



9 June 2021

CONSTRUCTION: BUILDING PERMITS AND COMPLETED BUILDINGS
1st quarter of 2021

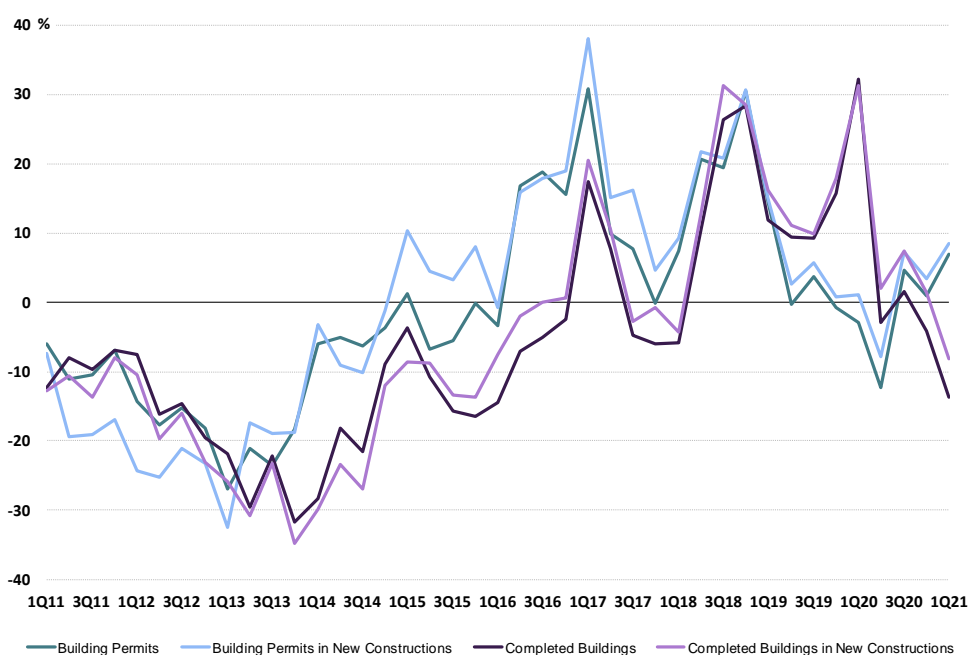
BUILDING PERMITS FORESEES POSITIVE PERSPECTIVES FOR CONSTRUCTION

In the 1st quarter of 2021, there were 6.5 thousand licensed buildings, i.e. +7.0% in comparison with the same period of the previous year (+1.0% in the 4th quarter of 2020). Building permits for new constructions increased by 8.4% while renovation permits grew by 1.5% (+3.4% and -6.3% in the same order, in the 4th quarter of 2020). Completed buildings decreased by 13.6% (-4.1% in the 4th quarter of 2020) amounting to 3.7 thousand buildings.

Compared with the previous quarter, the number of building permits increased by 11.6% (-2.4% in the 4th quarter of 2020) and the number of completed buildings grew by 0.4% (+1.0% in the 4th quarter of 2020).

In a monthly analysis, it can be seen that after the year-on-year decreases registered in January and February, the building permits grew by 43.6% in March and by 64.1% in April. When compared to the same months of 2019, this growth is also relevant, with increases of 25.9% in March and 25.7% in April.

Figure 1. Quarterly year-on-year rate changes (Building permits and completed buildings)



Source: Statistics of building permits and construction works completed



In the 1st quarter of 2021, there were 6.5 thousand building permits issued and 3.7 thousand buildings completed in Portugal. The building permits grew by 7.0% compared to the 1st quarter of 2020 (+1.0% in the 4th quarter of 2020), having increased by 11.6% compared to the previous quarter. The completed buildings decreased by 13.6% on a year-on-year basis (-4.1% in the 4th quarter of 2020), and increased by 0.4% compared with the previous quarter.

