

TOPTEN  
ARCHITECTS 2021

# BCI ASIA AWARDS 2020/2021 HONG KONG

RECOGNISING THE LEADERS IN **ARCHITECTURE & CONSTRUCTION**

## TOP 10 ARCHITECTS

AEDAS  
AGC DESIGN LIMITED  
ANDREW LEE KING FUN & ASSOCIATES ARCHITECTS LIMITED  
DLN ARCHITECTS LIMITED  
LEAD 8 INTERNATIONAL LIMITED  
LWK + PARTNERS  
P&T GROUP  
RONALD LU & PARTNERS  
WONG & OUYANG (HK) LTD  
WONG TUNG & PARTNERS LIMITED

HONG KONG - INDONESIA - MALAYSIA - PHILIPPINES - SINGAPORE - THAILAND - VIETNAM

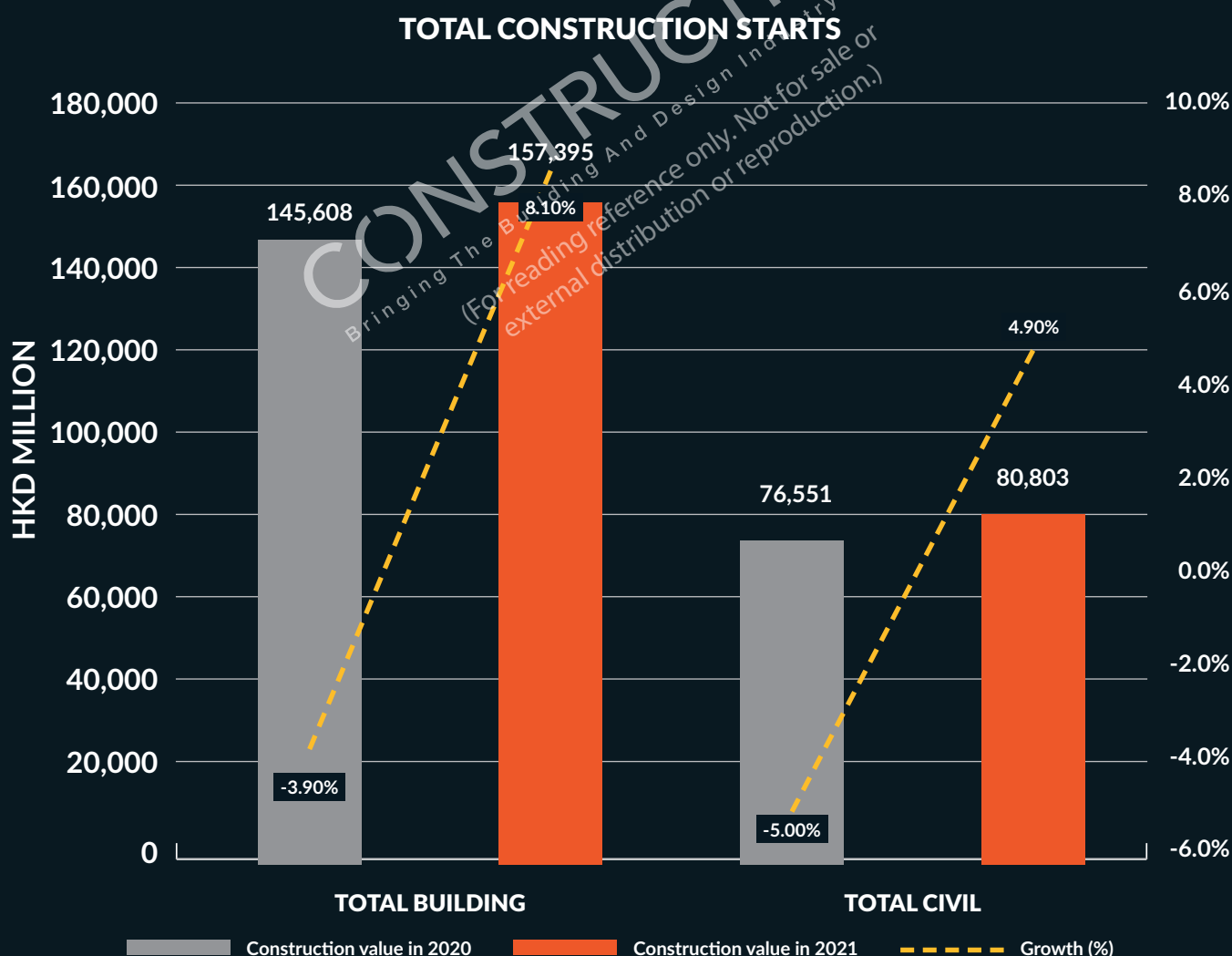


## A YEAR AFTER THE PANDEMIC: HOW IS HONG KONG CONSTRUCTION RECOVERING?

This is a special In The Spotlight segment where we talk to BCI Asia Top Ten 2021 firms and their top executives to find out how they kept their businesses alive, and thriving, during the harsh pandemic climate of last year.

There have been significant disruptions in the construction industry since the onset of social unrest, followed by the COVID-19 pandemic. Delays in the government approval process, tightened social distancing rules, remote working and split shifts, and the occasional suspension of work on project sites, were some of the hindrance of progress in the construction industry.

Total construction starts were seen to have contracted by 4.3 per cent in 2020 when the pandemic hit the industry the hardest. As the situation improved and the sector started to recover, the total construction starts for 2021 are seen to reach a 7 per cent climb to approximately HKD237.7 billion. Several factors are in play, including the announcement from Financial Secretary Paul Chan about allocating spending of



HKD100 billion annually for the next five years. The targeted projects are those that will enhance the quality of life and living conditions of the citizens, which include affordable housing, hospitals, railway networks and other civil and infrastructure developments. The pledge is also a means to revive the important industry of the economy and create a multiplier effect that would reach across sectors.

