

Construction: Building permits and completed buildings

1st Quarter 2019 – Preliminary data

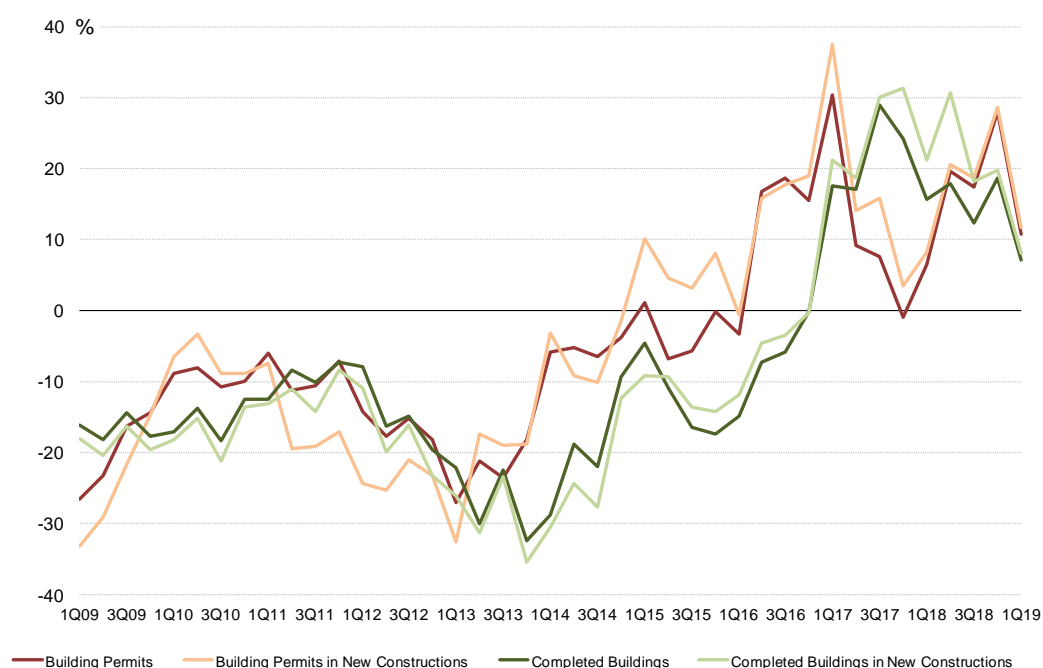
Building permits increased by 10.7% and completed buildings grew by 7.2%

In the 1st quarter 2019, the number of building permits was 6.0 thousand, i.e. an increase of 10.7% compared to the same period of the previous year but slowing down vis-à-vis the 4th quarter 2018 (+28.1%). Building permits for new constructions increased by 11.7% and rehabilitation permits grew by 8.2%, both decelerating when compared to the growth rates recorded in the previous quarter (+28.8% and +22.2%, respectively). Completed buildings increased by 7.2% (+18.8% in the 4th quarter 2018) totalling 3.7 thousand buildings.

When compared to the previous quarter, the number of building permits increased by 6.0% (+5.0% in the 4th quarter 2018) and the number of completed buildings decreased by 8.2% (+4.8% in the 4th quarter 2018).

In the 1st quarter 2019, there were 6.0 thousand building permits and 3.7 thousand completed buildings in Portugal. Building permits increased by 10.7% vis-à-vis the 1st quarter 2018, corresponding to an increase of 6.0% when compared to the previous quarter. Completed buildings increased by 7.2% in year-on-year terms and decreased by 8.2% vis-à-vis the 4th quarter 2018. There was a deceleration in both cases compared to the year-on-year increases recorded in the previous quarter (+28.1% and +18.8%, respectively, in the 4th quarter 2018).

Quarterly year-on-year change rate (Building permits and completed buildings)



1. Building permits

In the 1st quarter 2019, the number of building permits issued in Portugal was 6.0 thousand, corresponding to an increase of 10.7% vis-à-vis the 1st quarter 2018 (+28.1% in the 4th quarter 2018).

Of the overall building permits, 69.6% corresponded to new constructions and, of these, 75.9% referred to family housing. Demolished buildings (454 units) corresponded to 7.6% of the total building permits in the 1st quarter 2019.

The Região Autónoma dos Açores was the only region presenting a declining rate of change regarding the total number of building permits (-3.6%). The remaining regions presented positive rates of change compared to the same period a year earlier, more so the Região Autónoma da Madeira (+31.7%) and the Algarve (+31.2%).

