

Construction: Building permits and completed buildings

3rd Quarter 2019 – Preliminary data

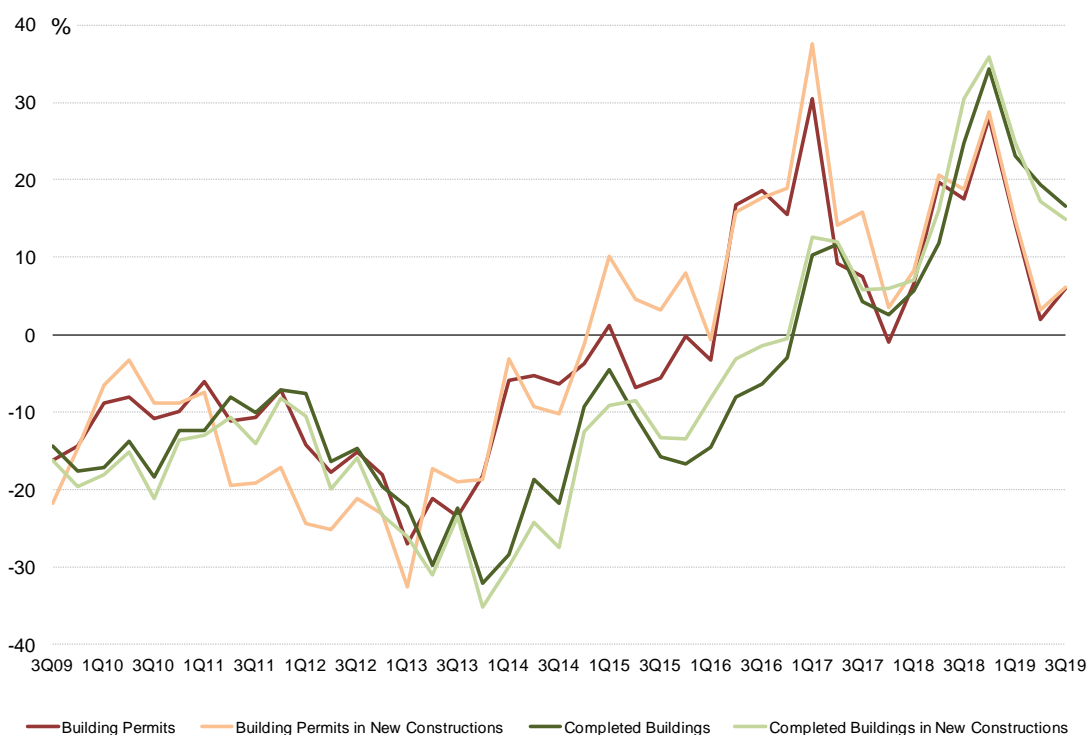
Building permits increased by 5.9% and completed buildings grew by 16.7%

In the 3rd quarter 2019, the number of building permits was 5.7 thousand which stood for an increase of 5.9% compared to the same period of the previous year, accelerating vis-à-vis the 2nd quarter 2019 (+1.9%). Building permits for new constructions increased by 6.2% and rehabilitation permits grew by 3.9% (+3.2% and -11.3% respectively, in the 2nd quarter 2019). Completed buildings increased by 16.7% (+19.4% in the 2nd quarter 2019) and amounted to 4.1 thousand buildings.

When compared to the preceding quarter, the number of building permits decreased by 2.5% (-5.4% in the 2nd quarter 2019) and the number of completed buildings increased by 5.3% (+4.3% in the 2nd quarter 2019).

In the 3rd quarter 2019, there were 5.7 thousand building permits and 4.1 thousand completed buildings in Portugal. Building permits increased by 5.9% vis-à-vis the 3rd quarter 2018 (+1.9% in the 2nd quarter 2019), corresponding to a decrease of 2.5% when compared to the preceding quarter. Completed buildings increased by 16.7% in year-on-year terms (+19.4% in the 2nd quarter 2019) and grew by 5.3% vis-à-vis the preceding quarter.

