

# COVID-19: Impact on Trade and Trade Policy

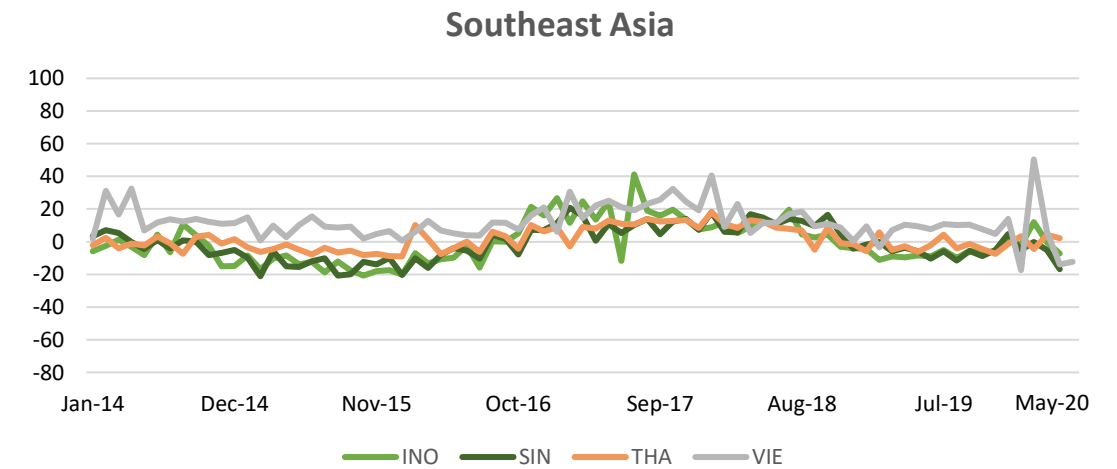
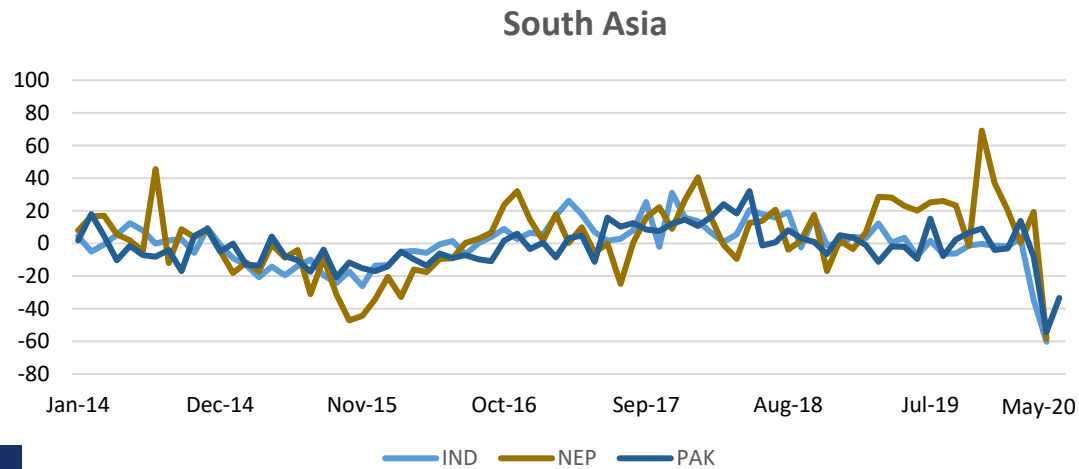
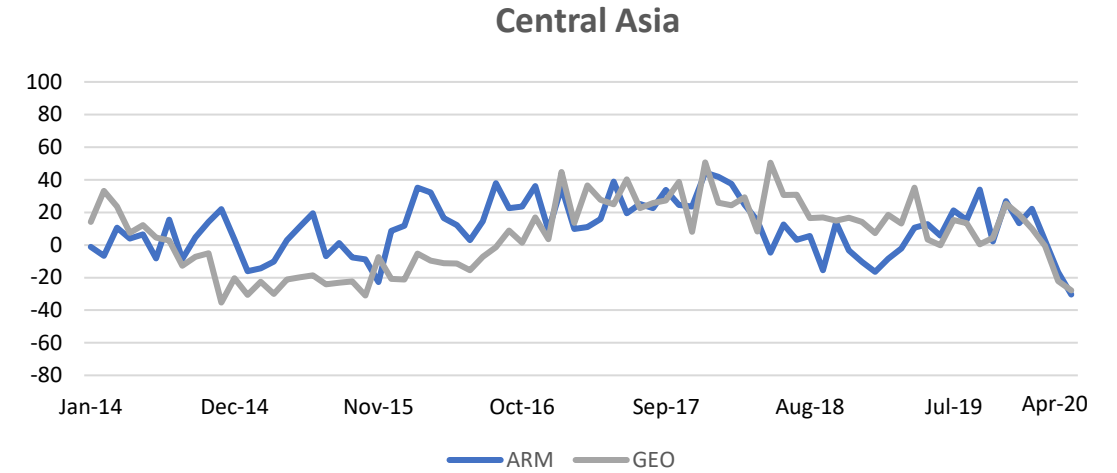