The number of building permits for new constructions in Portugal increased by 11.7% vis-à-vis the 1st quarter 2018 and rehabilitation works grew by 8.2%. When compared to the previous quarter, permits for new constructions increased by 6.7% and rehabilitation works grew by 4.9%.

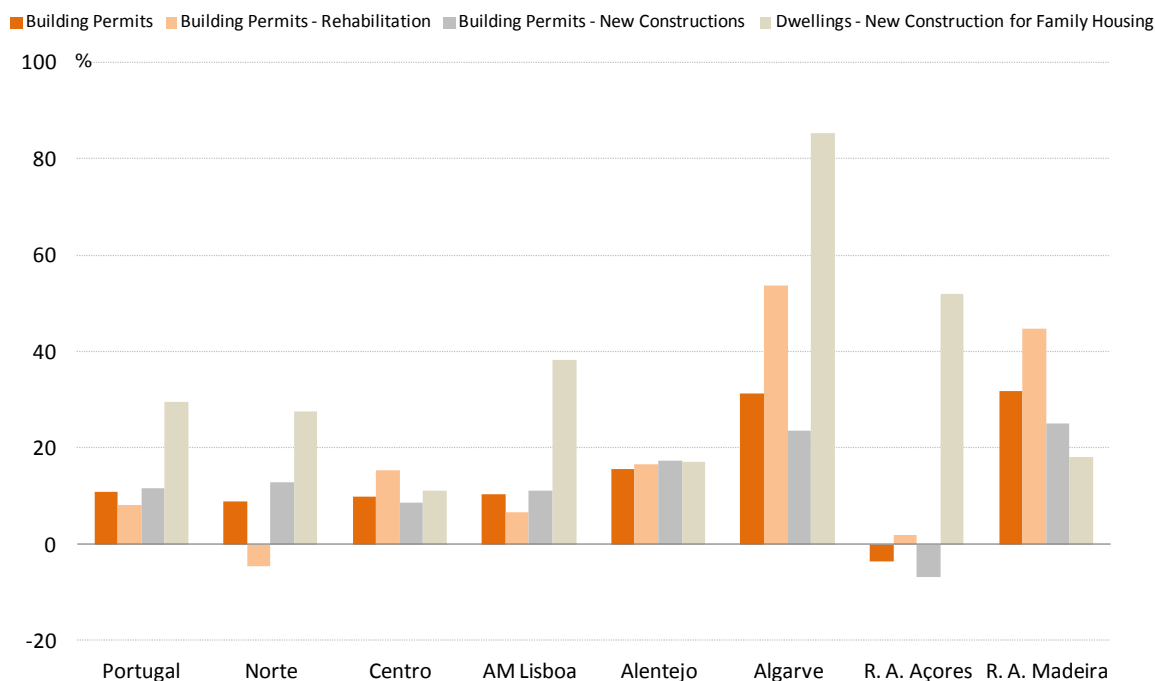
As regards building permits for new constructions, the Região Autónoma dos Açores also recorded the only declining rate of change (-6.9%) vis-à-vis the same period a year earlier. The remaining regions presented positive rates of change, more so the Região Autónoma da Madeira (+25.0%) and the Algarve (+23.6%). In what concerns permits for building rehabilitation, the Norte region presented a declining year-on-year rate of change (-4.5%) while the remaining regions recorded positive rates of change, with the emphasis on the Algarve (+53.6%) and Região Autónoma da Madeira (+44.8%), worth noting the increase, in both regions, in building enlargements.

In the 1st quarter 2019, the number of licensed dwellings in new constructions for family housing was 6.0 thousand, i.e. +29.6% compared to the 1st quarter 2018 (+51.0% in the 4th quarter 2018). All regions presented a positive rate of change in this indicator, with the emphasis on the Algarve (+85.4%), Região Autónoma dos Açores (+52.0%) and Área Metropolitana de Lisboa (+38.1%).

In Portugal, in the 1st quarter 2019, there was a year-on-year increase of 6.4% in the total licensed area. The Centro and Norte regions recorded the highest year-on-year declines in this variable: -2.0% and -0.6%, respectively. The remaining regions recorded positive rates of change, more so Área Metropolitana de Lisboa (+32.0%), the Alentejo (+28.9%) and the Algarve (+26.6%).

Buildings and dwellings permits – Quarterly year-on-year change rate

(1st quarter 2019)



In the 1st quarter 2019, when focusing the analysis on a municipality level, the five municipalities with the highest absolute variation in the total number of licensed dwellings (considering all types of works and purposes) were responsible for the licensing of 22.4% of the total dwellings.