1. Building permits

In the 1st quarter of 2021, the number of building permits issued in Portugal was 6.5 thousand, corresponding to a 7.0% increase vis-à-vis the 1st quarter of 2020 (+1.0% in the 4th quarter of 2020).

Of the total building permits, 73.2% corresponded to new constructions, and, of these, 80.2% referred to family housing. Demolished buildings (430 units) corresponded to 6.6% of the total building permits in the 1st quarter of 2021.

Região Autónoma dos Açores was the only region that presented a declining year-on-year rate of change in terms of building permits in the 1st quarter of 2021 (-0.9%). All the remaining regions presented positive year-on-year rates of change, more so Área Metropolitana de Lisboa (+13.2%), Alentejo (+11.8%) and Centro (+6.4%).

The number of building permits for new constructions grew by 8.4% compared to the 1st quarter of 2020, and renovation permits also increased by 1.5%. When compared to the previous quarter, the permits for new constructions increased by 13.7%, and renovation works grew by 8.4%.

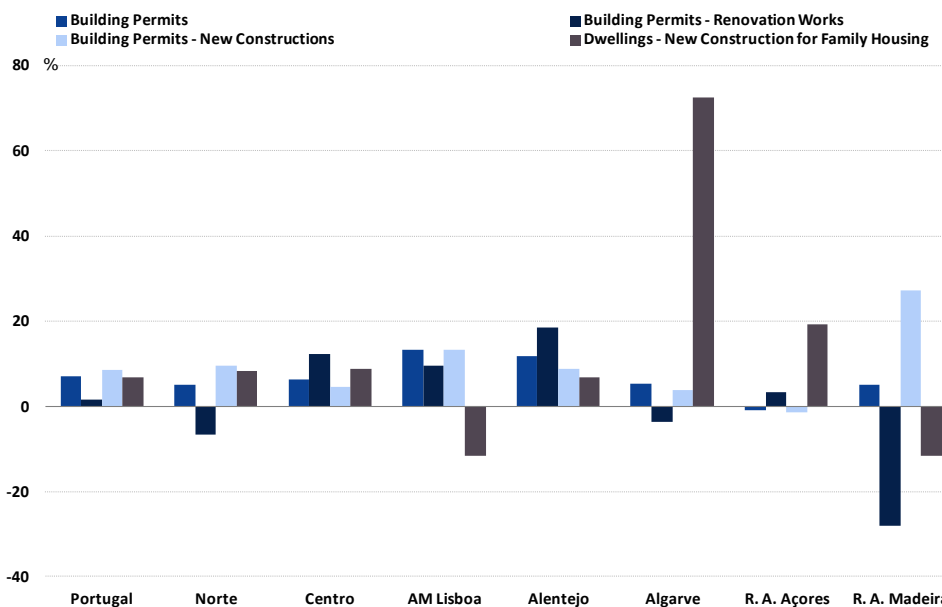
With the exception of Região Autónoma dos Açores (-1.3%), all the regions of the country recorded year-on-year increases in building permits for new constructions, with the emphasis on Região Autónoma da Madeira (+27.1%), Área Metropolitana de Lisboa (+13.3%), and Norte (+9.5%).

In the 1st quarter of 2021, 6.8 thousand dwellings in new construction for family housing were licensed. This value reflects an increase of 6.8%, compared to the 1st quarter of 2020 (+9.3% in the 4th quarter of 2020). Área Metropolitana de Lisboa and Região Autónoma da Madeira were the only regions to register a declining year-on-year rate of change in this variable (-11.7% and -11.6%, respectively). The growth of this variable in the remaining regions, particularly in Algarve (+72.5%) due to the licensing of several real estate projects, namely in the municipality of Silves, should be noted.

In Portugal, in the 1st quarter of 2021, the total licensed area increased by 5.3% year-on-year (-3.3% in the 4th quarter of 2020). However, this performance was not geographically identical. The region of Algarve had the greatest growth (+76.3%) as a result of building permits relative to taller buildings with a greater number of floors and highest total areas. The regions of Norte and Centro also grew year-on-year concerning this variable (+10.6% and +8.2%, respectively). Conversely, Região Autónoma dos Açores and Região Autónoma da Madeira recorded the largest year-on-year decreases in this variable: -33.5% and -26.8%, in the same order.



