

**Committee:** ECOSOC

**Topic:** Integrating Business Continuity to Prevent Economic Recession During COVID-19

**Country:** Kingdom of Saudi Arabia (KSA)

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Covid-19 is a global pandemic affected and disrupted lives across the world. In addition to health and major difficulties on well-being caused by the virus, also the breakdown of economy in countries made a negative impact in the population's lives and the sectors. As the curfew had raised during the pandemic, the companies and enterprises lack of digitalization had a very rough challenge with keeping the businesses and revenues up in a high manner. The data from the IMF claimed that the global economy shrunk by 4.4% in 2020. These issues have led to several consequences in the global market such as significant reduction in income, unemployment increment, negative supply stock, global supply chain disruption, workplace absenteeism, significant weakening in global demand of oil market, factory closures and reduction in travel.

The 2030 Agenda for Sustainable Development from United Nations in 2015 through resolution A/RES/70/1 was a huge step for achieving 'Sustainable Economic Growth and Productive Employment' mentioned in goal 8 section. It consists of achievement in economic productivity via diversification and innovation, encouraging SMEs, equal work, and equal value and so on. Moreover, much earlier resolutions are adopted by UN such as A/RES/32/197 to restructure of the economic and social sectors, A/RES/45/264 to restructure and revitalize in the economic, social, and related fields, A/RES/48/162 and A/RES/50/227 to further measures for the restructuring and revitalization. Through these resolutions, UN and Member States, organisms and NGO partners work for the sustainable economic growth, economic productivity and restructure the economic sectors.

With the Covid-19 pandemic occurred and the reduced global demand in oil, Kingdom of Saudi Arabia hit by a twin impact. Thus, that led to a profound economic implication in KSA. The oil revenues shrunk 24% year over year while non-oil revenues shrunk 17% and leading to a total drop in the revenues as 22%. The taxes on citizens just went from 5% to 15% starting from July 2020. Finance Minister of KSA admitted that our country facing severe economic crises for the first time in decades, due to pandemic and as well as declining global markets. Also, the contraction of GDP reached around 5.7% with both oil and non-oil sectors. Fortunately, KSA increased its non-oil activities and that led to a positive growth by 10.1%. Also, GDP of Saudi Arabia grown since the start of Covid-19 by 1.5% in second quarter of 2021 compared to 2020. By integrating the business continuity, the kingdom will continue its Vision 2030 program to make the economy rear up including National Transformation Program, which emphasizes restructuring the economy away from oil and gas sector.

The Kingdom of Saudi Arabia feels that the most important sub-topics that need to be focused on are supporting SMEs, private sector contribution to recovery, prevention of liquidation and fiscal & external adjustments. The countries can be encouraged to ensure that the private sectors need to step forward and complete discharge of monetary and other obligations. The governments in countries should help the SMEs and temporary contractual workers must be supported and their wages must be paid. In order to support SMEs, central banks (like SAMA in KSA) in countries can make monetary policies and financial support to the private sector and SMEs. Also, development funds support in employment, training, subsidizing wages in private sector and supporting new job seekers can be achieved via countries' funding programs. Fiscal and external adjustment can be adapted with the change in the taxes towards VAT and away from payroll taxes to achieve a fiscal devaluation. Lastly, KSA believes countries should enhance revenue mobilization by focusing on additional revenues, like based on KSA, it is not focusing on only the oil sector.