

Small and medium enterprises' response to HIV and AIDS

Introduction

Despite great progress and success of the HIV response worldwide, HIV remains an important issue with devastating impact on labour and productivity. An estimated 36.7 million people were living with HIV (PLHIV) at the end of 2015 globally.¹ Although the number of new HIV infections has declined globally, new infections have risen in some regions. Even though over 17 million PLHIV were accessing antiretroviral treatment (ART) in 2015, approximately 54 per cent of PLHIV are in need to access antiretroviral treatment, many of them not knowing their HIV status.² HIV-related stigma, discrimination and gender inequality still persist resulting in PLHIV being denied access to health care, employment, social protection, and education opportunities.

90 per cent of men and women living with HIV are in their most economically productive period of their lives, working in formal as well as informal economies, including small and medium enterprises (SMEs).

SMEs are critical for economic growth and development contributing greatly to job creation, income generation and national economies. SMEs account for two-thirds of all jobs worldwide, estimated to be 420 to 510 million, of which nine per cent are formal SMEs (excluding micro-enterprises) and 80–95 per cent are in low- and middle-income countries.³ Well-planned HIV programmes in SMEs can reach a large number of workers.⁴

Definition of SMEs

Definitions of SMEs often vary by country and are generally based on the number of employees, the annual turnover or the value of assets of enterprises.

Typically:

- Micro-enterprises: up to ten employees
- Small enterprises: ten to 100 employees
- Medium-sized enterprises: from 100 up to 250 employees.

SMEs include all types of enterprises, irrespective of their legal form or whether they are formal or informal enterprises.

ILO, *Small and medium-sized enterprises and decent and productive employment creation*, International Labour Conference, Report IV, 104th Session, Geneva, June 2015

On 8 June 2016, the UN General Assembly adopted the *Political Declaration on HIV and AIDS: On the Fast-Track to Accelerate the Fight against HIV and to End the AIDS Epidemic by 2030*.⁵

The paragraph 63(d) of the Declaration provides that all 193 member States should commit to "... mitigate the impact of the epidemic on workers, and their families, and their dependants, workplaces and economies, including by taking into account all relevant conventions of the International Labour Organization, as well as the guidance provided by the relevant International Labour Organization recommendations, including the Recommendation

Recommendation No. 200 applies to:

"... all sectors of economic activity, including the private and public sectors and the formal and informal economies; ..."

Paragraph 2(b) of the HIV and AIDS Recommendation, 2010 (No. 200)

¹ UNAIDS, *Global AIDS Update 2016*, 2016, p. 1. Available at:

<http://www.unaids.org/en/resources/documents/2016/Global-AIDS-update-2016>

² Ibid. pp. 1 and 11.

³ ILO, *Small and medium-sized enterprises and decent and productive employment creation*, International Labour Conference, Report IV, 104th Session, Geneva, June 2015.

⁴ In June 2015 ILO adopted the Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204) providing guidance to member States to facilitate through social dialogue the transition of workers and economic units from the informal to the formal economy.

⁵ United Nations General Assembly, *Political Declaration on HIV and AIDS: On the Fast-Track to Accelerate the Fight against HIV and to End the AIDS Epidemic by 2030*, Resolution 70/266 (adopted 8 June 2016) A/RES/70/266.

on HIV and AIDS and the World of Work, 2010 (No. 200), and call upon employers, trade and labour unions, employees and volunteers to take measures to eliminate stigma and discrimination, protect, promote and respect human rights and facilitate access to HIV prevention, treatment, care and support.”

The ILO’s HIV and AIDS Recommendation, 2010 (No. 200) enumerates the key human rights principles that should be part of world of work action, including: non-discrimination on the basis of real or perceived HIV status or for the fact of belonging to segments of the population perceived to be at greater risk or more vulnerable to HIV infection; gender equality; no mandatory HIV testing or screening; no unfair dismissal; confidentiality of all HIV-related information; and a safe and healthy working environment for all. All workplace actions should be adopted, implemented and monitored through social dialogue among the parties.

HIV and AIDS Recommendation, 2010 (No. 200), paragraph 37(e) provides that:

“National policies and programmes on HIV and AIDS and the world of work should:

...

