**Position Paper**

**Committee - Economic and Social Council**

**Impact of Corona virus on international trade and strategies made for post corona situation.**

**Country – Israel**

World trade is expected to fall by between 13% and 32% in 2020 as the COVID 19 pandemic disrupts normal economic activity and life around the world. Uncertainty is the major problem many people are facing during this pandemic. But what we do know is a steady flow of money, goods , services and the people to make them flow is essential to a healthy economy and that flow is severed right now by lifesaving stay-at-home orders. “The immediate goal is to bring the pandemic under control and mitigate the economic damage to people, companies and countries. But policymakers must start planning for the aftermath of the pandemic,” WTO Director-General Roberto Azevêdo said.

International trade has contracted for most countries during Q1 2020, incoming data for Q2 2020 indicates much more of a severe downturn. Although preliminary, data for April suggest a sharp downturn in all other regions with declines of up to 40 percent for countries in South Asia and Middle East regions. While trade continues to collapse in most regions, the East Asia and Pacific regions show signs of recovery. Trade in many sectors had dropped in 1Q 2020 and are still dropping. The automotive and energy sectors have faced the most downfall. While the trade of medical goods and equipment related to the pandemic have seen an increase in demand.

Israel has taken certain measures to mitigate the economic damage that has occurred due to the COVID-19 Pandemic. Our government has increased credit for small to medium businesses, unemployed people have been given a special unemployment package and it has postponed taxes. The Bank of Israel has also taken a few measures to boost the economy. In order to support the flow of credits by banks some regulations have been relaxed so that banks can continue lending of money. The BOI has also purchased government bonds so that government can infuse liquidity in the financial system.

Our country is known for technological advancement in food security, medical innovation , cyber security etc. Current pandemic situation has helped us to improve our ties with the Arab Nations as they are also looking for assistance to come out of the health crisis. Though this is an early stage but we are hopeful with positive intention this may workout beneficial for all.

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