



Confederation of International Contractors' Associations (CICA)

Strategic Watch: COVID-19 Overview by country and region (situation at September 16, 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>

LATEST UPDATE WEEK 38

Country/Region	General Facts/Measures
WORLD	
	<p>According to the OECD, all G20 countries with the exception of China (+ 1.8%) will have suffered recession in 2020. Although a fragile recovery is expected next year, in many countries output at the end of 2021 will still be below levels at the end of 2019, and well below what was projected prior to the pandemic.</p> <p>You can find a real GDP projection by country here.</p>
ASIA	
Japan	<p>The <u>Japan International Cooperation Agency (JICA)</u> launched a research project entitled "International Cooperation in the Post-Corona World". In this context, JICA's President discussed on September 15 initiatives of a "Post-corona World" with the President of the International University of Japan. It was discussed how strengths of Japanese companies and society could be used to rebuild a post-corona world in a better way. During the discussion it was pointed to the relevance and the replicability of the Japanese model in other countries that are trying to build a resilient, sustainable and inclusive society after the corona crisis.</p> <p>A main pillar of JICA's project will be to foster international cooperation. Other examples of JICA's initiative in this sense are:</p> <ul style="list-style-type: none"> • <u>Project NINJA</u> (Next Innovation with Japan): Ninja will target startups and organizations from 19 African countries. The application is open for startups/organizations in all sectors with a specific focus on emerging businesses in COVID-19-related fields (the construction sector is not explicitly among these fields); • Several ODA Loan Agreements contributing to COVID-19 crisis response; • <u>Promotion of international cooperation in the health sector</u>: JICA led a debate on how to mobilize funds for international cooperation in the field of public health. Turning to the international situation under the current COVID-19 crisis, it was pointed out that, in addition to the absence of leaders promoting international cooperation to cope with the pandemic, China's actions have made international cooperation difficult. He emphasized that, in this situation, Japan should make an international contribution by disseminating the Japanese model of public health and by exercising its influence in international organizations (cf. JICA).



LATIN AMERICA		
	Fact/Measures for Construction	
Chile	<p>The <u>Chilean government is inviting bids for 165 projects as part of its plans to reactivate the economy and generate employment</u>. The programme is the second call for tenders as part of the government's 'step by step' plan for economic recovery. The new batch of 165 public tenders involves a total investment of almost US\$400m. The minister for public works, Alfredo Moreno, explained that there are works, consultancies and services in all regions of the country to build new roads, water systems, parks and all kinds of works. The first major call for bids for works under the 'Paso a Paso Chile se Recupera' plan took place last month and involved the publication of 150 bids (11 September).</p>	
NORTH AMERICA		
	General Facts/Measures	Facts/Measures for Construction
United States	<p>After weeks of stalled negotiations over the next round of federal coronavirus aid, a <u>bipartisan group of 50 House lawmakers has prepared a new proposal designed to bring together Washington's divided factions and restart negotiations ahead of the November election</u>.</p> <ul style="list-style-type: none"> • The proposal includes another round of US\$1,200 direct payments to individuals - a provision that Democrats, some Republicans and the White House all support; • It would provide again the Paycheck Protection Program for small businesses with another US\$95 billion; • It would revive federal supplemental unemployment benefits at a level of US\$450 per week for eight weeks; • It would also allocate another US\$500 billion to state and local governments — a major priority for Democrats, who originally asked for US\$1 trillion in new aid — on top of the US\$130 billion remaining from the CARES Act; • There's also US\$100 billion for virus testing and tracing and public health, US\$25 billion for mortgage and rental assistance, US\$130 billion for schools, US\$15 billion for the Postal Service, and US\$400 million for elections; • The plan would also extend the deadline for the 2020 Census and include expanded protections for workers along with liability protections for businesses and schools. 	<p><u>Download the State by State Coronavirus status updates (cf. ENR)</u></p> <p><u>Construction's employment growth eased modestly in August, adding 16,000 jobs from July's total</u>, but the industry's workforce still was down by 294,000 from the year-earlier level, the Bureau of Labor Statistics (BLS) has reported. The BLS report on U.S. employment also showed that construction's August unemployment rate reflected a similar picture, improving to 7.6% from July's 8.9%. But that was still more than double the August 2019 rate of 3.6% (cf. ENR) (4 September).</p> <p>Commercial aviation has suffered some of the worst blows of the Covid-19 pandemic, and yet, many <u>US airport construction projects are ongoing</u>. The Salt Lake City International Airport, for example, is about to open its US\$4.1 billion facility on 15 September, starting with a new terminal and its first concourse. Construction has spanned six years and was preceded by approximately two decades of planning. On the bright side, the dramatic drop in passenger numbers has allowed Salt Lake airport officials to bump up the next phase of the airport's construction by two years — now on track to save about US\$300 million, according to reports. Instead of having to operate both the new and old airport as previously planned, the lower demand will allow all operations to move into the new facility by the end of October and pave the way for demolition of the old airport to begin sooner (14 September).</p>



	It's likely that the proposal will face strong opposition in the Republican-led Senate. The Senate has been adamant that the price tag of any new package should not exceed US\$1 trillion, the size of the original <u>HEALS Act proposal</u> released in July. The original proposal from Democrats, on the other hand, was worth US\$3.4 trillion (cf. Forbes) (15 September).	
AFRICA		
	Facts/Measures for Construction	
South Africa	Data released by Statistics South Africa has shown that South Africa's construction sector contracted by 33.4% in the second quarter of 2020 as a result of the <u>Covid-19 pandemic</u> . This is a decline of 76% on an annualized basis for construction. The South African economy as a whole saw its Gross Domestic Product (GDP) decline by an annualized 51% in the second quarter of 2020, its fourth consecutive economic decline recorded. While many sectors were badly impacted construction suffered one of the biggest losses, with the sector hit by a very strict lockdown in April which only gradually eased in May and June. South Africa's construction industry is forecasted to contract by 14.3% in 2020 (10 September).	



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