(e) promote and support all enterprises to implement the national policies and programmes, including thorough their supply chains and distribution networks, with the participation of organizations of employers and workers and ensure that enterprises operating in the export processing zones comply;” ...

The ILO is a cosponsor of UNAIDS and is the lead agency on HIV and AIDS in the world of work and private sector mobilization. It convenes the Inter-Agency Task Team (IATT) on HIV workplace policies and programmes and private sector engagement bringing together key world of work partners to support a stronger and accelerated HIV response in workplaces.⁶

In June 2014, the IATT decided to develop a brief⁷ to guide the HIV response in the SMEs. Through a review of good practices, this brief illustrates how HIV programmes have been successfully developed and implemented in SMEs.

This brief is intended for SMEs and a wide range of stakeholders who work with SMEs with a view to strengthening their response to HIV and AIDS.

Why is HIV a concern for SMEs?

The effects of HIV and AIDS in SMEs result in reduction of skills and labour supply leading to disruptions in production, decreased productivity and increased business costs. The impact of HIV manifests itself through greater absenteeism, loss of workers, the need to rehire and retrain workers, loss of morale among employees, as well as poor labour relations.⁸ An ILO supported study in Zimbabwe⁹ highlighted:

- The SME sector lost on average 40 per cent of productive time per month due to high absenteeism associated with HIV-related illnesses and deaths;
- Productivity declined as a result of other employees taking on heavy workloads;
- The business costs increased due to funeral assistance, new recruitment and training costs; and
- Only 26 per cent of SMEs had developed HIV and AIDS policies with very few implementing them through programmatic efforts.

The impact of HIV in the SME sector is exacerbated by its ownership and control structures, the majority being family owned. They rely mostly on family labour and control is centred on few individuals magnifying the impact of HIV in the event of illness and death.¹⁰

Why SMEs find it challenging to address HIV

⁶ www.ilo.org/iatt

⁷ The Working Group set up included: ILO, Global Fund, Swedish HIV and AIDS Workplace Programme (SWHAP) and USAID.

⁸ B. Altshuler, G. Berry, G. McInich, R. Yayeem, *Assessing workplace wellness needs for small and medium sized enterprises in Windhoek, Namibia*, Namibia Business Coalition on AIDS (NABCOA) and Worcester Polytechnic Institute (WPI), 2014; and J. Vass, S. Phakathi, *Managing HIV in the workplace. Learning from SMEs*, 2006.

⁹ Ministry of Small and Medium Enterprises, *HIV and AIDS policy for the micro, small and medium enterprises (MSMEs) in Zimbabwe*, 2008.

¹⁰ B. Altshuler, G. Berry, G. McInich, R. Yayeem, op.cit.

HIV response in SMEs is perceived to be constrained due to lack of resources.¹¹ SMEs are often overlooked by health care or HIV service providers. Moreover, the struggle to stay in business affects SMEs more than their larger counterparts and can make HIV services for their employees a low priority. Even though some SMEs know about the effect of HIV on businesses, they do not have the capacity to deal with the issue and do not know how to start when it comes to taking action. Some managers do not even believe that HIV is affecting their workplace. HIV-related stigma/discrimination also constitutes a barrier for SMEs taking up an effective response to HIV.¹² Studies have also found that SME managers often consider offering treatment, but perceive this demand to be low, which does not get adequate attention due to other more pressing company issues.¹³

Good practices of HIV response among SMEs

The following examples of good practices show there are several ways in which HIV programmes can be developed and implemented to cover men and women workers in the SMEs.

A. SMEs responding to HIV with technical assistance from an HIV programme

Alfa Laval, South Africa

Alfa Laval in South Africa has 38 employees. In 2005 they started their programme by establishing a Committee made up of two shop stewards, one worker representative and two management members. Alfa Laval attended various workshops organized by the Swedish Workplace HIV and AIDS Programme (SWHAP) that also provided the opportunity to learn from the experiences of other companies.