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



1. Building permits

In the 3rd quarter 2019, the number of building permits issued in Portugal was 5.7 thousand, corresponding to a 5.9% growth vis-à-vis the 3rd quarter 2018 (+1.9% in the 2nd quarter 2019).

Of the overall building permits, 69.4% corresponded to new constructions and, of these, 76.4% referred to family housing. Demolished buildings (492 units) corresponded to 8.6% of the total building permits in the 3rd quarter 2019.

The Centro region was the only region presenting a decline in terms of the total number of buildings permits (-0.4%). The remaining regions presented positive rates of change compared to the same period a year earlier, more so the Alentejo (+17.9%), Algarve (+11.7%) and Área Metropolitana de Lisboa (+8.2%).

The number of building permits for new constructions in Portugal increased by 6.2% vis-à-vis the 3rd quarter 2018 while rehabilitation works grew by 3.9%. When compared to the previous quarter, permits for new constructions decreased by 2.0% while rehabilitation works increased by 1.0%.

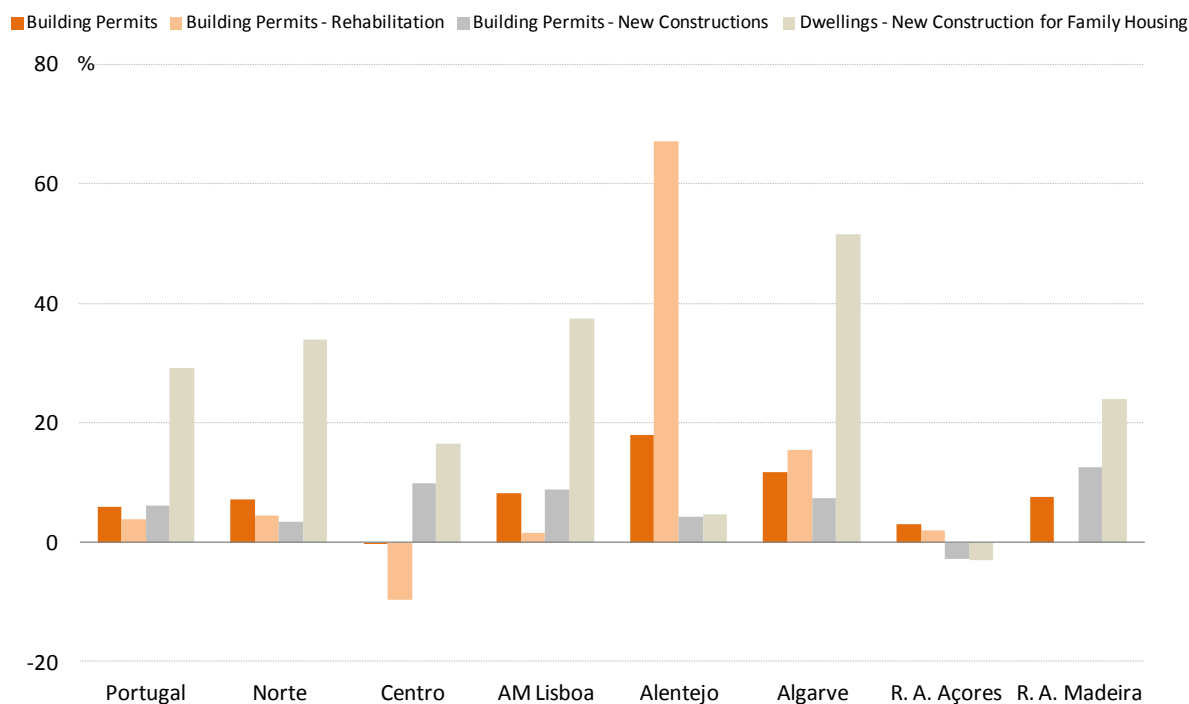
The building permits for new constructions recorded a negative rate of change compared to the same period of the previous year in Região Autónoma dos Açores (-2.9%). The remaining regions presented positive year-on-year rates of change, more so Região Autónoma da Madeira (+12.5%), Centro (+9.8%) and Área Metropolitana de Lisboa (+8.8%). In what concerns permits for building rehabilitation, the Centro region recorded a negative rate of change (-9.6%, corresponding to 36 less buildings), while Região Autónoma da Madeira recorded a nil variation. All the remaining regions recorded positive rates of change, with the emphasis on the Alentejo (+67.1%; +47 buildings) and Algarve (+15.4%; +12 buildings).