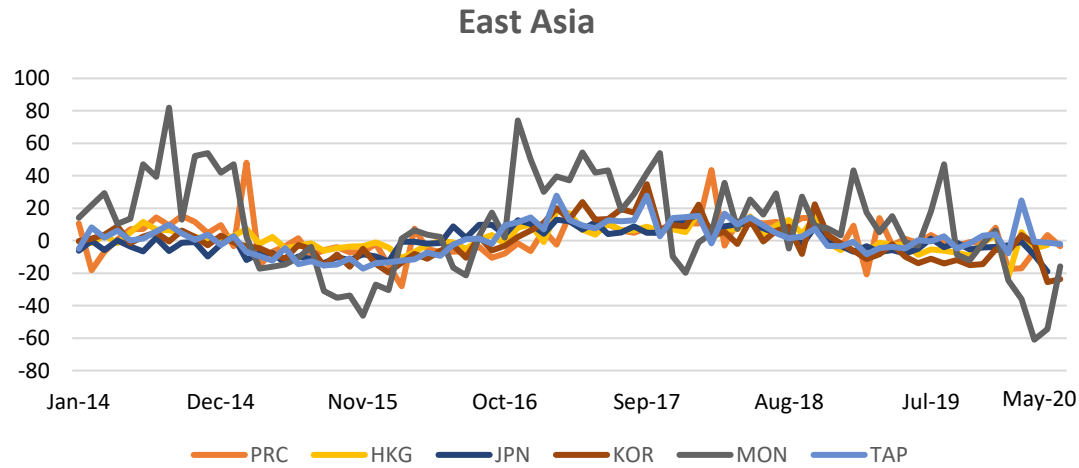
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RCI-POD WEBINAR  
“Immediate and Long-term Impact of COVID-19 on  
Trade Landscape”  
ADB, 23 June 2020