Thus, the municipalities that contributed the most to the absolute variation in the total number of licensed dwellings were Braga (17.9% of the total variation), Lisboa (14.2%), Vila Nova de Famalicão (8.7%), Albufeira (7.7%) and Guimarães (6.4%).

Municipalities with the highest variation in the total number of licensed dwellings in building works

(1st quarter 2019)

Rank	Portugal	1 st Quarter 2019	1 st Quarter 2018	Variation (Number)	Year-on-year change rate (%)
1	Braga	477	207	270	130.4%
2	Lisboa	677	462	215	46.5%
3	Vila Nova de Famalicão	215	83	132	159.0%
4	Albufeira	125	9	116	1288.9%
5	Guimarães	211	114	97	85.1%

2. Completed buildings

In the 1st quarter 2019, the total number of completed buildings (new constructions, building enlargements, renovations and reconstructions) increased by 7.2% vis-à-vis the 1st quarter 2018 (+18.8% in the 4th quarter 2018). In this period, it is estimated that 3.7 thousand buildings were completed in Portugal, mostly corresponding to new constructions (73.4%) of which 73.3% were destined to become family housing.

The regions of Norte and of Alentejo presented declining year-on-year rates of change as completed buildings: -2.1% and -0.6%, respectively. The remaining regions recorded positive rates of change more so Área Metropolitana de Lisboa (+48.5%), Região Autónoma dos Açores (+44.7%) and Região Autónoma da Madeira (+16.4%).

In Portugal, completed works for new constructions increased by 8.2% when compared to the 1st quarter 2018 and rehabilitation works grew by 4.6%. In comparison with the previous quarter, completed works for new constructions decreased by 7.9% while rehabilitation works declined by 9.0%.

As regards completed works for new constructions, there were declining year-on-year rates of change in the regions of the Algarve (-15.6%) and Alentejo (-4.3%). The remaining regions presented positive year-on-year rates of change, with the emphasis on the Área Metropolitana de Lisboa (+51.3%) and Região Autónoma dos Açores (+48.1%).

In what concerns completed works for rehabilitation, the Norte region was the only one presenting a declining year-on-year rate of change (-10.0%). The highest positive rates of change were recorded in the Algarve (+43.8%), Área Metropolitana de Lisboa (+39.8%) and Região Autónoma dos Açores (+37.1%).

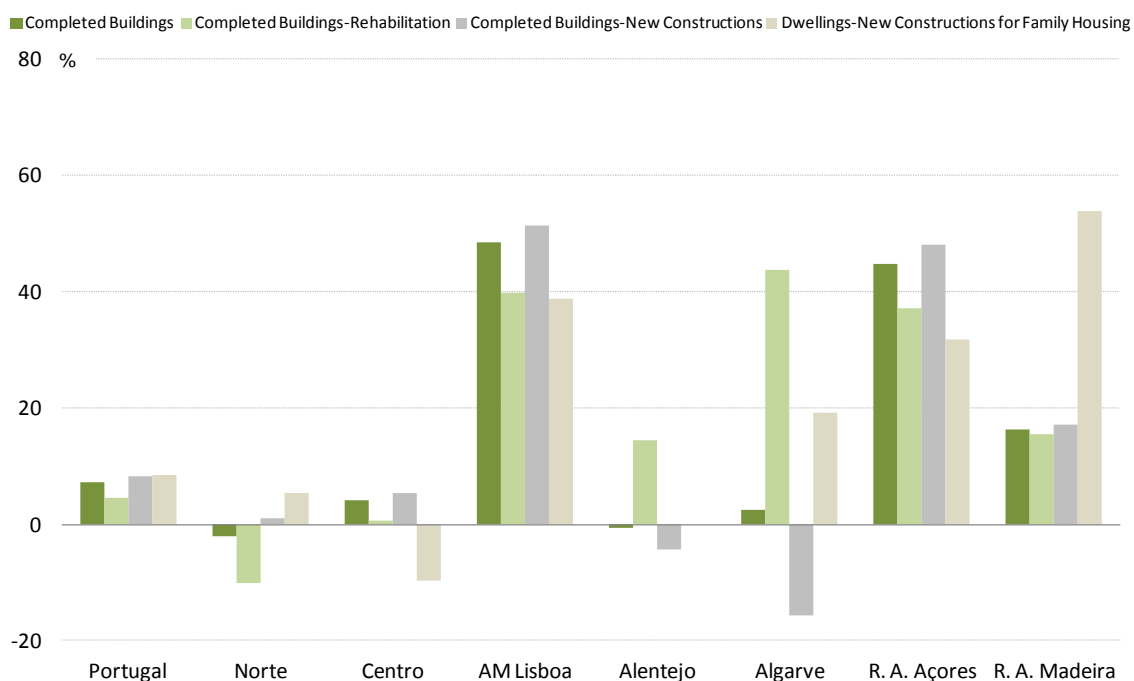
In the 1st quarter 2019, the number of completed dwellings in new constructions for family housing stood at 3.0 thousand, increasing by 8.4% when compared with the 1st quarter 2018 (+26.0% in the 4th quarter 2018). With the exception of the Centro (-9.6%) and of the Alentejo with a nil variation, the remaining regions presented positive year-on-year rates of change, more so the Região Autónoma da Madeira (+53.8%, i.e. 21 more dwellings) and Área Metropolitana de Lisboa (+38.7%, i.e. +188 dwellings).

