

**PANDEMICS AND CONSTRUCTION CLAIMS:  
AN INVESTIGATION INTO THE COVID-19  
IMPLICATIONS AND RESILIENCE OF THE SRI  
LANKAN CONSTRUCTION INDUSTRY**

Wadduwage Ishini Udara Abeysinghe

(209156G)

Degree of Master of Science in Construction Law and Dispute Resolution

Department of Building Economics  
Faculty of Architecture

University of Moratuwa  
Sri Lanka

July 2023

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## Declaration

I declare that this is my own work and this thesis/dissertation does not incorporate without acknowledgement any material previously submitted for a degree or diploma in any other University or Institute of higher learning and to the best of my knowledge and belief it does not contain any material previously published or written by another person except where the acknowledgement is made in the text. I retain the right to use this content in whole or part in future works (such as articles or books).

.....

W.I.U. Abeysinghe

Date

The above candidate has carried out research for the Masters dissertation under my supervision. I confirm that the declaration made above by the student is true and correct.

.....

.....

Prof. Yasangika Sandanayake

Date

Dissertation Supervisor

## **Dedication**

*To my beloved family and the lecturers who have served as the greatest sources of motivation throughout this journey*

## **Acknowledgment**

This research study would not be possible without the support and dedication of numerous people and organizations. I take this opportunity to express my gratitude to every one of them.

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## **Abstract**

COVID-19 has significantly impacted construction industries worldwide, leading to increased claims for time and cost. Improper claim management can lead to construction disputes. Previous research on Sri Lankan construction projects has focused on claims and the impact of pandemics on claims. However, there is a lack of a study on the significance of the effects of pandemics including COVID-19 from the perspective of claims, as well as the sufficiency and shortcomings of the current claims management practice in light of pandemics. The research aims to create a framework to minimise pandemics' effects on construction claims and enhance the industry's resilience.

This study was carried out using a qualitative research approach. Accordingly, a comprehensive literature review was followed by expert interviews in order to investigate the applicability of literature findings to the context of COVID-19 in the Sri Lankan construction industry. Based on the results of NVivo code based content analysis, a framework for managing claims under a pandemic situation was developed.

The study found that COVID-19 has had both positive and negative effects on construction claims in Sri Lanka. Industry practitioners have improved claims management systems, but losses to parties and challenges due to lack of express contractual provisions persist. Contractors' claims were based on changes in law, Force Majeure, shortages, delays, cost changes, loss of productivity, variations, suspension or termination, and employer risks. The current claims management system is criticised for inadequacy in contract documents, parties, administration, and external factors. Strategies for preventing, mitigating, identifying, quantifying, and resolving pandemic-related claims are identified to minimise the impact on construction projects in Sri Lanka.

Finally, a comprehensive claims management framework integrating claim prevention, mitigation, identification, quantification, and resolution strategies into disaster management cycle was developed to enhance Sri Lanka's construction sector resilience and cope with future pandemic challenges like COVID-19.

**Keywords: Claims Management; Construction Claims; Construction Industry; COVID-19; Disaster Management; Pandemics; Resilience.**

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## **List of Abbreviations**

|          |  |
|----------|--|
| ADR      | Alternative Dispute Resolution                   |
| CIDA     | Construction Industry Development Authority      |
| COVID-19 | Coronavirus Disease of 2019                      |
| EOT      | Extension of Time                                |
| FIDIC    | International Federation of Consulting Engineers |
| MOU      | Memorandum of Understanding                      |
| PPE      | Personal Protective Equipment                    |
| RICS     | Royal Institute of Chartered Surveyors           |
| SBD      | Standard Bidding Document                        |
| SCL      | Society of Construction Law Delay and Disruption |
| WHO      | World Health Organisation                        |

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