



Confederation of International Contractors' Associations (CICA)

Strategic Watch: COVID-19 Overview by country and region (situation at August 5, 2020)

Based on FIEC's COVID-19 Construction Observatory, FIIC's, CIAN's, 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>

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Country/Region	Facts/Measures for construction	
EUROPE		
UK	Business deals within the UK's construction and real estate industry fell by 40% in the second quarter of the year, compared with the last four-quarter average according to GlobalData. Mergers and acquisitions made up the largest share of business, with 28 deals accounting for 71.8% of all activity. The total value of M&A deals was €2.11 billion. The figures come as the UK government has announced a further €1 billion in funding for more than 300 real estate and infrastructure projects in England. In addition to the funding boost, the government is introducing new regulations, aimed at reducing the bureaucratic process and breaking ground as soon as possible on some 300 "shovel ready" projects (4 August).	
ASIA		
	General Facts and Measures	Facts/Measures for Construction
China		Construction equipment sales in China are expected to increase 14% this year, according to a revised forecast from Off-Highway Research. The previous expectation was for sales to fall 8% due to the impact of Covid-19, but stimulus measures in the wake of the pandemic are now expected to reverse this trend. The central government has adopted policies to increase investment, including a great increase in the issuing of local special bonds (28 July).
Southeast Asia Thailand	The Asian Development Bank (ADB) is providing a \$1.5 billion loan to support the Government of Thailand's response to the coronavirus disease pandemic. ADB forecast Thailand's economy to contract by 6.5% in 2020, down from its December 2019 projection of 3.0% growth. Given the country's strong regional trade, investment, and labor links, an economic crisis in Thailand could spill over into neighboring countries, including Cambodia, the Lao People's Democratic Republic, Myanmar, and Viet Nam (4 August).	



NORTH AMERICA	
	Facts/Measures for Construction
USA	 Download the State by State Coronavirus status updates (cf. ENR)
MULTILATERAL DEVELOPMENT BANKS (MDBs) & OTHER INTERNATIONAL INSTITUTIONS	
	General Facts/Measures
World Bank Group	<p>To support the COVID-19 emergency programs, World Bank Group financing was significantly scaled up, reaching US\$74 billion in commitments. Support to middle-income countries from the International Bank for Reconstruction and Development (IBRD) rose to US\$28.5 billion in FY20, up from US\$23.2 billion in the previous fiscal year. Loans and grants to the world's poorest countries from the International Development Association (IDA) were US\$30.4 billion during FY20. The 19th replenishment of IDA, in December 2019, secured an US\$82 billion financing package for the 74 poorest countries in the world to be deployed over a three-year period.</p> <p>A major share of World Bank (IBRD and IDA) financing in FY20 was dedicated to help countries fight the COVID-19 pandemic. Within this financing, between March and the end of June, the World Bank approved:</p> <ul style="list-style-type: none">• US\$6.3 billion for emergency health support in 108 countries, including 33 fragile and conflict-affected countries and 22 small states;• US\$3.8 billion used for innovative health projects and training;• US\$2.5 billion was redirected to fight COVID-19 from the portfolio of operations under implementation (10 July). <p>Over the next 12 months, <u>IDA will deliver close to US\$10 billion in new grants for low-income countries at higher risk of debt distress</u>. Prime focus will be stronger resilience building including pandemic preparedness and reducing risks from climate shocks. Many IDA countries were already at high risk of debt distress before COVID-19 which is exacerbating the situation. A new debt policy in IDA19 called Sustainable Development Finance Policy will help incentivize countries to borrow sustainably and promote coordination between IDA and other creditors.</p>



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