

Technology Industries of Finland



COVID-19: Impact on the engineering and construction sector in FINLAND – status 11/2020

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Current status of COVID-19 in Finland

- **Second wave of COVID-19** is currently active in Finland.
- Total number of cases since the beginning of the outbreak in March is app. **18 000** with **363 deaths**.
- Currently there are **100-200 new cases per day** and they appear as local clusters.





Worst hits have been in the retail and hospitality sectors. Disruption is widely spread also to the manufacturing industries, forest and chemicals, automotive and aviation. Effects have now filtered through sectors and start to cumulate.

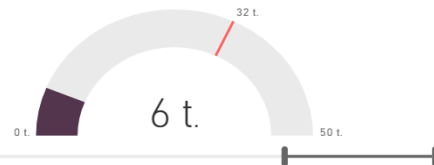
In the CE and construction sectors have slowed down, and further downward trend it is expected in 2021.

Residential housing construction:

New projects and building permits have a downward trend since last summer

Raksu

2020 - asuntoaloitukset ja Raksun vuosiennuste

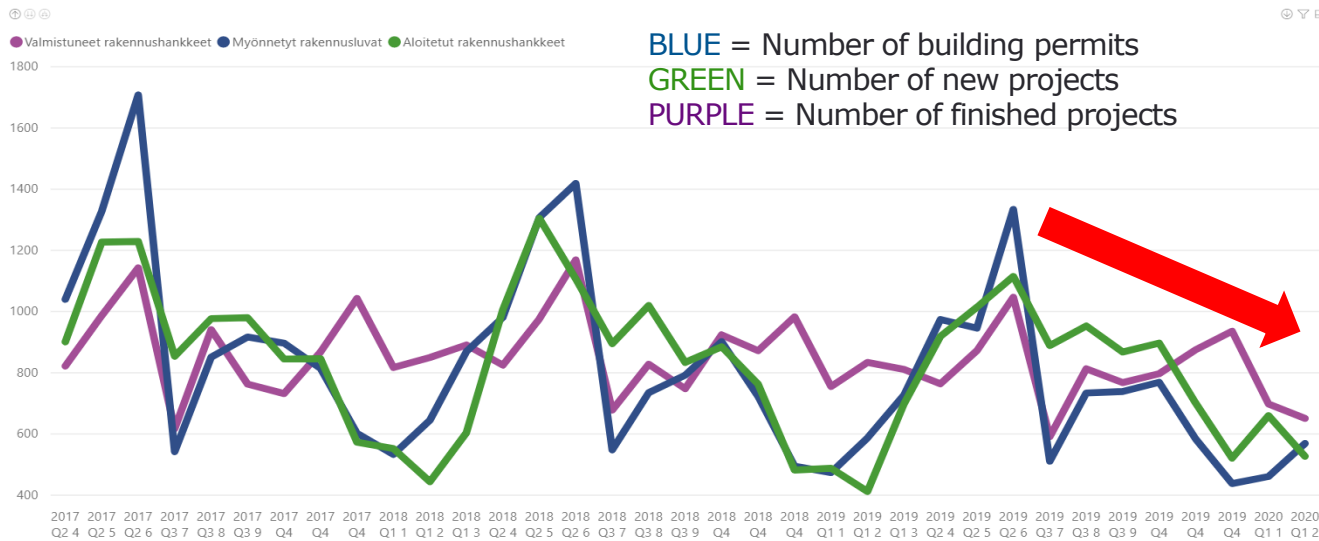


3.3.2017 1.2.2020

Tieto

- Asunnot (kpl)
- Hankkeet (kpl)
- Kerrosala (m2)
- Tilavuus (m3)