Figure 2. Building and dwelling permits – Quarterly year-on-year rate of change
(1st quarter of 2021)



Source: Building permits – Projects of building constructions and demolitions survey (Q3)

An analysis by municipality shows that in the 1st quarter of 2021, the 5 municipalities with the highest absolute variation, compared to the same quarter of the previous year, were responsible for the licensing of 10.2% of the total number of dwellings in building works in the country (considering all types of works and all destinations). Taken together, these municipalities recorded an increase of 190.3% over the previous year (+548 dwellings).

The municipalities with the greatest declining variation registered a 41.9% decrease in the number of dwellings licensed for construction in comparison with the same quarter of the previous year (-733 dwellings).



Figure 3. Municipalities with the highest absolute variation in the total number of licensed dwellings in building works
(1st quarter of 2021)

Unit: No.

Rank	Municipality	1 st Quarter 2021		Variation (Number)	Year-on-year change rate (%)
		2021	2020		
	PORTUGAL	8188	8063	125	1.6%
+					
1	Silves	281	49	232	473.5%
2	Guimarães	213	111	102	91.9%
3	Espinho	111	29	82	282.8%
4	Paredes	129	62	67	108.1%
5	Lagos	102	37	65	175.7%
-					
1	Porto	256	557	-301	-54.0%
2	Lisboa	401	622	-221	-35.5%
3	Seixal	104	190	-86	-45.3%
4	Vila Nova de Gaia	248	319	-71	-22.3%
5	Tondela	8	62	-54	-87.1%

Source: Building permits – Projects of building constructions and demolitions survey (Q3)

In 2020, the number of building permits revealed some volatility with more intense declining rates of change registered in the months more marked by the effects of the COVID-19 pandemic, namely in April and May 2020 (-23.4% and -21.2%, respectively) and which may also be related to the closure of support and public attendance services in a significant part of the Municipalities.

The beginning of 2021 was also marked by some disturbance, with negative year-on-year rates of change in January and February (-14.3% and -1.2%, in the same order). In March and April, there were increases of 43.6% and 64.1%, respectively, compared to the same months in 2020. Compared to 2019, there is an equally relevant growth of 25.9% and 25.7%, respectively.



Figure 4. Building permits – monthly information

Unit: No.

Month	Building Permits		Growth Rate (%)	
	2019	2020	Year-on-year	Month-to-month
TOTAL	23,608	23,038	-2.4	
January	2,223	2,271	2.2	45.3
February	2,021	2,044	1.1	-10
March	2,028	1,779	-12.3	-13
April	1,756	1,345	-23.4	-24.4
May	2,308	1,818	-21.2	35.2
June	1,765	1,952	10.6	7.4
July	2,083	2,209	6.0	13.2
August	1,628	1,776	9.1	-19.6
September	2,011	2,001	-0.5	12.7
October	2,417	2,189	-9.4	9.4
November	1,805	1,966	8.9	-10.2
December	1,563	1,688	8.0	-14.1
2021				
January		1,946	-14.3	15.3
February		2,019	-1.2	3.8
March		2,554	43.6	26.5
April		2,207	64.1	-13.6

Source: Building permits – Projects of building constructions and demolitions survey (Q3)

2. Completed buildings

In the 1st quarter of 2021, the total number of completed buildings (new constructions, building enlargements, renovations, and reconstructions) decreased by 13.6% compared to the 1st quarter of 2020 (-4.1% in the 4th quarter of 2020). In this period, it is estimated that 3.7 thousand buildings have been completed in Portugal, corresponding mostly to new constructions (80.5%), and of these, 79.5% were intended for family housing.