Of the total buildings completed in the 1st quarter 2019, 66.6% were located in the regions of the Norte and Centro, where 60.6% of the total completed dwellings in new constructions for family housing in the country were located. The Norte region accounted for a 37.3% share in buildings and 35.2% in completed dwellings. The works completed in Área Metropolitana de Lisboa corresponded to 14.2% of the total buildings and 22.4% of the total dwellings in the country.

In the 1st quarter 2019, there was a 14.1% increase in the total completed construction area in Portugal. With the exception of the Alentejo, which recorded a declining rate of change (-4.9%), all other regions grew in terms of total construction area compared to the same period a year earlier. Região Autónoma da Madeira, Área Metropolitana de Lisboa, and Região Autónoma dos Açores were the regions with the largest relative increases: +76.0%, +35.3%, and +28.6%, respectively.

Completed buildings and dwellings – Quarterly year-on-year change rate

(1st quarter 2019)



Construction: Building Permits	Building Permits**					Quarterly year-on-year change rate (1 st Q)*
	1 st Q- 2018	2 nd Q- 2018	3 rd Q- 2018	4 th Q- 2018	1 st Q- 2019	
	Number					
Portugal						
Building Permits	5 418	5 750	5 392	5 663	6 000	10.7
Rehabilitation	1 266	1 404	1 211	1 306	1 370	8.2
New Construction	3 738	3 918	3 731	3 914	4 176	11.7
for Family Housing	2 752	2 937	2 787	2 980	3 168	15.1
Dwellings	4 619	5 393	4 697	5 496	5 985	29.6
Total area (m2)	2 165 475	2 207 998	2 245 507	2 414 718	2 303 812	6.4
Norte						
Building Permits	2 164	2 188	2 073	2 214	2 354	8.8
Rehabilitation	535	522	480	480	511	-4.5
New Construction	1 495	1 533	1 447	1 582	1 689	13.0
for Family Housing	1 112	1 149	1 100	1 197	1 315	18.3
Dwellings	2 093	2 168	1 962	2 524	2 671	27.6
Total area (m2)	1 004 106	955 845	1 045 044	1 135 501	998 359	-0.6
Centro						
Building Permits	1 463	1 618	1 603	1 564	1 607	9.8
Rehabilitation	330	396	375	417	381	15.5
New Construction	1 015	1 105	1 050	1 003	1 102	8.6
for Family Housing	677	787	733	717	757	11.8
Dwellings	980	1 289	1 091	1 112	1 090	11.2
Total area (m2)	599 776	642 359	579 362	623 238	587 739	-2.0
Área Metropolitana de Lisboa						
Building Permits	869	879	776	952	959	10.4
Rehabilitation	151	176	127	150	161	6.6
New Construction	616	602	580	713	685	11.2
for Family Housing	523	516	480	598	578	10.5
Dwellings	931	1 098	952	1 013	1 286	38.1
Total area (m2)	294 646	317 007	300 172	326 079	388 807	32.0
Alentejo						
Building Permits	399	442	392	376	461	15.5
Rehabilitation	97	103	70	91	113	16.5
New Construction	281	310	303	267	330	17.4
for Family Housing	183	181	173	171	205	12.0
Dwellings	193	202	216	221	226	17.1
Total area (m2)	105 259	106 533	149 707	133 405	135 662	28.9
Algarve						
Building Permits	247	328	266	284	324	31.2
Rehabilitation	69	95	78	85	106	53.6
New Construction	148	199	163	167	183	23.6
for Family Housing	119	174	146	146	156	31.1
Dwellings	267	487	291	417	495	85.4
Total area (m2)	97 715	106 919	97 573	116 024	123 725	26.6
R.A. Açores						
Building Permits	194	208	202	175	187	-3.6
Rehabilitation	55	76	50	48	56	1.8
New Construction	131	118	140	119	122	-6.9
for Family Housing	93	84	115	93	100	2.2
Dwellings	100	86	131	102	152	52.0
Total area (m2)	45 726	54 727	52 357	38 028	47 338	3.5
R.A. Madeira						
Building Permits	82	87	80	98	108	31.7
Rehabilitation	29	36	31	35	42	44.8
New Construction	52	51	48	63	65	25.0
for Family Housing	45	46	40	58	57	26.7
Dwellings	55	63	54	107	65	18.2
Total area (m2)	18 247	24 608	21 292	42 443	22 182	21.6

