once a month to share challenges or opportunities.”

#### Feedback from the Chamber of Commerce and Industry of Burkina Faso:

“ La CCI-BF en collaboration avec les structures d'appui et les organisations faïtières a procédé à la mise en place du Projet d'Accompagnement à la Résilience Economique face à la COVID-19 (PARE COVID-19) le 26 mai 2020. Ce projet offre des appuis non financiers aux entreprises qui font face à des préoccupations de gestion courante, notamment : • Les contentieux avec les partenaires d'affaires (fournisseurs, clients, etc. ) ; • Les règlements des factures d'électricité et d'eau ; • Les cotisations sociales et les contributions fiscales • Les charges locatives et les traites bancaires. Aux fins de permettre de prendre en charge les préoccupations exposées par les entreprises trois canaux que sont: o le centre d'appel de la CCI-BF au 34 08. Les préoccupations consignées sur des fiches de recueil de préoccupations sont alors transmises à DAE et DDIP ; la plateforme accessible sur [www.cci.bf](http://www.cci.bf) ; l'équipe de conseillers d'entreprises qui peuvent recevoir les promoteurs sur place ou en ligne. Le dispositif mis en place pour le traitement des préoccupations pour la continuité de l'activité des entreprises sont constitué de : • une équipe de coordination, qui réunit les premiers responsables des structures partenaires. • une équipe technique, qui réunit des cadres des structures parties prenantes de l'initiative ; • une Cellule d'Experts Bénévoles(CEB) mis à disposition par les structures initiatrices et partenaires.”

#### Feedback from the « Union des Femmes Chefs d'Entreprise au Sénégal (UFCE) »:

“ 46% de nos membres sont dans la transformation alimentaire et se sont retrouvés avec plus de la moitié de leur stock invendu à cause du confinement inter régional; donc nous avons proposé au ministère de la famille d'achat ces stocks et de les insérer dans l'appui à la résilience aux populations (appui composé de denrées alimentaires). Nous avons aussi accompagné nos membres évoluant dans la confection à participer aux appels d'offres sur la confection de masques et ceux évoluant dans la cosmétique ont été accompagnés dans la fabrication de gel hydro alcoolique. Nous avons ensuite fait plusieurs webinaires. Exemples: « Femmes cheffes

d'entreprises et entrepreneures : le secteur de l'agrobusiness face au COVID 19 ? »; « la gestion de la Trésorerie » ; « L'adaptabilité de nos entreprises grâce au commerce électronique »”

Feedback from the FEWACCI Secretariat:

“Durant la crise, nous avons mis en place trois plateformes numériques de sensibilisation et de collecte d'informations auprès de nos membres sur l'impact de COVID19 sur leurs activités: « Ecobiznewsletter », « Actions Against COVID19 », « SMEs IN West Africa ». Ces plateformes ont également permis à la CEDEAO/WAHO et autres Institutions et/ou organisation internationales de publier des mises à jours sur l'évolution de la pandémie dans les Etats membres de la CEDEAO. Elles ont été enfin la source d'information la plus crédible de la région sur la pandémie.”

Feedback from the « Conseil National du Patronat du Sénégal (CNP) »:

“ Nous avons soumis à l'Etat une plusieurs mesures d'ordre fiscal, financier, douanier et social qui une fois appliquées ont permis d'atténuer l'impact de la pandémie sur les entreprises (règlement de la dette intérieure, reports d'échéance de crédits, exonération temporaires, augmentation de subventions sectorielles pour les entreprises du secteur du tourisme.)”

Feedback from FEFA-Togo :

“ L'organisation d'une série de webinaire (un webinaire par semaine) sur des thèmes ayant trait à la situation pandémique, sur le plan du travail, de la fiscalité, de la rétention des clients etc. La création d'une vitrine en ligne pour la vente des produits des startups incubées”

Feedback from FOPAO Secretariat:

“Mise en place d'une plateforme whatsapp d'information sur la COVID-19 et communication permanente avec les membres et publication et partage des bonnes pratiques”

The next section illustrates the BSOs' needs for support and how the project can learn from the insights gained from this Survey to influence its interventions with the RBAs under the WACOMP.

### 3. Support needed by BSOs and recommendations for future ITC interventions under the WACOMP

BSOs need to support small businesses, producers and entrepreneurs' resilience and recovery more than ever. They must be proactive, despite disruption and anxiety they are personally facing, and occupy a front line role. However, BSOs themselves are facing health concerns and economic challenges which will also necessitate strong support to overcome the crisis.

As seen above, BSOs cash flow have been affected by the crisis. In order to survive economically and sustain their organization, including paying their staff salaries, BSOs need to consider new opportunities to generate revenue. In this sense, BSOs will particularly need support on how to **build a sustainable model**.