It is estimated that Região Autónoma dos Açores was the only region to register a year-on-year growth in completed buildings (+3.7%). The remaining regions showed negative year-on-year growth, namely the Algarve region (-38.9%), Norte (-15.4%) and Centro (-13.3%).

In Portugal, there were reductions of 8.1% in completed works to new constructions and 30.9% in renovation works, vis-à-vis the 1st quarter of 2020. Compared with the previous quarter, the change rates were +0.9% and -1.5%, in the same order.

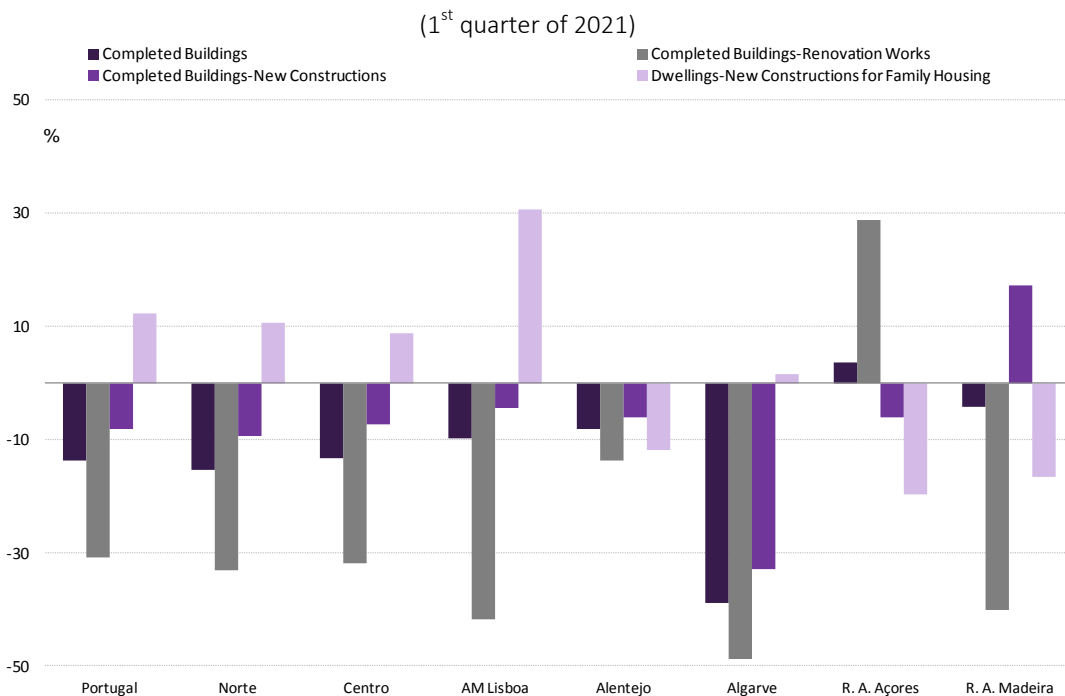


Região Autónoma da Madeira was the only region to present a year-on-year growth in completed buildings (+17.2%). All other regions registered declining year-on-year rates of change in this quarter, more so in Algarve (-32.9%).

There was a 30.9% decrease in completed works for renovation. In spite of the growth in Região Autónoma dos Açores (+28.9%), there was a reduction in completed works for renovation in the remaining regions, particularly in Algarve (-48.8%), Área Metropolitana de Lisboa (-41.7%) and Região Autónoma da Madeira (-40.0%).

In the 1st quarter of 2021, completed dwellings in new construction for family housing amounted to 4.8 thousand, corresponding to an increase of 12.3% compared to the 1st quarter of 2020 (+13.0% in the 4th quarter of 2020). It is estimated that this growth has been extended to Área Metropolitana de Lisboa (+30.7%), Norte (+10.7%), Centro (+8.8%) and Algarve (+1.6%). Região Autónoma dos Açores, Região Autónoma da Madeira and Alentejo will have recorded decreases in this indicator: -19.7%, -16.7% and -11.9%, respectively.

