



# **The Legal 500 Country Comparative Guides**

## **Ireland**

# **CONSTRUCTION**

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This country-specific Q&A provides an overview of construction laws and regulations applicable in Ireland.

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## IRELAND CONSTRUCTION



### 1. Is your jurisdiction a common law or civil law jurisdiction?

Ireland is a common law jurisdiction. Common law principles and jurisprudence of the Irish Courts are relevant to all Irish construction projects and contractual arrangements.

### 2. What are the key statutory/legislative obligations relevant to construction and engineering projects?

The statutory obligations relevant to Irish construction and engineering projects extend to a wide range of legislation including at both Irish and EU level. The applicable requirements will depend on the nature of the construction project and the purpose to which the completed works will be used.

Note: Reference to any statutory provision in this Chapter should be taken to include any statutory provision which amends it.

There a number of key statutory obligations, however, which will apply to construction projects generally, as follows:

#### Building Regulations / Building Control

The Building Regulations (1997 - 2019) prescribe the standards to which completed construction works must comply including in relation to structure, fire, materials and workmanship, sound, ventilation, drainage etc. The Building Control Act 1990 and 2007 and the underlying Building Control Regulations (1997-2021) set out the regime by which compliance with the Building Regulations is demonstrated. This regime was substantially overhauled in 2014 with the Building Control (Amendment) Regulations 2014 which provided for a new regime of certification and the appointment of particular individuals to a project for the purposes of inspection and certification (known as the "Builder", "Assigned Certifier" and "Design Certifier")

#### Construction Contracts Act 2013

The Construction Contracts Act 2013 introduced statutory adjudication to Ireland for the first time. While this regime has much in common with the English law regime of adjudication, there are some differences including that the Irish statutory adjudication is applicable to disputes relation to payment only. The 2013 Act also introduces minimum requirements in respect of payment for construction contracts and minimum payment terms for subcontracts.

#### Sectoral Employment Orders (under the Industrial Relations (Amendment) Act 2015

These orders set out rates of pay and related requirements in respect of certain categories of construction work.

#### Health and Safety

The Safety, Health and Welfare at Work (Construction) Regulations 2013 sets out particular obligations and duties in relation to construction work (including in relation to design and construction of works). Parties should also be aware of the Safety, Health and Welfare at Work Act 2005, which contains the overarching principles and duties in respect to health and safety.

### 3. Are there any specific requirements that parties should be aware of in relation to: (a) Health and safety; (b) Environmental; (c) Planning; (d) Employment; and (e) Anti-corruption and bribery.

For a) see above.

There is a significant body of environmental legislation in Ireland which may be applicable to a particular construction project depending on the nature of the project and the intended use of the works post completion. The need for waste licences and/or other environmental permits should always be investigated before commencing a construction project.

Certain projects (including large residential projects) will require an environmental impact assessment (EIA) to be carried out prior to the grant of planning permission and/or other environmental licences.

Planning Permission will be required for the vast majority of construction projects. The planning permission regime is governed by the Planning and Development Acts 2000-2018 (as amended).

For d) See above.

The Criminal Justice (Corruption Offences) Act 2018 applies to both the public and private sector and legislates against a number of offences including gifts, intimidation, trading in influence etc. which may apply to a construction project.

Other legislation which may be relevant is the Regulation of Lobbying Act 2015, the Ethics in Public Office Act 1995 and Criminal Justice (Money Laundering and Terrorist Financing) Acts 2010-2021.

It is not uncommon on larger construction projects (particularly projects with international stakeholders) for parties to introduce their own internal policies or requirements from other countries into individual contracts.

#### 4. What permits/licences and other documents do parties need before starting work, during work and after completion? Are there any penalties for non-compliance?

The extent of permits/licences and/or other documents will largely depend on nature of the construction project and the extent of the works being carried out. In general, construction projects in Ireland will require the following prior to commencement of works:

- **planning permission** (under the Planning and Development Acts 2000-2018)
- the issuance of a **Commencement Notice** to the local building control authority (together with related documentation) pursuant to Building Control Regulations
- A **fire safety certificate** (FSC) and a **disability access certificate** (DSC) under the Building Control Regulations. These certificates should be in place prior to or shortly after commencement of works otherwise expensive remedial works may be required to bring the works into compliance.
- Where the proposed works are planned to last

longer than 30 working days or 500 person days, the Health and Safety Authority must be notified of: (i) the appointment of the project supervisor for the design process (PSDP) before the design process begins on a project (**Form AF 1**) and (ii) the appointment of the project supervisor for the construction stage before construction work begins (**Form AF 2**).