"... We at Alfa Laval believe that we are an attestation that a SME can have an effective and successful HIV programme. Every year for the past 10 years we still do our Wellness days and 100% of staff know their status. Our positive employees from 2005 are still healthy and productive in the company and we recorded nil new infections." Mea Classen, Human Resources Manager, Alfa Laval, South Africa

The company appointed a service provider to assist with the implementation and together with the Committee, set up a programme and budget. In June 2005, their HIV and AIDS policy was revised and Basic HIV and AIDS training began in August. The management was the first to be trained and undergo voluntary counselling and testing (VCT). By the end of September 2005, all employees had received HIV education and taken VCT. Encouraged with the success, the company extended the training and VCT to the families of their staff. A family day, including entertainment for the younger children, was arranged. Approximately 80 attendees were educated and tested. This was one of the most successful days the company had in achieving their goal of including extended families in company events.

Ericom Communications, Zimbabwe

Ericom Communications in Zimbabwe has 78 employees.¹⁴ It has also cooperated with SWHAP since the beginning of 2007 and received support to start their HIV programme, which is integrated in the wellness approach of the company. The company developed a workplace policy on HIV and AIDS. The policy was launched in 2009 and the company implemented an HIV awareness and training programme with a focus on VCT. As a result, all employees received HIV education and participated in the VCT programme to know their HIV status. Other notable achievements include Pension Fund Savings of USD 10,000 per year resulting from a comprehensive and well run programme.

¹¹ J. Vass and S. Phakathi, op.cit. and B. Altshuler, G. Berry, G. McNich, R. Yayeem, ibid.

¹² P. Connelly and S. Rosen, "Will small and medium enterprises provide HIV/AIDS services to employees?" *South African Journal of Economics*, Vol. 73, 2005 Special Edition on HIV/AIDS.

¹³ B. Altshuler, G. Berry, G. McNich, R. Yayeem, op.cit.; S. Zellner, R. Ilanal, *HIV/AIDS Services through the Workplace: A survey in four Sub-Saharan African Countries*, (USAID), 2008; and ILO, *The Impact of HIV and AIDS on the Small and Medium Enterprises Sector in Zimbabwe*, 2006.

¹⁴ <http://ericomcommunications.com/about/>

In 2011, the company received the Zimbabwe National Chamber of Commerce Award for a successful Workplace HIV workplace programme. The company noticed benefits of the programme in terms of reduced absenteeism and increased productivity. The company did not even record a single death caused by HIV related-illnesses during the last five years. Ericom is now reaching out to the community providing both HIV awareness and VCT during football tournaments to community football teams and spectators.

B. Associations of SMEs responding to HIV

Small Enterprise Development Corporation (SEDCO), Zimbabwe

The Small Enterprises Development Corporation (SEDCO) is a leading development finance institution for the promotion and development of micro, small and medium enterprises in Zimbabwe. SEDCO offers various training to help SMEs develop, start up and manage their businesses. SEDCO is partnering with the ILO to address HIV prevention and impact mitigation needs of women and men working in small businesses along the transport corridors of Zimbabwe.¹⁵

Members from 20 business support structures, cooperatives, business groups and Savings and Credit Cooperatives (SACCOs) were trained in business management, SACCO formation, business ideas development, and HIV and AIDS, and they were able to access loans. Over 500 persons vulnerable to or affected by HIV and their families were provided with business training and loans to help them set up their small businesses. As a result, 195 businesses were started. A Corridor Economic Empowerment Innovation Fund (CEEIF) was set up to expand the programme and ensure sustainability of financing small businesses in future. Beyond economic impacts, changes were noted in HIV-related behaviour. PLHIV in transport corridors reduced both their social and economic vulnerability. The initiative showed that a combination of HIV preventative measures and economic empowerment works very well. It lowers the risk of exposure to HIV transmission, and enables vulnerable populations to set up their small business, leading to growth of SMEs.

Ukraine's Union for SMEs responding to HIV

The Union of Small, Medium and Privatized Enterprises represent over 12,000 members from different enterprises in Ukraine. It adopted its HIV and AIDS Workplace Policy in 2008, with the support from the ILO, UNAIDS and the Deutsche Gesellschaft für Internationale Zusammenarbeit/German Agency for International Cooperation (GIZ). Since then, the Union has supported HIV activities in its member SMEs by organizing a number of HIV-related activities, including round tables discussions, different workshops and meetings. Communication materials focusing on the prevention of HIV were developed in collaboration with the ILO and other key partners and disseminated among the Union's members.