Figure 5. Completed buildings and dwellings – Quarterly year-on-year rate of change



Source: Completed Works Estimations



Together, Norte and Centro regions continued to stand out in the number of completed buildings (63.1% of the total) and completed dwellings in new construction for family housing (57.6%) in the 1st quarter of 2021. The Norte region kept being predominant in the number of completed buildings and dwellings (37.9% and 40.1%, respectively), followed by Centro in terms of completed buildings (25.1%). Área Metropolitana de Lisboa followed the Norte region in terms of completed dwellings, given that 30.1% of completed dwellings in new constructions for family housing were located in this region.

In the 1st quarter of 2021, there was a 13.5% decrease in the total completed construction area in Portugal, compared to the same period of the previous year. Região Autónoma dos Açores registered the sharpest positive rate of change in this indicator (+30.7%). The effective completion of a hospital in the municipality of Lagoa will have contributed to this growth. Conversely, the Centro region recorded the sharpest decrease in the total completed construction area (-30.6%).



Construction: Building Permits	Building Permits**					Unit: No.
	1 st Q- 2020	2 nd Q- 2020	3 rd Q- 2020	4 th Q- 2020	1 st Q- 2021	Quarterly year-on-year change rate (1 st Q)*
	%					
Portugal						
Building Permits	6 094	5 115	5 986	5 843	6 519	7.0
Renovation Works	1 296	1 005	1 232	1 213	1 315	1.5
New Construction	4 403	3 783	4 346	4 200	4 774	8.4
for Family Housing	3 358	3 028	3 395	3 294	3 829	14.0
Dwellings	6 377	5 905	6 177	6 595	6 810	6.8
Total area (m2)	2 473 477	2 107 450	2 310 409	2 431 197	2 603 368	5.3
Norte						
Building Permits	2 424	2 031	2 325	2 235	2 546	5.0
Renovation Works	544	403	490	460	508	-6.6
New Construction	1 746	1 523	1 711	1 650	1 912	9.5
for Family Housing	1 369	1 271	1 360	1 307	1 546	12.9
Dwellings	2 757	2 638	2 874	3 036	2 983	8.2
Total area (m2)	1 029 771	846 120	1 067 721	1 018 079	1 138 887	10.6
Centro						
Building Permits	1 653	1 342	1 678	1 584	1 758	6.4
Renovation Works	326	271	318	322	366	12.3
New Construction	1 218	977	1 225	1 133	1 273	4.5
for Family Housing	854	729	901	849	991	16.0
Dwellings	1 283	1 269	1 388	1 208	1 397	8.9
Total area (m2)	593 850	625 261	633 094	594 908	642 550	8.2
Área Metropolitana de Lisboa						
Building Permits	988	800	947	975	1 118	13.2
Renovation Works	148	105	122	169	162	9.5
New Construction	742	623	734	693	841	13.3
for Family Housing	635	537	640	601	735	15.7
Dwellings	1 482	1 333	1 166	1 427	1 308	-11.7
Total area (m2)	457 766	385 228	318 434	474 250	404 102	-11.7
Alentejo						
Building Permits	425	427	456	455	475	11.8
Renovation Works	86	74	120	99	102	18.6
New Construction	318	323	315	336	346	8.8
for Family Housing	200	205	203	218	215	7.5
Dwellings	218	225	227	250	233	6.9
Total area (m2)	173 561	114 259	112 556	158 153	169 477	-2.4
Algarve						
Building Permits	261	210	263	271	275	5.4
Renovation Works	81	57	97	72	78	-3.7
New Construction	156	135	135	166	162	3.8
for Family Housing	132	125	119	149	148	12.1
Dwellings	338	238	301	383	583	72.5
Total area (m2)	90 523	70 985	98 498	96 371	159 570	76.3
R.A. Açores						
Building Permits	223	204	199	210	221	-0.9
Renovation Works	61	65	50	54	63	3.3
New Construction	153	131	144	146	151	-1.3
for Family Housing	117	98	108	113	118	0.9
Dwellings	135	115	140	147	161	19.3
Total area (m2)	73 648	39 506	48 853	47 917	48 968	-33.5
R.A. Madeira						
Building Permits	120	101	118	113	126	5.0
Renovation Works	50	30	35	37	36	-28.0
New Construction	70	71	82	76	89	27.1
for Family Housing	51	63	64	57	76	49.0
Dwellings	164	87	81	144	145	-11.6
Total area (m2)	54 358	26 091	31 253	41 519	39 814	-26.8