- On completion of the works, pursuant to the Building Control Regulations, a **Certificate of Compliance on completion** must be issued and the details of such certificate must be entered upon the statutory register before the works can be opened, occupied or used.

#### 5. Is tort law or a law of extra contractual obligations recognised in your jurisdiction?

Yes, as a common law jurisdiction, tort law provides a further remedy for parties to a construction contract. It is common for a claim in tort for negligence to be made against construction professionals in particular.

#### 6. Who are the typical parties to a construction and engineering project?

The following are the typical parties involved in a construction project:

- Employer,
- Building Contractor,
- Consultants - the consultants may be appointed by the Building Contractor or directly by the Employer depending on whether the works are being procured as a "design & build" or "build only" (see further below).
- Sub-Contractors, appointed by the Building contractor in respect of particular packages. Typically, the building contract will provide that the sub-contractors are "domestic" to the Building contractor and the Building contractor will be fully responsible for the design and workmanship of the sub-contractors (even where there is a separate design team retained and/or where the Employer has "selected" the sub-contractor).
- Sub-Consultants, appointed by the Consultants. Where there is a "single point of responsibility" design team structure in place, the majority of the design team will be appointed as sub-consultants to one lead designer.
- Statutory appointees:

The Safety, Health and Welfare at Work (Construction) Regulations 2013 require the appointment of the following parties for the majority of construction projects (see above):-

- Project Supervisor for the Construction Stage
- Project Supervisor for the Design Stage

The Building Control (Amendment) Regulations 2014 require the appointment of the following (see above):-

- Assigned Certifier
- Design Certifier
- Builder

## 7. What are the most popular methods of procurement?

There are various methods of procuring construction projects in Ireland however the main methods are:

Design and build - this is where the building contractor is appointed in respect of the design and construction of the works providing a single point of responsibility for the Employer.

Build only - known as the "traditional" form of procurement, the building contractor in this scenario is responsible for the construction of the works only and the design is provided by a separate design team appointed directly by the Employer.

## 8. What are the most popular standard forms of contract? Do parties commonly amend these standard forms?

There are a number of standard forms in Ireland:

The Royal Institute of Architects of Ireland (RIAI) standard forms - the RIAI standard forms are the most common form of contract in use in Ireland. The RIAI is typically amended quite heavily for larger construction projects, although the majority of amendments are market standard.

The Institution of Engineers of Ireland, Contract for Works of Civil Engineering Construction (IEI) - the IEI form is the Irish form of engineering contract and often subject to heavy amendment.

The International Federation of Consulting Engineers (FIDIC) - the FIDIC forms of contract are regularly used in Ireland, typically for infrastructure projects.

Other forms of contract commonly used in Ireland are the UK Joint Contracts Tribunal forms (JCT) and the New Engineering Contract (NEC) forms (particularly in the transportation sector).

A new form of contract, the Private Sector Contract for Building and Engineering Works Designed by the Employer (PSC) was introduced in 2020. This is not yet in widespread use. The Covid-19 pandemic may have slowed the adoption of this new form in the short-term.

## 9. Are there any restrictions or legislative regimes affecting procurement?

EU laws on procurement effect the procurement of public contracts for works and services in the Irish construction sector. These laws have been transposed into Irish law as follows (each as amended):

- The European Union (Award of Public Authority Contracts) Regulations 2016 (SI 284/2016)
- The European Union (Public Authorities' Contracts)(Review Procedures) Regulations 2010 (SI 130/2010)
- The European Union (Award of Contracts by Utility Undertakings) Regulations 2016 (SI 286/2016)
- The European Union (Award of Contracts by Utility Undertakings)(Review Procedures) Regulations 2010 (SI 131/2010)
- The European Union (Award of Concession Contracts) Regulations 2017 (SI 203/2017)
- The European Union (Award of Concession Contracts)(Review Procedures) Regulations 2017 (SI 326/2017)
- The European Union (Award of Contracts Relating to Defence and Security) Regulations 2012 (SI 62/2012)

Whether a project will be required to comply will depend on whether the EU mandated financial thresholds available here:

<https://www.gov.ie/en/news/fc9e9-revision-of-eu-thresholds/>

Public works contracts are required to be procured under the suite of standard form public contracts available at: [www.constructionprocurement.gov](http://www.constructionprocurement.gov).