In terms of contribution to the total, the building category is expected to provide around 66 per cent of construction activity, which is a 8.1 per cent year-on-year increase that is equal to MYR157,395 million. The remaining 34 per cent is from the civil sector, which is predicted to gain a 4.9 per cent rise to HKD80,308 million for the entire year 2021.

Based on the BCI Asia Research and Economics' data, some sectors are benefitting from government initiatives as well as the current investment landscape and showing increasing positive trends this year i.e., health (100.9 per cent), community (40 per cent), recreation (10.2 per cent), office (4.9 per cent) and residential (3.4 per cent). A key component of the building sector, residential, continues to be supported by the government as boosting land and housing supply is prioritised. On the other hand, education (-60.9 per cent), industrial (-21.6 per cent), hospitality (-13.7 per

cent), and retail (-12.2 per cent) remain subdued, especially for the latter sectors as these had been hit hard by the pandemic.

The uncertain path of the health crisis is the major challenge amid the positive developments anticipated for the sector. Despite this, opportunities lie in improving productivity in construction such as investing in innovative technologies including AI and satellite navigation, to name a few. The government's support remains crucial for the recovery of the sector and the whole economy with the vaccination rollout among its important tools.

Matthias Krups, Chairman and Founder of BCI Media Group, said that how resilient the construction sector in our Southeast Asian region has proven to be, and how well the industry has responded to the series of lockdowns and stop-starts of economic activity were truly inspiring. The region's construction market has come out at the other end of COVID-19 with renewed optimism and energy.

"It's important to keep a close eye on the market—where are the opportunities, where are the risks, and what is the data telling us today about the situation tomorrow, next year and beyond. This is where BCI has its calling, and this is where we will not falter in playing our role as the market's salient authority for construction intelligence," he concluded.

## HONG KONG CONSTRUCTION START FORECAST 2021

