



Since March 25, 2020

Confederation of International Contractors' Associations (CICA)

Strategic Watch: COVID-19 Overview by country and region (situation at February 15, 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>

Ireland

Country/Region	General measures	Measures for construction
IRELAND		
Lockdown	<p>A resurgence of Covid-19 cases let the authorities to impose a second lockdown in late October 2020 for six weeks.</p> <p>The Irish government set to recommend an extension to the Level 5 lockdown until March 5, 2021 (25 January 2021).</p>	<p>Construction sites, apart from those currently allowed to operate, will remain closed until March 5, 2021 (25 January 2021).</p>
Economic outlook	<p>After suffering a sharp fall in activity during 2020, the economy is projected to recover in 2021 and expand at over 4% in 2022. Public support for employees and businesses is helping to hold up domestic demand.</p> <p>Although the initial lockdown hit the domestic economy hard, multinational companies could support their activities. In particular, exports of pharmaceutical products and medical technology surged. Ireland's important position in Covid-19-related medical goods provided a bulwark against the precipitous drop in international trade experienced elsewhere. However, the domestic economy fared less well. Besides, heightened uncertainty about Brexit dumped business investments (cf. OECD) (December 2020).</p>	<p>The Irish construction industry is expected to grow by 15% in 2021 despite Covid-19 and Brexit, according to the Aecom annual construction review. Whilst construction output is unlikely to reach pre-Covid 19 levels in 2021, it expects that development will significantly exceed 2020 levels.</p> <p>While 2021 has got off to a bad start for the industry, the report anticipates a strong year for the sector based on a presumption that normal activity will resume shortly as the vaccine roll-out continues. The report indicates in general terms that demand has not been impacted but rather activity is delayed.</p> <p>In 2020, Aecom estimated the cost of construction increased by approximately 1%. In 2021, AECOM estimate a conservative further increase of 2%. While the trade agreement between the UK and EU is only just implemented, the report suggests access to materials and other equipment has been unaffected by Brexit to date.</p>

		<p>Despite the challenges associated with the dual impact of the Covid-19 and Brexit, the projected growth rate of 15% for 2021 highlights the industry's resilience as of January 2021. While the first lockdown was very difficult, as an unanticipated event, the sector is now more prepared to effectively manage the associated challenges related to materials, cost and logistics. That being said, hospitality and retail has been put on hold and, while significant commercial office developments are proceeding on site, the uncertainty around the shape of the future office workplace will slow demand in this sector (19 January 2021).</p> <p>Besides, the supply of new homes could be reduced by up to 8,000 in 2021 as a result of the current stoppage in construction, the Irish Home Builders Association (IHBA) has warned. Construction sites across the State were ordered to close in February 2021 as new Covid-19 restrictions came into force for all but essential building projects.</p> <p>IHBA director said the hiatus was likely to aggravate the State's housing crisis. A members' survey had highlighted that work on more than 16,000 homes across 273 sites had been put on hold as result of the restrictions. With the measures expected to be kept in place until 5 March 2021, this is likely to reduce supply by around 8,000 units in 2021, and that's presuming there are no further restrictions (cf. the Irish Times) (3 February 2021).</p>
Employment	While the official unemployment rate has been creeping up only gradually, this has masked substantial numbers who are not working and not classified as unemployed, accounting for around 10% of the labor force (cf. OECD) (December 2020).	
Recovery	The report from AECOM also calls for the establishment of a National Housing Task Force , to consist of industry and public sector players, which could aid the fast and cost-effective delivery of housing across the country. Along with the benefits of such a taskforce, the economic restart after the coronavirus means there is a chance to improve and speed up the planning and delivery process, which is delaying many pipeline projects (19 January 2021).	

Other Overviews

- Download the [European Construction Industry Federation's \(FIEC's\) Covid-19 Coverage](#)
- Download the [French Federation of Public Works' \(FNTP\) Covid-19 Coverage](#) (in French only)