



Since March 25, 2020

Confederation of International Contractors' Associations (CICA)

Strategic Watch: COVID-19 Overview by country and region (situation at February 1st, 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>

Colombia

Country/Region	General measures	Measures for construction
COLOMBIA		
Lockdown	<p>Colombia took early actions to limit the spread of the virus, but economic disruptions associated with the pandemic (including lower oil prices) are expected to generate the first recession in two decades (26 June).</p> <p>A nationwide lockdown lasted from late March to early September 2020 and was subsequently replaced by targeted and selective measures (cf. OECD) (December 2020).</p>	<p>There were more than 1,900 housing projects that have shut down due to the worldwide health crisis, according to the Colombian Chamber of Construction (Camacol).</p> <p>Colombia has expected construction to be one of the first sectors of the economy to be restarted from April 27, the day on which the mandatory quarantine decreed by President Iván Duque was to end. Among the construction sectors being considered as part of the restart are contractors and the construction supply chain. Non-professional builders continued however to be subject to the lockdown (27 April).</p>
Economic outlook	<p>Growth has rebounded in many sectors of the economy, except for the tourism and entertainment industry. The fall in GDP was around 8 ¼ % in 2020 (cf. OECD) (December 2020).</p> <p>In Colombia, growth is projected to reach 4.9% in 2021, underpinned by solid domestic demand. The energy sector is expected to benefit from rising oil prices. Growth is projected to be sustained at 4.3% in 2022 (cf. IMF) (January 2021).</p> <p>The IMF approved a successor two-year arrangement for Colombia under the Flexible Credit Line (FCL), designed for crisis prevention, of about US\$10.8 billion (1 May).</p>	<p>The National Association of Financial Institutions has already estimated that in 2020, the Colombian economy will see, at best, only modest growth due to the economic effects of the crisis.</p> <p>One of the sectors expected to see some of the greatest difficulty is construction, which could have growth of 1.6% in a base scenario and -0.1% in a less optimistic scenario (17 July).</p>

Employment	<p>According to the OECD, unemployment is already starting to see a moderate decline. Employment remains however more than 10% below its January 2020 levels (cf. OECD) (December 2020).</p>	<p>In February, construction generated 255,000 new jobs in Colombia, consolidating itself as one of the most important sectors within the national labor market. Likewise, the industry had been generating around 1.7 million indirect jobs.</p> <p>In general, Colombia's construction industry employs 7% of the national workforce and generates 8% of GDP.</p>
Recovery	<p>Economic support measures</p> <p>Argentina, Brazil, Colombia and Peru have announced temporary expansion of some of their cash transfer and in-kind programs, and additional transfers to reach vulnerable people not covered by existing programs. Some financial intermediaries are postponing credit payments for the most vulnerable firms and households.</p> <p>To help business and household cash flows, Argentina (and others such as Brazil, Chile, Colombia, Costa Rica, Dominican Republic, El Salvador, Paraguay and Peru) has announced the deferral or temporary reduction of certain tax payments, as well as temporary payment cancellations for selected public utilities or the suspension of social security contributions.</p>	<p>The Colombian Chamber of Construction (CAMACOL) has welcomed the National Government's announcements aiming to define measures to stimulate the demand for housing in the country. Ensuring subsidies for social housing and implementing an instrument to encourage investment in non-social interest housing are seen as fundamental actions to reactivate the economy, the sector and generate more jobs according to the Chamber (27 May).</p> <p>In this context and as of January 2021, CAMACOL stated that they will start the construction of 149,700 houses, 26% more than in 2020. Concerning Social Interest Housing, there was an annual growth of 26.6% in November, reaching 13,906 units; while in Non-Social Interest Housing there was an annual growth of 29.4%, reaching 6,872 units. According to CASALCO representatives, this is an example of how the construction sector represents a motor for the country's recovery, in terms of housing, employment and growth (19 January 2021).</p>

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](#)