The Director General of the Union is a member of the National HIV/TB Coordination Council as an employer's representative, as well as the tripartite working group that developed the *National Tripartite Cooperation Strategy on HIV/AIDS in the World of Work* in 2012. The Union has joined ILO's activities on development and implementation of HIV workplace programmes in the Cherkassy and Kyiv regions targeting 13 enterprises, half of them are small and medium having less than 250 employees. The Union also implemented the VCT@WORK Initiative through its Cherkassy Regional Branch in six selected enterprises, in partnership with the ILO, UNAIDS, UNFPA, national/regional AIDS Centre, as well as local partners. Over 8,000 of workers in Cherkassy region were reached by awareness-raising activities, and over 2,000 underwent voluntary counselling and HIV testing at their workplaces.

C. SMEs response to HIV and AIDS through cooperatives

¹⁵ ILO, *Corridor Economic Empowerment Innovation Fund (CEEIF): A Public-Private Partnership to economically empower HIV vulnerable populations along transport corridors in Zimbabwe*, 2014, Partnerships and Field Support Department (PARDEV). Available at:

http://www.ilo.org/wcmsp5/groups/public/--dgreports/--exrel/documents/publication/wcms_238692.pdf

Cooperatives have one billion members worldwide and are also employers providing 100 million jobs.¹⁶ They are operating in all sectors of the economy, including in the informal economy. Cooperatives have a great potential to reach informal workers who normally are not reached by HIV interventions.¹⁷

The ILO, with support from the Swedish International Development Cooperation Agency (Sida), has worked with cooperatives in organizing income generation and HIV awareness programmes for people which has resulted in reducing their vulnerability to HIV and has also led to the growth of SMEs.

Working with women's dairy cooperatives in the Republic of Tanzania, the ILO assisted 1,600 women and men, including PLHIV, and helped them set up their small businesses, following the ILO's "Start and Improve Your own Business" programme.

In Cameroon, women workers living with or affected by HIV in the informal economy were provided economic empowerment skills enabling them to start their own businesses in a large number of areas, such as tailoring, rearing poultry and pigs.

In Rwanda, farmers living with and affected by HIV established cooperatives. This led to their economic empowerment and had a very positive impact on their health and well-being.

By making use of cooperatives' ability to reach out to the most vulnerable and high-risk populations, the ILO strengthened the capacity of cooperatives to serve as both a channel for HIV prevention and as a vehicle for impact mitigation. A training manual was produced by the programme to both educate and sensitize cooperatives and informal workers about HIV.¹⁸

D. Multinationals supporting and mentoring SMEs in the HIV response

Atlas Copco

Atlas Copco in South Africa employs over 1,200 workers.¹⁹ Atlas Copco has a comprehensive HIV and AIDS workplace programme with a focus on VCT, an effective disease management programme for those who are HIV positive, and on-going training and health promotion campaigns.

Mulonga Water and Sewerage is one of the five supply chain companies recruited and mentored by Atlas Copco Zambia in 2012 to establish workplace HIV and wellness programmes. Mulonga Water and Sewerage deals in water and sanitation in the Copperbelt Province towns of Chingola, Mufulira and Chililabombwe and employs around 381 men and women workers.

The company has mainstreamed the wellness programme throughout the company structures. As a result of the management engagement, there is an annual budget of around USD 14,000 to support the programme's activities. Some of the activities implemented under the company programme's slogan "*Towards attaining a purified excellence in wellness*" include launch and distribution of a wellness policy, gender mainstreaming, annual onsite VCT through which 60 per cent of employees have taken up the service, and training of 28 Peer Educators. The company is now exploring to train more Peer Educators, as well as psychosocial counsellors.