- 01 Asuinrakennukset
- 011 Pientalot
- 012 Kerrostalot
- 013 Asuntolarakennukset
- 014 Erityisryhmien asuinrakennukset
- 02 Vapaa-ajan asuinrakennukset
- 02-19 Muut kuin asuinrakennukset
- 03 Liikerakennukset
- 03-05 Liike- ja toimistorakennukset
- 04 Toimistorakennukset
- 05 Liikenteen rakennukset
- 06 Hoitoalan rakennukset
- 06-08, 13 Julkiset palvelurakennukset
- 07 Kokoonntumisrakennukset
- 08 Opetusrakennukset
- 09 Teollisuuden ja kaivannaistoimien...
- 09-12 Teollisuus- ja varastorakenn...
- 10 Energiahuoltorakennukset
- 11 Yhdyskuntatekniikan rakennuks...
- 12 Varastorakennukset
- 13 Pelastustoimen rakennukset
- 14 Maatalousrakennukset ja eläins...



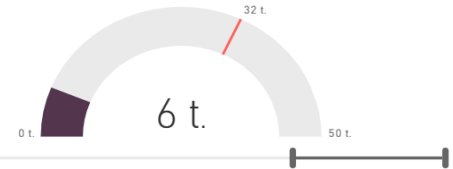
Public Buildings:

New projects and building permits have a downward trend since last summer

Raksu

Rakennustuotanto ilman kumuloituvia summia

2020 - asuntoaloitukset ja Raksun vuosienuste



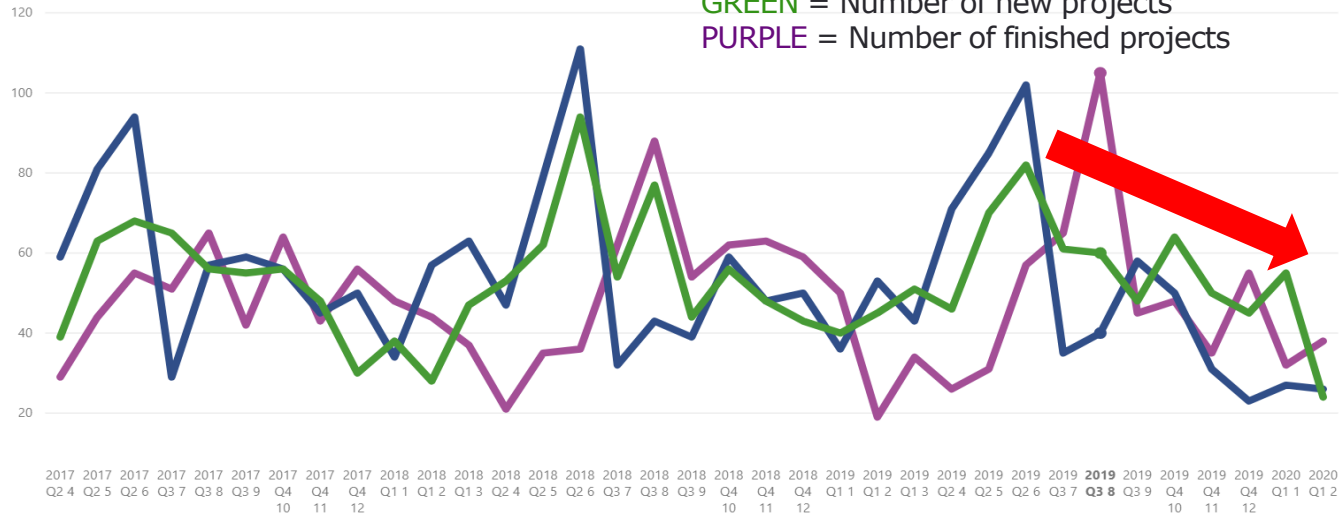
3.3.2017 1.2.2020

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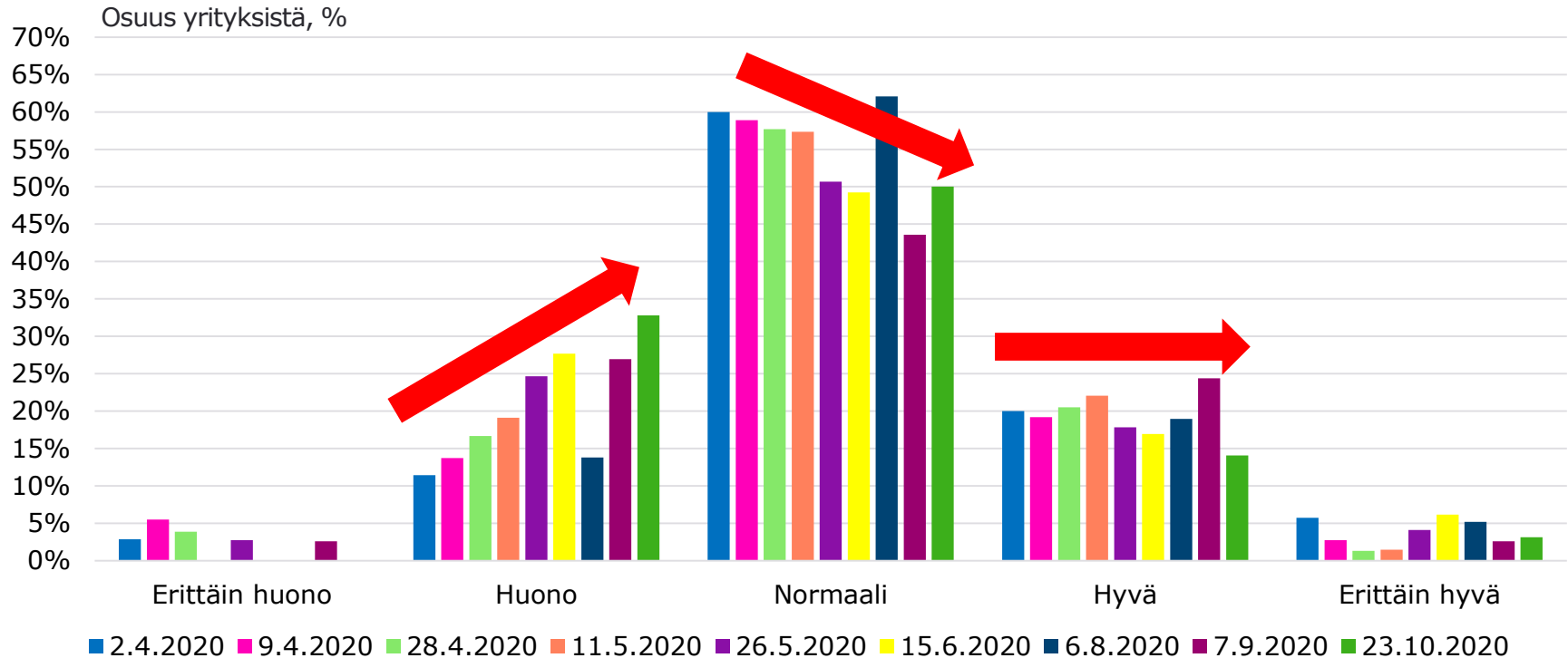
Valmistuneet rakennushankkeet Myönnytyt rakennusluvut Aloitetut rakennushankkeet

BLUE = Number of building permits
GREEN = Number of new projects
PURPLE = Number of finished projects