## 10. Do parties typically engage consultants? What forms are used?

It is usual for professional consultants to be appointed to construction projects to carry out the design and provide

other professional services (e.g. quantity surveying or project management services).

These professional consultants can be appointed by the Employer or the Building Contractor depending on how the project is procured (i.e. design/build or build only).

A core professional team for a project will usually consist of an architect, mechanical & electrical engineer, civil & structural engineer and a quantity surveyor although the professional team can expand significantly with the size and nature of project to include consultants such as: fire consultant, sustainability consultant, arborist, landscaping consultant, interior design consultant, planning consultant etc.

Typically, these consultants will be appointed under bespoke forms but there are industry standard forms which are used from time to time, particularly on smaller projects including:

- RIAI Agreement between Client and Architect for the provision of Architectural Services
- the ACEI SE 9101 (Conditions of Engagement: for the appointment of Consulting Engineer for Structural Engineering Work where the Engineer is not the Lead Consultant)
- ACEI SE 9202 (Conditions of Engagement: for the Appointment of Consulting Engineering for Structural Engineering Work where the Engineer is Lead Consultant,
- ACEI ME 2000 (Conditions of Engagement: for the Appointment for Consulting Engineers for Engineering Services and Association Associated Equipment for Buildings and other Structures),
- ACEI RA 9101 (Conditions of Engagement: for the Appointment of Consulting Engineers for Report and Advisory Works)

For public contracts, the suite of appointments for consultants is available at [www.constructionprocurement.gov](http://www.constructionprocurement.gov)

## 11. Is subcontracting permitted?

There are no barriers to sub-contracting in Ireland save for the contractual arrangements between the parties (i.e. whether and the extent to which sub-contracting is permitted will depend on the contract).

It is usual on larger projects for sub-contractors to be considered “domestic” to the building contractor such that the building contractor is fully responsible for sub-contractor design even where separate design team retained however wording of contracts should be

checked to ensure this is clearly dealt with.

## 12. How are projects typically financed?

Financing for construction projects comes from a wide variety of sources including institutional banks, investment funds, alternative lenders and private equity firms. The last decade or more has seen an increasing role for alternative lenders and private equity firms as institutional banks adopted a far more conservative role to lending in the decade following the financial crisis of 2008. This approach is becoming less conservative in recent years.

## 13. What kind of security is available for employers, e.g. performance bonds, advance payment bonds, parent company guarantees? How long are these typically held for?

It is typical for an Employer to seek performance security from its building contractor. This is usually in the form of a performance bond from an independent surety for c. 10% of the contract sum. The value of a performance bond will typically reduce by 50% upon practical completion with full expiry of the bond in or around the expiry of the defects liability period under the contract (typically 12 months post practical completion).

Such bonds are rarely on demand in nature and depending on the wording of the bond, the liability of the building contractor will need to be established in accordance with the contract before a payment will be made by the surety. A formal determination at an independent forum of dispute resolution is not always required but this is dependent on the wording of the bond and the law in this area is not settled.

The most recent decision of the Irish High Court in Clarlington Developments Ltd v. HCC International Insurance Company Limited [2019] IEHC 630 found that the wording “established and ascertained under the contract” (wording that is commonly found in performance bonds) means that the dispute resolution provisions of the building contract had to be utilised to determine the liability of the building contractor before a call could be made on the bond. This marked a departure from the English court’s decision in Ziggurat [2017] EWHC 3286 which practitioners had widely expected to be followed in Ireland.

Bonding at sub-contractor level is not typical in Ireland but does arise on projects where there is a significant sub-contractor package.

In addition to performance bonds or in lieu of a performance bond, an Employer may also seek a parent company guarantee from the building contractor. The building contractor may also seek a payment guarantee (guaranteeing payment of the contract sum) from a guarantor of the employer although this is less common.

Advance payment bonds also arise in the Irish construction industry where large sums are being paid for long lead items in advance of the commencement of construction. Such bonds are typically on demand and will reduce/expiry upon delivery of the items to site.

There are other forms of performance security available in Ireland including, for example, retention bonds but these are less common.

#### **14. Is there any specific legislation relating to payment in the industry?**

The Construction Contracts Act 2013 sets out certain requirements in respect of payment under construction contracts including the requirement that construction contracts (which are broadly defined under the act) must provide for (i) the amount of each interim payment and the amount of final payment to be made and (ii) an adequate mechanism for determining these amounts. In addition, a construction contract must provide for (iii) a payment claim date for each amount due (or a mechanism for determining this) and (iv) the period between the payment claim date for each such amount and the date upon which the amount is due.