# Exports during COVID-19 across Asia

## Monthly Export Growth (% , y-o-y)



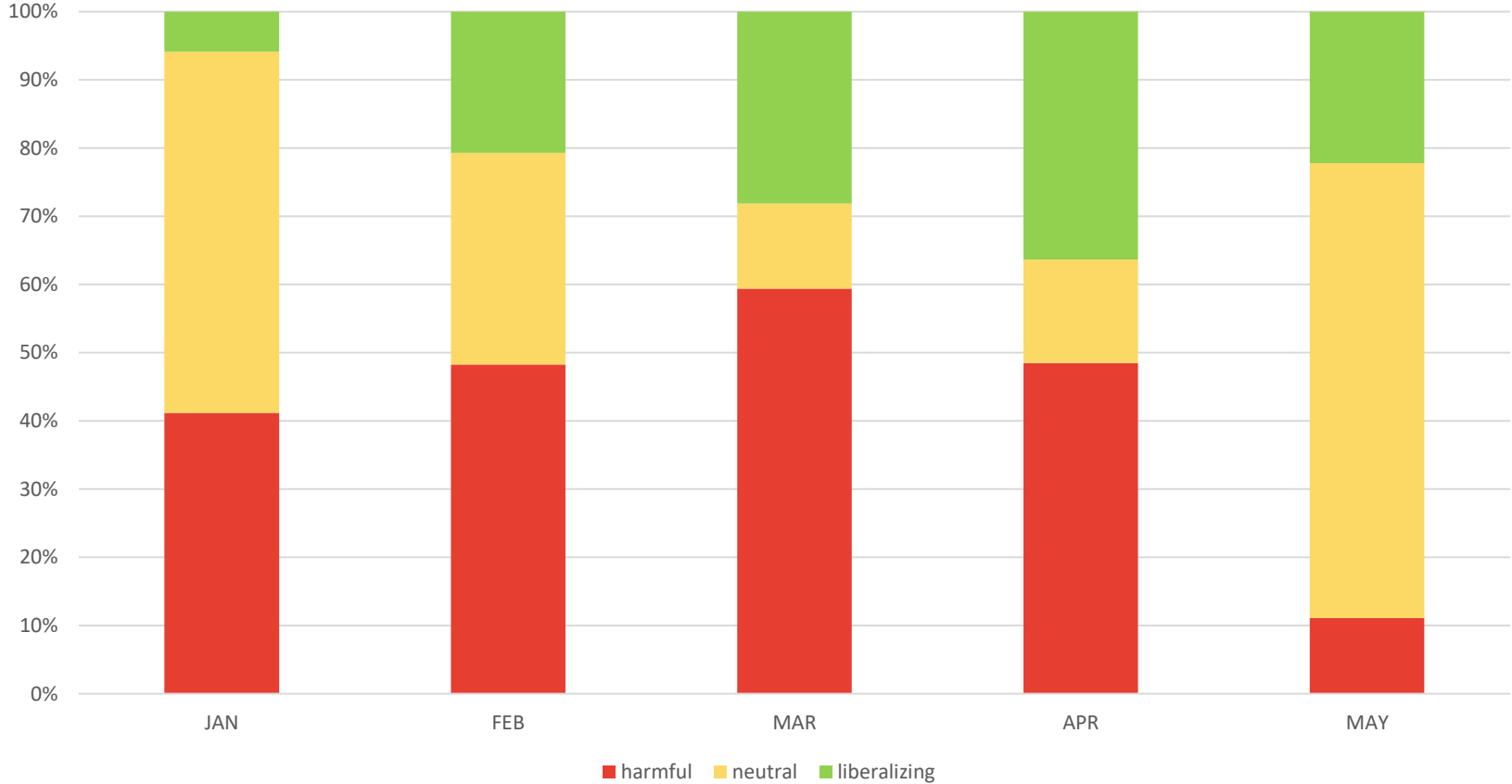
y-o-y = year-on-year. Only PRC, KOR, MON, PAK, TAP, and VIE have data up to May 2020. The rest are up to April 2020.  
Source: ADB calculations using data from CEIC and Haver Analytics (accessed 16 June 2020).

# Balancing Acts

- Safeguarding **public health** interests, while preserving **open trade regime**.  
*Ex. Discussions on restricting the movement of health care workers.*
- Keeping the **private sector afloat**, while ensuring that **competition** is not distorted. *Ex. Temporary relief from electric bill payment for SME's.*
- **Increasing resilience**, while keeping costly **duplication of supply chains** to the minimum. *Ex. Programs to help firms diversify their operations.*
- **Starting** the support is obvious, when and how to **phase it out** less.

# After closing borders, quick reopening...

Trade Measures by Asian economies by type (January – May 2020)



Source: Global Trade Alerts and ADB calculations

Note: Based on 152 measures reported by GTA between January and 27th May for regional ADB member countries.



# Looking forward

- Existing **trade tensions** could be further exacerbated by economic and trade impact of COVID-19.
- **Transparent and predictable trade regime** more important than ever.
- Countries should **move away from unilateral action**.
- More **regional and global cooperation** is needed when moving to the “new normal” (ex. preparing for future public health emergencies; tourism).
- Creating more **resilient supply chains** should not lead to protectionism, but be based on regional and global efforts including the private sector.