SKF Supply Chain Programme, Kenya

SKF Kenya is part of the multinational company SKF dealing in the manufacture and sale of bearings. The company in Kenya is small and works with dealers to retail their product. The dealers are largely small companies spread across major towns and cities in the country. SKF Kenya partnered with SWHAP in 2009 and established an HIV and AIDS Programme. In 2011, it decided to mentor dealers to also implement HIV programmes for their workers. The initial step involved sensitizing management and owners of these small companies. The company assessed the impact of

¹⁶ Please consult <http://ica.coop/en/facts-and-figures>

¹⁷ ILO, *Cooperating out of HIV and AIDS*, Policy brief, 2013, p. 7. Available at: http://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---ilo_aids/documents/publication/wcms_229830.pdf

¹⁸ See further: ILO, *HIV and AIDS Education and Counselling Manual in Cooperatives and Informal Sector Economy*, 2009 (available at: http://www.ilo.org/wcmsp5/groups/public/@ed_emp/documents/publication/wcms_159085.pdf)

¹⁹ <http://www.atlascopco.co.za/zaus/aboutus/incountry/ourhistory/>

HIV and AIDS on small businesses and found the following: absence due to sickness of even one worker affected business and that on an average it took around six months to hire an employee, to train her/him and be able to entrust her/him to fully run the business. This showed that HIV and AIDS impact negatively on small businesses. Casual workers lacked information on HIV and AIDS and were less concerned about their health and wellness.

The company implemented a regular HIV and AIDS awareness programme, and offered VCT to workers under its wellness approach. Workers were very responsive and the programme resulted in increasing the uptake of VCT services. An employee after knowing his HIV status, and being put on treatment, voluntarily disclosed his HIV status and has become a champion among his workmates.

E. Government departments, with support of the ILO, supporting SMEs in responding to HIV

Indonesia

Indonesia's Papua province has a generalized HIV epidemic with an infection rate of 2.6 among the indigenous Papua people. The ILO is working with the Papua Labour Department to mobilize SMEs in the palm oil and wood manufacturing industries. Building on a long term partnership with the Papua Labour Department, the ILO and the Department of Occupational Safety and Health identified SMEs employing indigenous people. The safety and health officials took the lead in engaging company managers to agree to start HIV and AIDS response, with steps for rolling out workplace policies, HIV prevention and VCT, linked to care and support measures.

One example is Victory Cemerlang Indonesia, a plywood company employing 256 workers. The company manager agreed to develop the programme based on the Labour Department's request. The ILO provided assistance to develop a policy, including training of trainers to ensure sustainable prevention activities and linked the company to the nearby community health centre providing regular onsite VCT services. One month after starting the activities, all 256 workers underwent HIV education and training and 251 workers underwent VCT. Five workers who tested positive for HIV were put on treatment provided by the community centre. A key factor for the success of the programme was the strong leadership of the company manager assuring all workers that their HIV status would be kept confidential and would not impact their job status. Another success factor was the strong linkage established with the community health centres, well equipped to provide VCT and on-going treatment and care services.

F. Employers' organisations and business coalitions supporting SMEs in the HIV response

Cambodia's Business Coalition on HIV and AIDS (CBCA)

ILO partnered with CBCA to mobilize small scale entertainment establishments to develop workplace policy and programmes on HIV and AIDS for its entertainment workers. Prior to the programme, entertainment workers faced difficulty in accessing health and HIV services due to lack of support from their managers. To address this, the ILO and the CBCA developed a comprehensive approach to improve working conditions and safety and health conditions in these establishments, including access to HIV prevention, VCT and treatment services.

One aspect of the programme was to create a social dialogue mechanism between workers and managers where they could identify workplace challenges together and negotiate solutions. One key challenge identified by the workers was the lack of access to HIV and sexual and reproductive health services. The ILO and CBCA arranged for routine information sessions in each of the participating establishments. Managers allocated set times during working hours for workers to seek health services, and mobile VCT services were provided monthly in workplaces. Through this effort, over 10,000 workers underwent VCT and nearly 100 entertainment workers began to access HIV treatment and support measures.

The Federation of Kenya Employers (FEK) supporting a SME reaching out to its supply chains

During 2010-2011, the Federation of Kenya Employers (FKE) in collaboration with ILO supported a FKE member company, Mabati Rolling Mills (MRM), to reach out to its supply chain and assist these companies to set up HIV workplace programmes and policies through a mentorship process. MRM is a leading manufacturer of flat and long steel employing over 1,500 at two worksites: Mariakani and Athi River. MRM has in place a well-

established programme on HIV and a Health and Wellness programme, enabling it to act as mentor to the supply chain companies in a step-by-step approach. The programme was supported both technically and financially by the ILO and the OPEC Fund for International Development (OFID).