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

Construction: Completed Buildings	Completed Buildings					Quarterly year-on-year change rate (1 st Q)*
	1 st Q- 2018	2 nd Q- 2018	3 rd Q- 2018	4 th Q- 2018	1 st Q- 2019	
	Number					
Portugal						
Completed Buildings	3 466	3 570	3 861	4 046	3 715	7.2
Rehabilitation	945	820	1 037	1 086	988	4.6
New Construction	2 521	2 750	2 824	2 960	2 727	8.2
for Family Housing	1 766	1 986	2 028	2 113	1 998	13.1
Dwellings	2 772	2 924	3 339	3 273	3 005	8.4
Total area (m2)	1 437 040	1 464 561	1 516 630	1 741 490	1 639 016	14.1
Norte						
Completed Buildings	1 417	1 449	1 524	1 649	1 387	-2.1
Rehabilitation	409	346	398	463	368	-10.0
New Construction	1 008	1 103	1 126	1 186	1 019	1.1
for Family Housing	695	810	813	840	777	11.8
Dwellings	1 005	1 256	1 340	1 214	1 058	5.3
Total area (m2)	581 691	603 324	608 903	782 890	690 857	18.8
Centro						
Completed Buildings	1 045	1 017	1 140	1 155	1 089	4.2
Rehabilitation	277	221	329	321	279	0.7
New Construction	768	796	811	834	810	5.5
for Family Housing	528	538	543	576	546	3.4
Dwellings	844	718	793	808	763	-9.6
Total area (m2)	463 387	487 827	494 699	524 947	469 532	1.3
Área Metropolitana de Lisboa						
Completed Buildings	355	416	474	484	527	48.5
Rehabilitation	88	82	98	95	123	39.8
New Construction	267	334	376	389	404	51.3
for Family Housing	222	270	322	334	339	52.7
Dwellings	486	471	667	723	674	38.7
Total area (m2)	182 564	171 774	189 353	200 201	247 097	35.3
Alentejo						
Completed Buildings	317	316	309	359	315	-0.6
Rehabilitation	62	66	65	82	71	14.5
New Construction	255	250	244	277	244	-4.3
for Family Housing	145	162	144	155	141	-2.8
Dwellings	171	175	176	171	171	0.0
Total area (m2)	114 911	96 868	96 252	102 629	109 265	-4.9
Algarve						
Completed Buildings	157	177	167	159	161	2.5
Rehabilitation	48	55	63	63	69	43.8
New Construction	109	122	104	96	92	-15.6
for Family Housing	88	106	86	82	74	-15.9
Dwellings	161	190	193	185	192	19.3
Total area (m2)	45 615	58 766	61 990	60 093	50 757	11.3
R.A. Açores						
Completed Buildings	114	137	174	162	165	44.7
Rehabilitation	35	33	59	35	48	37.1
New Construction	79	104	115	127	117	48.1
for Family Housing	56	64	78	78	84	50.0
Dwellings	66	67	105	85	87	31.8
Total area (m2)	30 584	29 302	45 515	40 826	39 319	28.6
R.A. Madeira						
Completed Buildings	61	58	73	78	71	16.4
Rehabilitation	26	17	25	27	30	15.4
New Construction	35	41	48	51	41	17.1
for Family Housing	32	36	42	48	37	15.6
Dwellings	39	47	65	87	60	53.8
Total area (m2)	18 288	16 700	19 918	29 904	32 189	76.0

Note: * Quarterly year-on-year change rate: compares the change between the current quarter and the same quarter
Data for completed buildings is based on completed works estimations.

EXPLANATORY NOTES:

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).

Estimates on Completed Works – Methodological note

Data on Completed Works are based on a methodology that allows a 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.

Quarter-on-quarter change rate

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

Year-on-year change rate

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.

	Year-on-year change rate	
	4 th Quarter 2018	
Previous publication	Previous publication	Current Publication
Building Permits	28.8%	28.1%
Licensed Dwellings	53.5%	51.0%

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 2019 can be found.

DATE OF NEXT PRESS RELEASE: **September 13, 2019.**