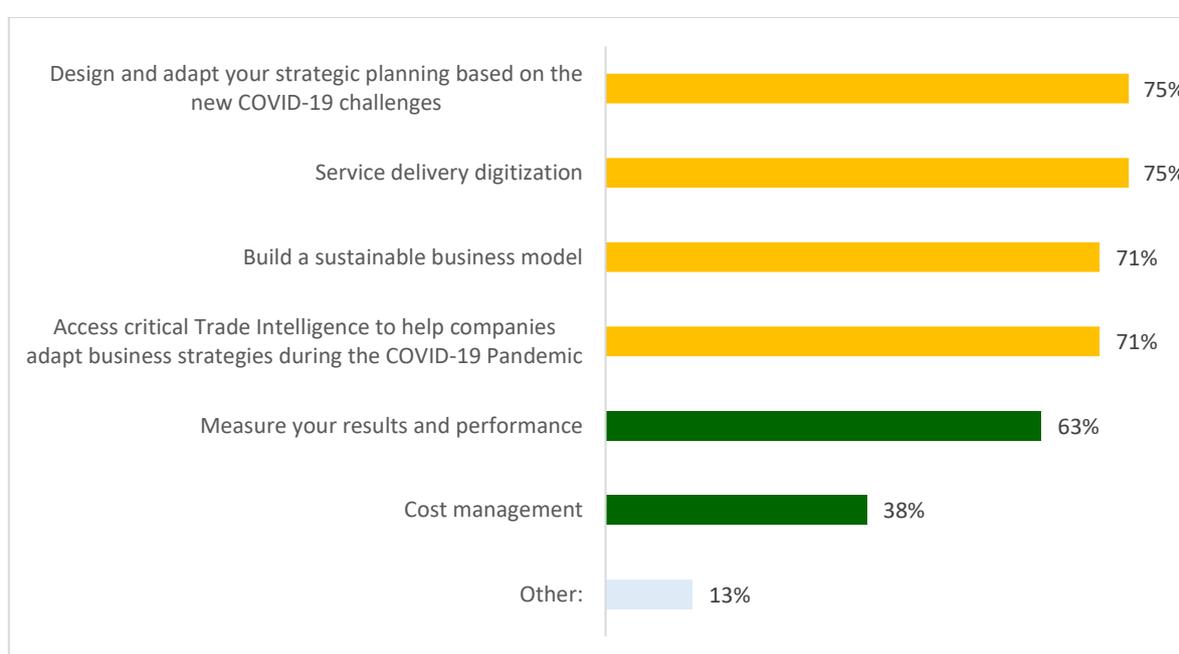
BSOs needs more than ever to adapt and propose innovative services in order to help business members thrive and survive. BSOs request support to review **their activity program and organisational strategy in** order to deploy new services to their members who are now focusing more on business survival vs. business expansion and take into account news activities induced by COVID. However, not all of them have the resources and ability to do so. In this sense, BSO staff will need capacity building to increase their capacity to support their members on innovative ways to mitigate the current challenges and sustained their businesses.

In that respect, many BSOs are keen to receive ITC support to increase their capacity and tools to serve their members online, improve their online training capacity and better use online channel to engage their members positively and coherently. They are also requesting support to access to adequate internet facility and online resources.

As value chains are disrupted, small businesses must be agile and able to diversify their markets. Therefore, businesses also need to adapt their strategies to shifting market conditions and BSOs are well placed to support them in this goal. For such needs, BSOs needs support on accessing critical trade intelligence in order to support their company members adapt business strategies during the COVID-19 pandemic.

The figure below illustrates the BSOs needs mentioned above :

*Figure 4: Summary of responses to “Which of the following topics you may be interested to receive support?”*



ITC will incorporate to the best extent possibly, topics of interest indicated by the BSOs, during future capacity building efforts although most of the topics are already within the context of planned capacity building activities.

RBA members, then the BSOs, have raised specific expectations and needs for support from ECOWAS RBAs. In the box below are presented some of their requests:

**Box 2 Type of Support BSOs expect to receive from RBAs**

- Lobbying government through ECOWAS to provide support and solutions to businesses in their respective countries / Organizing advocacy at regional level for the implementation of support measures for the private sector in the ECOWAS region
- Coming together to assess the impact of COVID-19 pandemic and sharing knowledge on challenges and gains from others ECOWAS countries
- Collectively solutions and funding aftermath of COVID-19 pandemic
- Organizing capacity building activities
- Sharing of best practices and solution adopted in other countries to deal with the COVID -19 crisis regarding economic, financial, fiscal, customs and social aspects. Act as a networking

platform by putting in contact BSOs in the same sector so that they can share experiences and learn from each other

- Support in raising awareness among businesses and consumers about the use of new digital platforms and e-commerce opportunities

## 4. Conclusion

Above results on the implication of the COVID-19 pandemic on BSOs reveals that these organisations are indeed negatively impacted by the COVID Pandemic and this will affect their capabilities to support the private sector during and after the crisis. Therefore, it would be critical that ITC support BSO's resilience and agility for adaptation.

In this respect, the WACOMP project will work with regional BSOs such as FEWBE, FEWACCI and FOPAO through targeted capacity building to enable them effectively represent and stimulate ECOWAS private sector recovery.