Note: * Quarterly year-on-year change rate: compares the change between the current quarter and the same quarter of the previous year. **Preliminary data
The total building permits includes new construction works, rehabilitation (enlargements, alterations and reconstructions) and building demolitions

CONSTRUCTION: BUILDING PERMITS AND COMPLETED BUILDINGS – 1st quarter of 2021



Construction: Completed Buildings	Completed Buildings					Unit: No.
	1 st Q- 2020	2 nd Q- 2020	3 rd Q- 2020	4 th Q- 2020	1 st Q- 2021	Quarterly year-on-year change rate (1 st Q)*
	%					
Portugal						
Completed Buildings	4 302	3 362	3 665	3 700	3 715	-13.6
Renovation Works	1 049	716	733	736	725	-30.9
New Construction	3 253	2 646	2 932	2 964	2 990	-8.1
for Family Housing	2 486	2 069	2 155	2 293	2 376	-4.4
Dwellings	4 285	4 017	4 302	4 656	4 811	12.3
Total area (m2)	1 870 872	1 552 519	1 734 025	1 735 499	1 618 366	-13.5
Norte						
Completed Buildings	1 666	1 250	1 219	1 321	1 409	-15.4
Renovation Works	424	261	258	282	284	-33.0
New Construction	1 242	989	961	1 039	1 125	-9.4
for Family Housing	957	786	745	792	906	-5.3
Dwellings	1 744	1 798	1 722	1 656	1 931	10.7
Total area (m2)	794 015	752 310	703 969	685 655	676 524	-14.8
Centro						
Completed Buildings	1 077	823	988	978	934	-13.3
Renovation Works	264	207	214	202	180	-31.8
New Construction	813	616	774	776	754	-7.3
for Family Housing	568	444	537	562	562	-1.1
Dwellings	772	783	930	1 140	840	8.8
Total area (m2)	534 321	359 130	429 491	428 065	371 028	-30.6
Área Metropolitana de Lisboa						
Completed Buildings	744	627	757	677	671	-9.8
Renovation Works	108	72	73	70	63	-41.7
New Construction	636	555	684	607	608	-4.4
for Family Housing	533	470	505	524	528	-0.9
Dwellings	1 109	937	991	1 020	1 450	30.7
Total area (m2)	310 565	248 249	290 299	357 969	358 728	15.5
Alentejo						
Completed Buildings	331	323	318	323	304	-8.2
Renovation Works	87	72	68	64	75	-13.8
New Construction	244	251	250	259	229	-6.1
for Family Housing	161	161	152	168	143	-11.2
Dwellings	201	195	192	203	177	-11.9
Total area (m2)	94 110	96 709	162 108	102 680	82 183	-12.7
Algarve						
Completed Buildings	229	129	136	153	140	-38.9
Renovation Works	86	36	43	45	44	-48.8
New Construction	143	93	93	108	96	-32.9
for Family Housing	124	84	82	95	89	-28.2
Dwellings	187	162	258	329	190	1.6
Total area (m2)	58 628	44 973	66 698	69 137	43 291	-26.2
R.A. Açores						
Completed Buildings	162	145	179	159	168	3.7
Renovation Works	45	47	54	50	58	28.9
New Construction	117	98	125	109	110	-6.0
for Family Housing	89	85	95	96	89	0.0
Dwellings	122	89	163	113	98	-19.7
Total area (m2)	39 506	36 169	54 609	27 763	51 648	30.7
R.A. Madeira						
Completed Buildings	93	65	68	89	89	-4.3
Renovation Works	35	21	23	23	21	-40.0
New Construction	58	44	45	66	68	17.2
for Family Housing	54	39	39	56	59	9.3
Dwellings	150	53	46	195	125	-16.7
Total area (m2)	39 727	14 979	26 851	64 230	34 964	-12.0

Note: * Quarterly year-on-year change rate: compares the change between the current quarter and the same quarter of the previous year.