The act includes a schedule which applies to all sub-contracts (unless a sub-contract has more favourable payment terms) and shall apply to main contracts where such main contracts do not make provision for a payment claim date/ date upon which payment is due. The schedule provides for a payment claim date every 30 days and payment within 30 days of the payment claim date.

The Construction Contracts Act 2013 also provides for a regime of statutory adjudication for the resolution of disputes relating to payment.

#### **15. Are pay-when-paid clauses (i.e clauses permitting payment to be made by a contractor only when it has been paid by the employer) permitted? Are they commonly used?**

Pay-when-paid clauses are not permitted under the Construction Contracts Act 2013. Save for limited

circumstances (relating to insolvency), the act provides that: *“a provision in a construction contract is ineffective to the extent that it provides that payment of an amount due under the construction contract, or the timing of such payment, is conditional on the making of a payment by a person who is a party to the construction contract.”*

#### **16. Do your contracts contain retention provisions and, if so, how do they operate?**

Yes - retention provisions are standard in Irish building contracts. Typically, between 3-5% is retained from each payment certificate with 50% of the retention being released back to the building contractor on practical completion of the works and remainder being released on expiry of the defects liability period.

#### **17. Do contracts commonly contain delay liquidated damages provisions and are these upheld by the courts?**

It is standard for construction contracts in Ireland to provide for liquidated damages provisions in the event of building contractor delay.

The law in Ireland remains that liquidated damage provisions should be calculated on the basis of a genuine pre-estimate of loss. The decision of the English Courts in *ParkingEye [2015] UKSC 67* has not been accepted by the Irish courts and therefore the flexible approach to liquidated damages (i.e. the commercial justification rationale) should not be adopted here.

#### **18. Are the parties able to exclude or limit liability?**

It is common (in particular in consultant appointments) for parties to seek to limit liability for certain losses. The following limitations/exclusions frequently appear in Irish construction contracts:

- monetary cap on liability: it is quite common for consultants to seek to limit their liability to a level equivalent to their professional indemnity insurance. However, given the hardening of the professional indemnity insurance market, and particularly where such insurance is not available on an “any one claim” basis, such limitation is not always accepted.
- temporal cap on liability; where an agreement is executed by deed, the agreement will attract a 12 year limitation period. Parties will



- often seek to expressly reduce this to 6 years.
- net contribution clause (limiting the liability of a defaulting party to a “fair and reasonable” proportion of the innocent party’s losses) – see further below.
  - limitation to certain losses/remedies, (for example, cost of replacement/repair)
  - exclusion of indirect and consequential loss – parties often seek to exclude liability for indirect and consequential losses and this is often done on a mutual basis
  - liability for death/ personal injury – The market standard position is that liability for death and personally injury cannot be contractually excluded.

### **19. Are there any restrictions on termination? Can parties terminate for convenience? Force majeure?**

The ability to terminate will depend on the provisions of the contract.

The Employer will often reserve for itself the right to terminate for convenience in the contract but a contractor/consultant will not usually have this right. Termination for convenience provisions will often attract greater compensation for the party terminated.

In addition to termination for convenience, the following events are typically termination events under Irish construction building contracts/appointments:

- Non-payment
- Material breach (which is not cured upon notice)
- Insolvency

Force majeure is not always an automatic termination event. Often, a contract will provide that a force majeure will result in a suspension of the contract in the first instance leading to termination after a certain period of time (for example, six months).

### **20. What rights are commonly granted to third parties (e.g. funders, purchasers, renters) and, if so, how is this achieved?**

There is no third party rights legislation in Ireland (unlike in England & Wales).

In order to create privity of contract between a third party and the building contractor or professional consultant, these parties will be required to enter into a collateral warranty with such third party.

The third party will then be owed the same duties and obligations as the warranting party owes to the employer under the underlying agreement (i.e. the building contract). The collateral warranty will also typically provide that the warranting party (i) owes no greater liability to the beneficiary than it would owe to the employer under the underlying agreement and (ii) can rely on the same rights of defence as against the beneficiary of the collateral warranty as it would have under the underlying agreement (save for set-off and counterclaim).