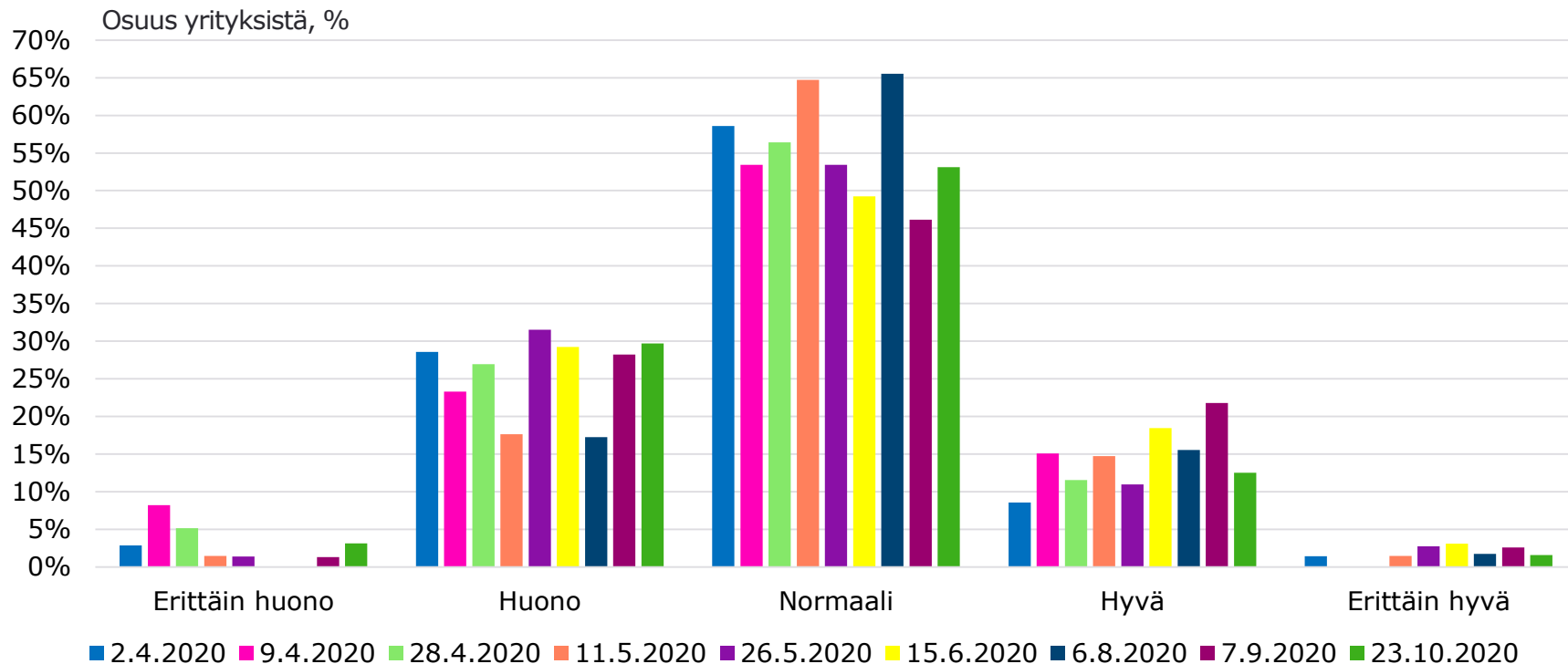


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- 14 Maatalousrakennukset ja eläintalouden rakennukset
- 19 Muut rakennukset
- SSS Yhteensä

