



Since March 25, 2020

Confederation of International Contractors' Associations (CICA)

Strategic Watch: COVID-19 Overview by country and region (situation at January 20, 2021)

Based on FIEC's COVID-19 Construction Observatory, FIIC's, CIAN's and MEDEFI's and IFAWPCA's data

For more information go to the CICA Website: <http://www.cica.net/cica-covid-19-overview/> and Dropbox: <https://www.dropbox.com/home/Observatory%20COVID-19>

Hong Kong

Country/Region	General measures	Measures for construction
HONG KONG		
Lockdown	The Hong Kong Buildings Department reported that no construction was started on new projects in the first two months of 2020, the first time since records started in 2002.	
Economic outlook	<p>Hong Kong's government had announced a one-off subsidy to help construction companies to pay long-term casual employees during the pandemic. The new support follows the award of more than HK\$3.1bn in subsidies that had been disbursed under the two earlier rounds of the Anti-epidemic Fund to about 310,000 construction workers and about 10,000 construction-related enterprises (12 June).</p>	<p>Prior to the Covid-19 outbreak Hong Kong's construction industry was already in a difficult situation, with output contracting by 9.3% in 2019 due to the deteriorating situation as a result of protests leading to a general slowdown in residential construction, and a large drop in transport infrastructure works. Besides, the US government's trade war with China and the removal of Hong Kong's special status were expected to decrease investment in industrial construction (cf. Construction Europe) (14 September).</p> <p>According to the Census and Statistics Department (C&SD), the country's construction industry continued to decline in the first quarter of 2020, dropping by 9% year-on-year in real value add terms. This marks the sixth consecutive quarterly decline since the fourth quarter of 2018.</p> <p>The construction industry contracted by around 9.2% in 2020 due to the pandemic and renewed political tensions as a result of the US government's trade war with China. The removal of Hong Kong's special status is expected to decrease investment in the construction industry. However, this trend is set to be reversed in 2021 following a major announcement from the leaders of Hong Kong with a planned acceleration of HK\$500bn (US\$64.5bn) investment in public works (cf. GCR) (18 December).</p>



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Recovery	The planned acceleration of HK\$500bn (US\$64.5bn) investment in public works, should see large projects in new rail lines, roads, hospital expansions, housing and proposed facilities within universities. Under the plan, annual investment of HK\$100 billion (US\$12.9 billion) over the coming five years are expected with tenders for new projects being launched simultaneously. For larger housing, rail and road projects these will be divided up so that smaller contractors would be eligible for tender. In addition to the investment plan, there are still large infrastructure projects ongoing, for example the Capital Works and Third Runway projects at Hong Kong International Airport (cf. GCR) (18 December).
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Other Overviews

- Download the report from the International Federation of Asian and Western Pacific Contractors' Associations (IFAWPCA): [IFAWPCA COVID-19 Pandemic | Construction Industry Country Reports \(April 2020\)](#)