



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>

**Costa Rica**

Country/Region	General measures	Measures for construction
<b>COSTA RICA</b>		
<b>Lockdown</b>	<p><a href="#">Costa Rica had begun a gradual phasing out of lockdown restrictions in May</a>. The start of May saw sports centres, cinemas, and hairdressers able to reopen, albeit with limited capacity and strict social distancing and hygiene measures in place.</p> <p>However, <a href="#">Costa Rica experienced a surge of infection cases in the second half of 2020 (around June)</a>, which delayed the easing of confinement measures and led to a prolongation of the confinement and a tightening in strongly affected regions.</p> <p>Since September, <a href="#">many services have been allowed to reopen with up to 50% of their capacity</a> (cf. OECD) (December 2020).</p>	<p>There has been no halt or suspension of construction work. However, measures have been implemented to protect employees and prevent contagion. Works could continue as usual for road infrastructure projects.</p> <p>Companies were following the recommendations issued by the Government authorities to prevent contagion.</p>
<b>Economic outlook</b>	<p>After a deep recession in 2020, <a href="#">GDP is expected to recover gradually in 2021 (by 2%) and gain momentum in 2022 (by 3.8%)</a>. Uncertainty related to high public debt will weigh on investments. The rebound of the US economy should help exports recover (cf. OECD) (December 2020).</p> <p><b>Economic support measures</b></p> <ul style="list-style-type: none"> <li>• Law that allows for the deferral of the payment of some taxes (VAT and Selective Consumption Tax);</li> </ul>	<p>The <a href="#">Costa Rican Chamber of Construction (CCC) sent a letter on July 24 to the President of the Republic, Carlos Alvarado, requesting him to indicate which concrete actions the government will implement to address the imminent deepening of the crisis that is looming for the construction sector</a>.</p> <p>The economic activity of the construction sector has shown decreasing rates from December 2018 to April 2020, which represents 17 consecutive months of decline.</p>

	<ul style="list-style-type: none"> <li>• Law that allows for the reduction of working hours with a proportional reduction of wages and allows the employer to implement it by means of a unilateral decision. This applies for a period of three months, but it is possible to extend it to two more months under exceptional conditions;</li> <li>• Commercial banks should make credit conditions more flexible and improve them.</li> </ul>	In April 2020, the construction rate decreased 11.4% year-on-year, as a result of a 13.8% reduction in construction for public use and 8.8% in construction for private use (26 June).
<b>Employment</b>	<a href="#">Recovery remains subdued due to high unemployment</a> (cf. OECD) (December 2020).	According to the president of the CCC, the indifference towards the situation of the construction sector, has been endangering many jobs, mainly of people with low levels of education, which would increase the serious social problem that the country would already be facing (26 June).

## Other Overviews

The OECD LAC Regional Programme (including Argentina, Brazil, Chile, Colombia, **Costa Rica**, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Panama, Paraguay, Peru and Uruguay), provides an update of the situation, that can be downloaded hereunder (cf. OECD) (20 November):

- Concerning [selected Health measures implemented in response to the Covid-19 crisis in LAC](#)
- Concerning [vaccine strategies in response to the Covid-19 crisis in selected LAC countries](#)
- Concerning [selected Social policy measures implemented in response to the Covid-19 crisis](#)