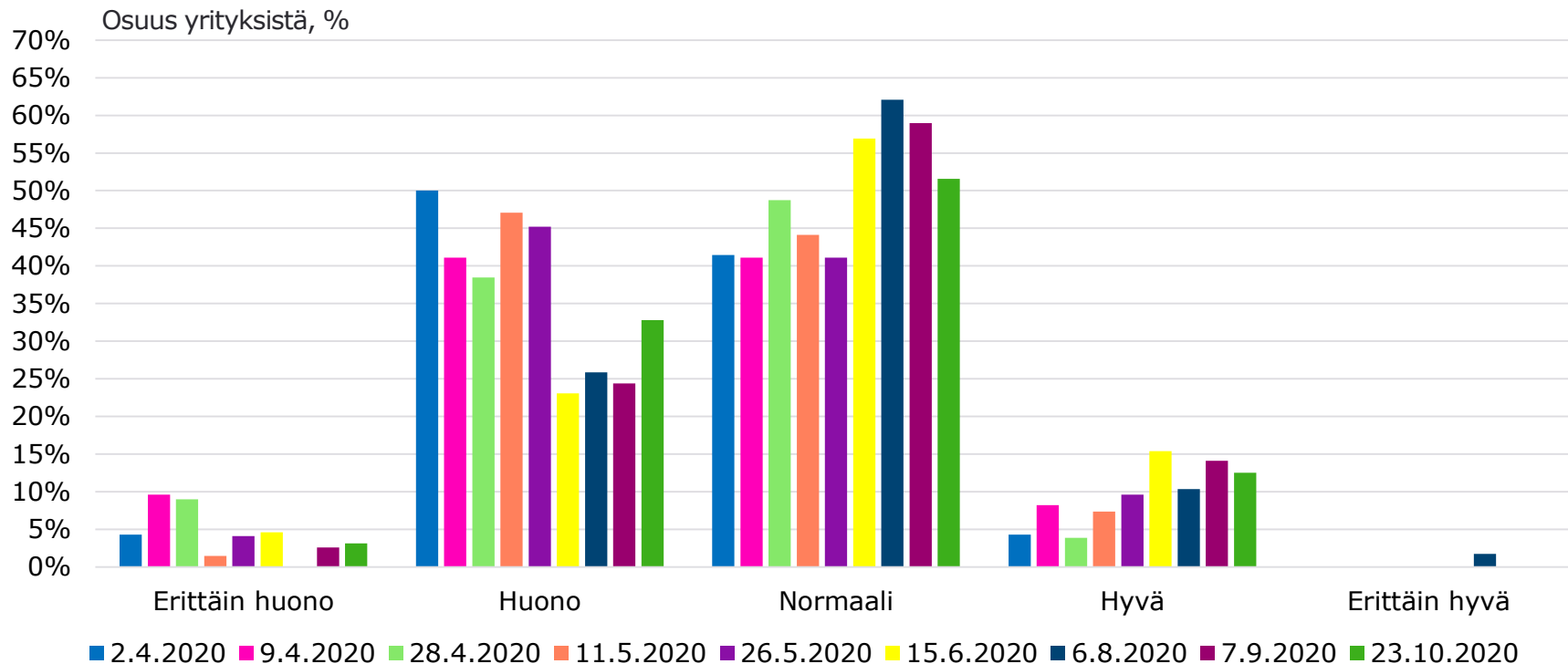
33 % of the CE firms find overall market either bad or very bad NOW – share has significantly increased since April



