

## **POLICY RESPONSE OF ASIAN ECONOMIES TO COVID-2019 PANDEMIC: CHINA, THE REPUBLIC OF KOREA, JAPAN**

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The countries of Northeast Asia were the first countries in the world, which faced the threat of the COVID-19 pandemic, the epicenter of which was the city of Wuhan in the Chinese province of Hubei. As of the end of March, the spread of the pandemic has been brought under control. Compared to other sub-regions in Asia and the Pacific, Northeast Asia was relatively well prepared for COVID-19 in terms of health systems, access to basic services and connectivity. The national response to COVID-19 was quick and varied. The governments have adopted numerous policies to contain the spread of the virus, as well as to address growing socio-economic challenges and mitigate the impact of the COVID-19 pandemic. To respond to the COVID-19 pandemic, the governments of China, the Republic of Korea and Japan have leveraged an existing memorandum of cooperation and a joint action plan to implement joint responses to pandemic influenza and new and re-emerging infectious diseases. However, the COVID-19 pandemic and the necessary containment measures have resulted in a sharp decline in economic activity, widespread loss of jobs and livelihoods and disruptions in the provision of basic services. In 2020, the countries in the region experienced a marked economic decline. After a significant drop in domestic demand and trade disruptions in the first half of 2020, the second half of 2020 was characterized by a gradual recovery in exports, there are currently signs of a recovery.

The aim of current research was to investigate the practices of the three Asian countries – China, the Republic of Korea and Japan – in supporting businesses and citizens who found themselves in a difficult life situation due to the coronavirus, in order to identify optimal examples of economic policy during pandemic.

The most effective measures to support the economy of China during the COVID-19 pandemic were food supply; control over the increase in the production; online services launched by the government. The most effective measures to support the economy of the Republic of Korea were: the Bank of Korea has cut its key rate to a record low benchmark; the Bank of Korea has provided the loans to the country's commercial banks; the country's government has allocated considerable funds to support South Korean SMEs; Korea Trade and Investment Promotion Agency has actively developed a global online trading platform; consumption taxes in case of car purchases have been reduced significantly to support the market; the enterprises with an annual turnover of less than Korean WON 60 million won have been provided with VAT exemptions. The most effective measures which have been taken by the government of Japan to were: there have been allocated USD 4.1 billion to support Japanese SMEs; there has been announced the development of a package of large-scale measures to support the country's economy; there have been introduced special conditions for lending to SMEs; the activities of the companies involved in the fight against the pandemic have been subsidized; there has been introduced a simplified license renewal procedure for import/export and tariff quota certificates; the Bank of Japan has doubled up to USD 112 billion the exchange-traded fund (ETF) buyback program; a payment has been provided for the citizens who cannot work; a consulting service has been organized to support SMEs; for SMEs which were forced to send part of their employees on vacation or training, the state would cover the costs of forced leave in the amount of 4/5 during 100 days.

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