MRM identified two supply chain companies: Sadloin Paints Ltd having 150 permanent employees and Kauworks having 227 permanent employees. It assessed the companies' application of the fundamental labour rights enumerated in the HIV and AIDS Recommendation, 2010 (No. 200) and sensitized the top managers on the business case for HIV and AIDS. This became the launching pad for the implementation of the programmes which involved: formulation of their workplace policy; training of peer educators conducted by the MRM's peer educators; providing on-site VCT; and establishing an exchange forum to share experiences

The programme was carried out in collaboration between FKE, Kenya HIV Business Council and the ILO.

ECOSIDA, Mozambique Business Coalition on HIV and AIDS

ECOSIDA-Mozambique Business coalition on HIV and AIDS, with support of ILO, have supported SMEs in developing and implementing 125 HIV and AIDS workplace programmes and policies.

Since 2011, when ECOSIDA strengthened its partnership with ILO, more than 150 companies, small and medium, were enrolled in the program and 120.000 men and women workers were reached with awareness and VCT activities.

Stigma and discrimination was the major barrier to tackle HIV and AIDS at the workplace. Policies were designed and put in place in these 150 companies, creating an enabling environment to reduce stigma and discrimination. The employers supported workers living with HIV. Non-discriminatory workplace policies and a conducive workplace environment contributed to the successful implementation of the VCT@Work Initiative, with almost 85% of adherence in company testing activities.

Some companies, such as CETA, a Civil Construction company, provided support through food and nutritional supplement, while others provided transport to workers to help them access treatment and care from health Units.

Conclusions

- There are several good examples of successful HIV initiatives among SMEs where investments in HIV initiatives show good business returns.²⁰ In other words, there is a strong "business case" for SMEs to be part of the HIV response and to take action. Through partnerships, there are ways to respond to HIV and AIDS without placing a significant cost burden on SMEs.
- There are several ways of assisting SMEs to start HIV and AIDS programmes: Government ministries/departments; associations of SMEs; employers' organizations and industry associations; trade unions; and multinationals through their supply chain initiatives.
- Costs of HIV programme is not a constraint. SMEs need technical support and guidance more than financial support to be able to run a successful HIV programme.
- Technical support from an existing programme, such as SWHAP, or from an organization, such as the ILO, proved effective in initiating and running the programme, at least in the initial years which required policy advice and capacity building.
- HIV programmes in SMEs helped workers to increase their knowledge, know their HIV status and seek treatment from a government facility to stay healthy and productive.
- Leadership demonstrated by managers of SMEs was a crucial factor in the success of the programme.
- SMEs were able to see the benefits of HIV programme in terms of improved morale of staff, better health and productivity and reduced absenteeism.
- HIV programme with an economic empowerment approach for vulnerable populations with the involvement of financial institutions, like SEDCO in Zimbabwe, also results in the growth of SMEs.

²⁰ ILO, *Research on working conditions, safety and health, skills and productivity in SMEs*, 2015, available as: http://www.ilo.org/empent/Projects/score/WCMS_194651/lang--en/index.htm

Integrating HIV response within a wellness approach and other existing initiatives within the SMEs are effective.

Recommendations

- Partnership of SMEs should be strengthened with national AIDS programmes and ministries of health so that workers in SMEs could benefit of the health services, particularly for HIV, tuberculosis (TB), VCT and access to treatment (ART, opportunistic infections, etc.).
- National AIDS programmes, development partners, multinational companies and civil society organizations should work together, in consultations with SMEs, to better understand their needs and develop a comprehensive HIV response in a given country or sectoral context.
- Evidence gathering exercises such as Knowledge, Attitude, Practices and Behaviour survey and cost-benefit analyses should be undertaken as part of the response.
- Cooperatives should explore their ability to reach out to the most vulnerable and the high-risk population serving both as a channel for HIV prevention and a vehicle for impact mitigation.