33 % of the CE firms find overall market either bad or very bad in a month



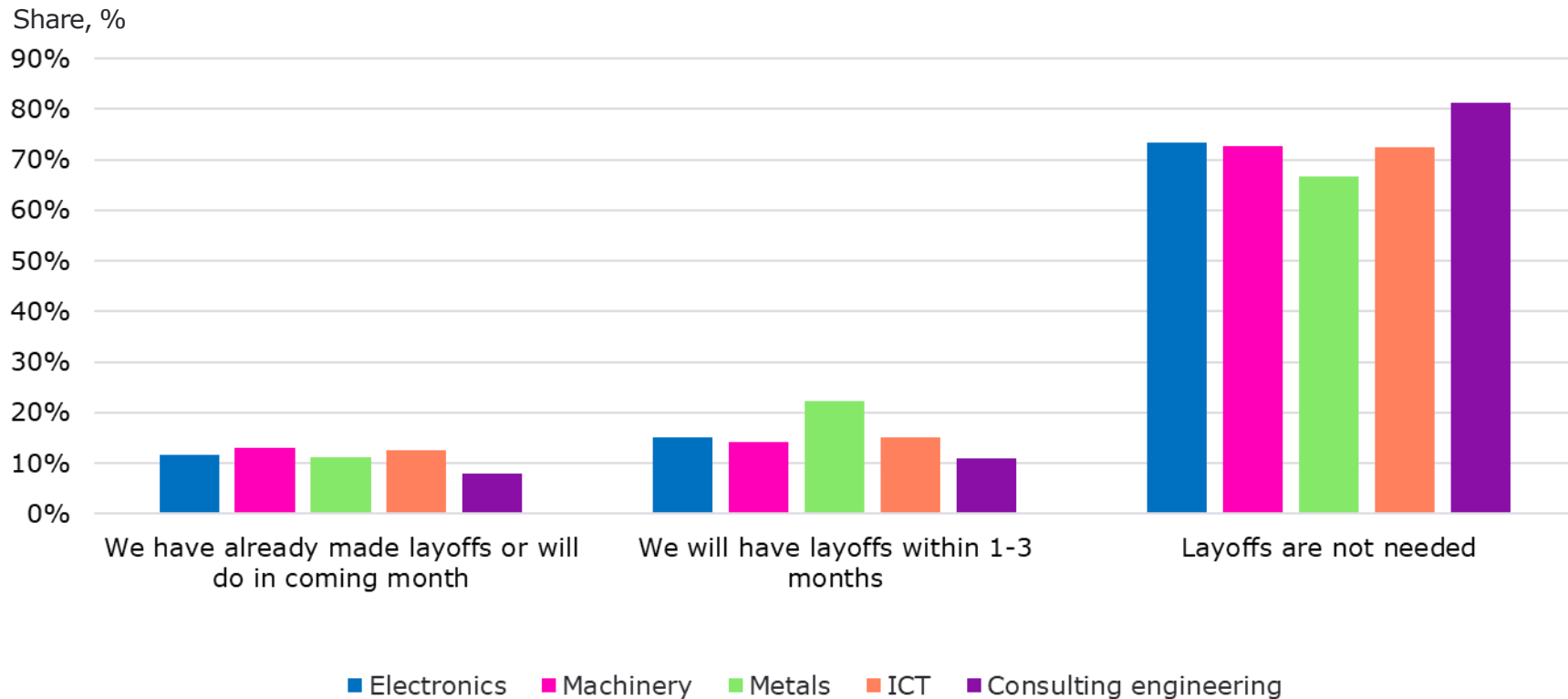
36 % of the CE firms find overall market either bad or very bad in next 3 months





Remote working has been successful, but employment has weakened also in service industries as projects are completed and lack of new orders.

Large scale permanent layoffs are not expected, but 20 % of consulting engineering firms have already downsized their organisation





Current COVID-19 restrictions in Finland and exit-strategy

Finland follows a hybrid strategy with testing and locally set restrictions

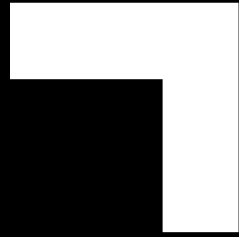


- **Most shops, public buildings and public transportation operate normally**
 - Recommendation to wear mask, but no sanctions involved
- **Schools and kindergartens have been open since May onwards**
 - Universities are working mainly remotely
- **Restrictions to restaurants and large gatherings**
 - Night-clubs have to close by midnight, restaurants serving mainly food are allowed to stay open
 - Sports events, competitions and training sessions are allowed with safety measures
- **Other ongoing restrictions**
 - Entry to Finland is limited and restrictions vary country by country.
 - Local restrictions may apply depending of epidemic phase.
- **Ongoing recommendations**
 - Working from home if whole Finland until 31.12.2020
- **Full updated list of restrictions:**
 - <https://valtioneuvosto.fi/en/information-on-coronavirus/current-restrictions>

Exit-plan: Focus on support to business, sustainable investments and RDI



- **Financial aid to firms**
 - Substantial aid packages to for example SME's and to RDI activities.
- **Temporary amendments to labour laws (until 31.12.2020)**
 - Legal advise with broad spectrum of topics
 - Shorter notice times, CE personnel so called "5+5+5 days" -rule
 - Changes to annual holiday season
 - Number of detailed exceptions
- **Recommendations and legal advise**
 - Contractual interpretations
 - Application of Force majeure -conditions
 - Notice and reclamation periods



Teknolohiateollisuus