It is typically for funders and first purchasers to receive a suite of collateral warranties directly in their favour from the main building contractor, professional consultants and material sub-contractors. On a second purchase or a refinance these collateral warranties may then be assigned onwards to a new beneficiary (subject to the assignment provisions in the collateral warranty). Whether a tenant receives a suite of collateral warranties will depend on the terms of its lease and its obligations in respect of repair etc.

### **21. Do contracts typically contain strict provisions governing notices of claims for additional time and money which act as conditions precedent to bringing claims? Does your jurisdiction recognise such notices as conditions precedent?**

Contractual wording which requires strict compliance with notice requirements as a condition precedent to recovery of claims by a Building Contractor is common in Irish building contracts. These provisions will cover the timing of notices but also the information required to be given.

Such provisions will be strictly construed by the courts and accordingly should be tightly drafted and capable of being complied with by the building contractor.

In order to be effective, such provisions will also need to be strictly complied with by the employer and its representatives so as to avoid any assertion that such compliance with notice requirements was waived.

### **22. What insurances are the parties required to hold? And how long for?**

The following insurances are usual on Irish construction projects.

- Construction All Risks insurance – this type of policy provides cover in respect of the

construction works while the works are ongoing.

- Professional indemnity insurance - this provides cover in respect of professional negligence and is usually required in respect of any party carrying out design work and/or providing professional services. The level of professional indemnity insurance available in the market has reduced significantly in recent years particularly in areas such as fire safety claims.
- Public liability insurance - this type of insurance provides cover against liability for death or personal injury to third parties (ie, other than the contractor's own personnel) and third-party physical property damage.
- Employer's liability insurance - this insurance covers liability for injury to or illness in the building contractor's employees arising out of their employment.
- Latent defects/structural defects

Depending on the nature of the project, other insurances may be relevant.

### **23. How are construction and engineering disputes typically resolved in your jurisdiction (e.g. arbitration, litigation, adjudication)? What alternatives are available?**

Traditionally, arbitration was favoured for the resolution of disputes arising out of building contracts and the most popular form of building contract (the standard form RIAI) contains an arbitration agreement.

This preference for arbitration is due, in part, to the lack of specialist judges in the High Court to hear complex construction disputes. Increasingly, however, litigation is becoming more common.

In addition, alternative dispute resolution (ADR) is common-place in respect of construction and engineering disputes and it is typical for contracts and appointments (including the RIAI standard form) to include a tiered dispute resolution provisions which requires parties to attempt negotiation, mediation/conciliation before resort to arbitration/litigation.

As mentioned above, adjudication under the Construction Contracts Act 2013 is becoming very popular. Pursuant to the act, parties have an automatic right exercisable at any time to refer a dispute relating to payment to adjudication. This right cannot be ousted

by the terms of a contract.

### **24. How supportive are the local courts of arbitration (domestic and international)? How long does it typically take to enforce an award?**

Arbitration is legislated for under the Arbitration Act 2010.

The Courts have been supportive of arbitration and there is a specialist judge assigned to deal with matters of arbitration which come before the Irish courts. Where court proceedings are commenced and there is an arbitration agreement between the parties, the courts will typically stay such proceedings to facilitate the conduct of the arbitration.

Section 23 of the Arbitration Act 2010 deals with the enforcement of Arbitration awards and provides that an arbitration award shall be enforceable either by action or, by leave of the High Court, in the same manner as a judgment or order of that Court with the same effect and where leave is given, judgment may be entered in terms of the award. The Irish Courts are supportive of enforcement.

### **25. Are there any limitation periods for commencing disputes in your jurisdiction?**

The Statute of Limitations 1957 (as amended) provides that a contract executed as a deed will attract a limitation period of 12 years from the date of breach of contract. Where the contract is not executed as a deed (a simple agreement), a 6 year limitation period will apply. Building contracts and consultant appointments are typically executed as deeds in Ireland and therefore will generally attract a twelve year limitation period unless an express limitation period applies (see above).

It is also worth noting that the limitation period for commencing a claim in tort for negligence is 6 years from date the cause of action accrued.

### **26. How common are multi-party disputes? How is liability apportioned between multiple defendants? Does your jurisdiction recognise net contribution clauses (which limit the liability of a defaulting party to a "fair and reasonable" proportion of the innocent party's losses),**



## and are these commonly used?

Multi-party disputes are common in the Ireland, particularly in respect of complex defects claims where a number of parties (including professionals consultants and contractors/sub-contractors) are alleged to have contributed to the defects in question.