**Data for completed buildings is based on completed works estimations.



METHODOLOGICAL NOTE

Estimates on Completed Works – Data on Completed Works are based on a methodology that allows quarterly dissemination of estimated data subject to the least possible deviation consisting of an estimation of the deadline for the conclusion of a building based on the previewed deadline (i.e., the time elapsed between the permission to build and the effective conclusion of the building, stated in the permit), based on a linear regression model, according to the different types and final use of the buildings.

Building Permits - The goal behind this statistical operation is the gathering of data enabling to follow the evolution of the building construction sector, in a perspective of future starts in building construction. Data disseminated in this press release are based on the monthly permits issued by the 308 Municipalities across the country, under the scope of the Indicators System of Urban Operations (SIUO).

Monthly revisions - Given the administrative nature of the information, the data on building permits are updated monthly throughout the year and are subject to monthly and quarterly revisions. It should be noted that in the context of the COVID-19 pandemic, there have been delays in receiving some information from the municipalities, as many of the services were closed or limited and it was not possible to send all the information to Statistics Portugal on time, which leads to extraordinary revisions to the data previously released.

Revisions compared to the last press release:

	Year-on-year change rate	
	4 th Quarter 2020	
	Previous publication	Current Publication
Building Permits	-1.0%	1.0%
Licensed Dwellings	7.5%	9.3%

Year-on-year rate of change - The year-on-year rate of change compares the level of each variable between the current period and the same period a year earlier. On this press release, the year-on-year change rate of data related to building permits presents revisions on both buildings and dwellings, following the corrections sent by the Municipalities.

Quarter-on-quarter rate of change - The quarter-on-quarter rate of change compares the level of each variable with the quarter immediately before.

Further data - For further data on Building Permits and Completed Works, please access the Statistics Portugal database at www.ine.pt, where available data on Building Permits for APRIL 2021 can be found.



INDICATORS:

- [Licensed buildings \(No.\) by Geographic localization \(NUTS - 2013\), Type of project and Project purpose;](#)
- [Licensed dwellings \(No.\) in new constructions for family housing by Geographic localization \(NUTS - 2013\) and Dwelling typology;](#)
- [Completed dwellings \(No.\) in new constructions for family housing by Geographic localization \(NUTS - 2013\)](#)

STATISTICAL CONCEPTS:

destination of the construction works - the type of use given to the building, such as housing, agriculture, commerce, industry, among others.

dwelling - part or totality of a building with independent access and made up by one or more spaces destined to habitation and by complementary private spaces.

urbanistic operations license - authorisation granted by the Municipalities and before the carrying out of a set of urbanistic operations, except for those whose owner is an exempt entity.

completed works - works that meet the physical conditions to be inhabited or used, regardless of whether or not the license or authorisation for use has been granted.

tipo de obra - classificação dos trabalhos efetuados em edifícios ou terrenos segundo as seguintes modalidades: construção nova, ampliação, alteração, reconstrução e demolição.

type of works - classification of works carried out on buildings or land according to the following modalities: new construction, extension, alteration, reconstruction, and demolition.

renovation works - comprises enlargement, alteration, and reconstruction works.

DESIGNATIONS

m ²	Square metres
No.	Absolute number
ns	Not specified
NUTS	Nomenclature of Territorial Units for Statistics (2013)
p.p.	Percentage points
SIOU	Indicators System of Urban Operations

Date of next quarterly press release – 10 September 2021