A first webinar has been offered to all members and secretariat of the three above-mentioned RBAs on "Access critical Trade Intelligence to help companies adapt business strategies during the COVID-19 Pandemic". Through a demonstration of the ITC Global Trade Helpdesk tool, this webinar equipped BSOs' staff with relevant skills in market analysis to identify and compare export opportunities in the face of COVID economic lockdowns and market disruptions.

The WACOMP will continue delivering capacity building and support to the RBAs and their members in priority areas such as strategy and service portfolio consolidation to ensure an effective COVID response, robust business modelling and service delivery digitisation.

## Annex 1 - Online Survey Questions

### Respondent details

**1. Name of your organisation**

.....

**2. Your Name**

.....

**3. Gender**

- Female
- Male

**4. Your Location**

- Bangladesh
- Ghana
- Kenya
- Nigeria

**5. How many full-time employees does your organisation currently employ?**

- 0
- 1-5
- 6-20
- 21-100
- 101-500
- 501 and more

**6. If yes, how many members does the organization have (approximately)?**

.....

### Impact of COVID-19 Pandemic on Your Organisation

**7. Has the coronavirus (COVID-19) pandemic affected your organisation in any of the following ways?**

	<b>Yes</b>	<b>No</b>	<b>Not applicable</b>
Ability to deliver services to your members	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Communication with your members/clients	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Ability to retain your staff	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Collection of Membership Fees	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Revenue stream	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sustainability of your organisation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Accessibility to donor funding and grant	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**8. If you are facing other challenges, please specify :**

.....

**9. Has your organisation taken any of the following actions because of the COVID-19 Pandemic?**

- 1. We have laid off some staff in the last 3 months
- 2. We expect to lay off some staff before 30 September 2020
- 3. We have placed some staff on unpaid leave in the last 3 months
- 4. We expect to place some staff on unpaid leave before 30 September 2020
- 5. We have hired new staff in the last 3 months
- 6. We expect to hire new staff before 30 September 2020
- Other

**10. What percentage of your members have already paid their 2020 annual subscription?**

- 0%- 25%
- 26%-50%
- 51%-75%
- 75%-99%
- 100%
- Not applicable

Assessing Your Response to COVID-19 Pandemic

**11. Have you taken measures to continue to provide your services?**

- Yes
- No

**12. If yes, which adaptation measures have you taken?**

- Transition to teleworking or improve health protection and safety in the workplace
- Shift to deliver your current services remotely

- Offer new services or opportunities to your members to mitigate and manage ongoing challenges related to the pandemic
- Set up digital platforms to keep in touch with your members
- Adapt your organizational strategy based on the new COVID-19 challenges
- Other

**13. What would you say are the three main urgent business challenges/COVID-19 impact of your members?**

- a. Lower sales to consumers
- b. Lower sales to businesses
- c. Difficulty accessing inputs domestically
- d. Difficulty importing inputs from abroad
- e. Difficulty exporting due to increased border checks/closures
- f. New problems with infrastructure, e.g. internet or roads
- g. Reduced logistics services
- h. Reduced certification services
- i. Employee absences
- j. Increased administrative bottlenecks
- k. Clients refusing/unable to pay their bills
- l. Reduced investment
- m. Uncertainty on how to recover and low morale
- Other

**14. How are you responding to the challenges your members are facing during COVID-19 situation?**

- Advocating for governments to take initiatives to overcome businesses' challenges
- Support your business members to migrate activities online and take advantage of the e-commerce opportunities
- Provide guidance on cash management, business continuity and risk and/or leadership through crisis
- Support your members to diversify market and/or product
- Provide information on new market procedures during COVID 19
- Provide information on solutions available to support businesses from the business support ecosystem
- Sensitize and disseminate preventive and containment practices to inform businesses about the measures taken by their government
- Carry out survey(s) to assess the impact of the crisis

- Other

**15. Optional Question : Do do you have a success story to share related to your agility for adaption to the crisis? For instance, a initiative you have implemented during the pandemic which has been really beneficial for your members and/or for your organisation itself**

.....

## Assessing Your Organisation Needs During COVID-19

**16. What are your urgent organisational needs?**

.....

**17. Is your organisation a member of the following?**

	Yes	No
Federation of West African Chambers of Commerce and Industry (FEWACCI)	<input type="radio"/>	<input type="radio"/>
Federation of West African Employers' Associations (FWAEA)	<input type="radio"/>	<input type="radio"/>
Federation of Business Women and Entrepreneurs (FEBWE)	<input type="radio"/>	<input type="radio"/>

**18. What type of support, if possible, do you expect from Regional Associations named above both during and after the COVID-19 Situation?**

.....

**19. Which of the following topics you may be interested to receive support?**

- Cost management
- Service delivery digitization
- Design and adapt your strategic planning based on the new COVID-19 challenges
- Access critical Trade Intelligence to help companies adapt business strategies during the COVID-19 Pandemic
- Build a sustainable business model
- Measure your results and performance
- Other

**20. If you are willing for us to contact you, please provide your preferred means of communication and contact details (i.e. Skype, Zoom, WebEx, WhatsApp Phone call, others)**

.....