Pursuant to the Civil liability act 1961 (as amended), where there are a number of concurrent wrongdoer, each concurrent wrongdoer will be responsible for the entirety of the damage. The defaulting party can then claim a contribution from the other parties. Net contribution clauses, are often sought, particularly by design consultants, for this reason however it should be noted that such provisions are not readily accepted (see above).

## 27. What are the biggest challenges and opportunities facing the construction sector in your jurisdiction?

In common with countries across the world, the continued increase in the cost and availability of materials and supplies is causing considerable concern in the Irish construction industry with construction costs escalating at an unprecedented level in Ireland. This is not a new issue in the industry but recent supply chain issues arising out of Covid-19, Brexit and the Ukrainian War have created a very difficult situation for contractors and suppliers. Building contractors are operating on ever-tightening margins as Employers seek to hold them to prices tendered months prior. Overall, this issue has increased the risk of overruns, delays and insolvency on Irish construction projects.

Fixed price contracts (where the building contractor takes the risk of price escalation) are very common in the Irish Construction sector for both public and private contracts. Recent months have seen considerable pushback on this and the Irish Government is currently interacting with the industry to discuss amendments to the risk profile of public works contracts specifically on this issue. Whether there will be a significant rebalancing of price escalation risk in private contracts remains to be seen.

A separate but related issue is the availability of labour in the Irish construction market. The lack of labour at almost all levels of skill and in every trade is a cause of major concern with smaller projects being particularly impacted.

## 28. What types of project are currently attracting the most investment in your jurisdiction (e.g. infrastructure, power, commercial property, offshore)?

A number of sectors remain busy this year. Ireland has a serious shortage of housing due to historic lack of investment following the financial crisis of 2008. The demand for housing is critically high both for private residential and social housing. Prices have consistently continued to rise and affordability is a key political issue. BTR (build-to-rent) schemes continue to attract investment with rising rents offering solid returns.

In addition to the strong political focus on housing provision in Ireland, the government is also expected to continue to invest heavily in infrastructure projects. The Dublin Metro project together with significant pipeline of works planned by Irish Water (the Irish water utility) will continue in 2022. As Ireland chases renewable energy targets, off-shore wind will become a key focus in the short to medium term.

Commercial office space will be an interesting space to watch over the next 12 months. The long-term attitude of Irish employers (and employees) to the WFH model which emerged by necessity during the pandemic remains unclear as the efficacy of flexible structures of working are tested in the new, restriction-free environment. Lastly, logistics remains a hot sector, as increased demand coupled with the fall-out from Brexit drives innovation in the sector.

## 29. How do you envisage technology affecting the construction and engineering industry in your jurisdiction over the next five years?

The Irish construction sector is adapting to use of technology but progress has been slow. BIM and other newer forms of construction technologies such as virtual reality, wearables, drones, artificial intelligence and robotics are utilised from time to time on and for Irish construction projects, but the industry has yet to see sufficient proliferation of these technologies such that the industry as a whole can really begin to reap the benefits.

This is likely to change over the next five years for two reasons. Firstly, the increased focus on ESG (environmental, social and governance) will drive the use of technology out of necessity as international investors and developers expect the highest global standards on local projects. Secondly, technology is widely seen as important to resolving the twin issues of

labour and material shortages. Precast, prefabrication and other innovative methods of off-site construction are being explored by the Irish government as part of resolving the housing shortages. Elsewhere, the use of technology in the sector is also seen as vital to attracting school leavers (an important component of the future labour market) to the sector – this is a generation expecting a digital approach to construction and design and the industry will need to meet that expectation.

### 30. What do you anticipate to be the impact from the COVID-19 pandemic over the coming year?

The direct impact of COVID-19 should lessen over the next 12 months provided the industry can avoid another period of mandatory lock-down. The Construction

Industry in Ireland experienced some of the most restrictive curtailments globally during the pandemic with two lengthy periods of national site shut-downs from (i) March 2020 – May 2020 and (ii) January 2021 – May 2021.

Ireland has, however, been almost entirely free of any Covid-19 related restrictions since February 2022 and this is expected to continue given overall vaccination rates and the nature of the current strain of the virus.

The resilience demonstrated by the Irish construction sector during COVID-19 will be tested this year as the indirect impact of Covid-19 on supply chain, materials and labour comes to the fore (see above). The ability of stakeholders to absorb such stresses has been weakened and despite a solid pipeline of construction projects in the market, insolvency risk is ever-present.

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