In the 3rd quarter 2019, the number of licensed dwellings in new constructions for family housing was 6.1 thousand, corresponding to a 29.2% increase vis-à-vis the 3rd quarter 2018 (+0.6% in the 2nd quarter 2019). The Região Autónoma dos Açores was the only region to presented a negative rate of change compared to the same period a year earlier (-3.1%). The largest increases were recorded in the Algarve (+51.5%), Área Metropolitana de Lisboa (+37.4%) and in the Norte region (+33.9%).

In Portugal, in the 3rd quarter 2019, there was a year-on-year decrease (-2.1%) in the total licensed area. The regions of the Algarve, Região Autónoma da Madeira, Área Metropolitana de Lisboa and Centro recorded the highest year-on-year increases in this variable: +32.6%, +11.3%, +10.1% and +1.0%, respectively. The remaining regions recorded negative rates of change, with the emphasis on the Alentejo (-16.9%).

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

(3rd quarter 2019)



In the 3rd quarter 2019, when focusing the analysis on a municipality level, the five municipalities with the highest absolute variation vis-à-vis the same quarter of the previous year in terms of the total number of licensed dwellings (considering all types of works and purposes) were responsible for the licensing of 18.1% of the total dwellings.

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

(3rd quarter 2019)

Rank	Portugal	3 rd Quarter 2019	3 rd Quarter 2018	Variation (Number)	Year-on-year change rate (%)
	Portugal	7 525	6 033	1492	24.7%
1	Matosinhos	266	43	223	518.6%
2	Vila Nova de Gaia	371	191	180	94.2%
3	Lisboa	489	353	136	38.5%
4	Vila Real	115	28	87	310.7%
5	Vila do Conde	124	41	83	202.4%

2. Completed buildings

In the 3rd quarter 2019, the total number of completed buildings (new constructions, building enlargements, renovations and reconstructions) increased by 16.7% compared to the 3rd quarter 2018 (+19.4% in the 2nd quarter 2019). In this period, it is estimated that 4.1 thousand buildings were completed in Portugal, mostly corresponding to new constructions (73.9%) of which 75.4% were meant to become family housing.

The Região Autónoma dos Açores presented a declining year-on-year rate of change as regards completed buildings: -21.3%. The remaining regions recorded positive year-on-year rates of change, more so Região Autónoma da Madeira (+57.1%) and Área Metropolitana de Lisboa (+51.5%).

In Portugal, completed works for new constructions increased by 14.9% when compared to the 3rd quarter 2018 and rehabilitation works grew by 22.0%. Completed works for new constructions increased by 8.2% and rehabilitation works decreased by 2.0% in comparison with the previous quarter.

As regards completed works for new constructions, the only region that recorded a declining year-on-year rate of change was Região Autónoma dos Açores (-21.8%). All the remaining regions presented positive year-on-year rates of change, with the emphasis on Região Autónoma da Madeira (+55.0%), Área Metropolitana de Lisboa (+54.8%) and the Algarve (+29.4%).

In what concerns completed works for rehabilitation, the Região Autónoma dos Açores was the only one presenting a declining year-on-year rate of change (-20.4%; -11 buildings). The highest positive rates of change were recorded in Região Autónoma da Madeira (+60.9%; +14 buildings) and in Alentejo (+50.0%; +32 buildings).

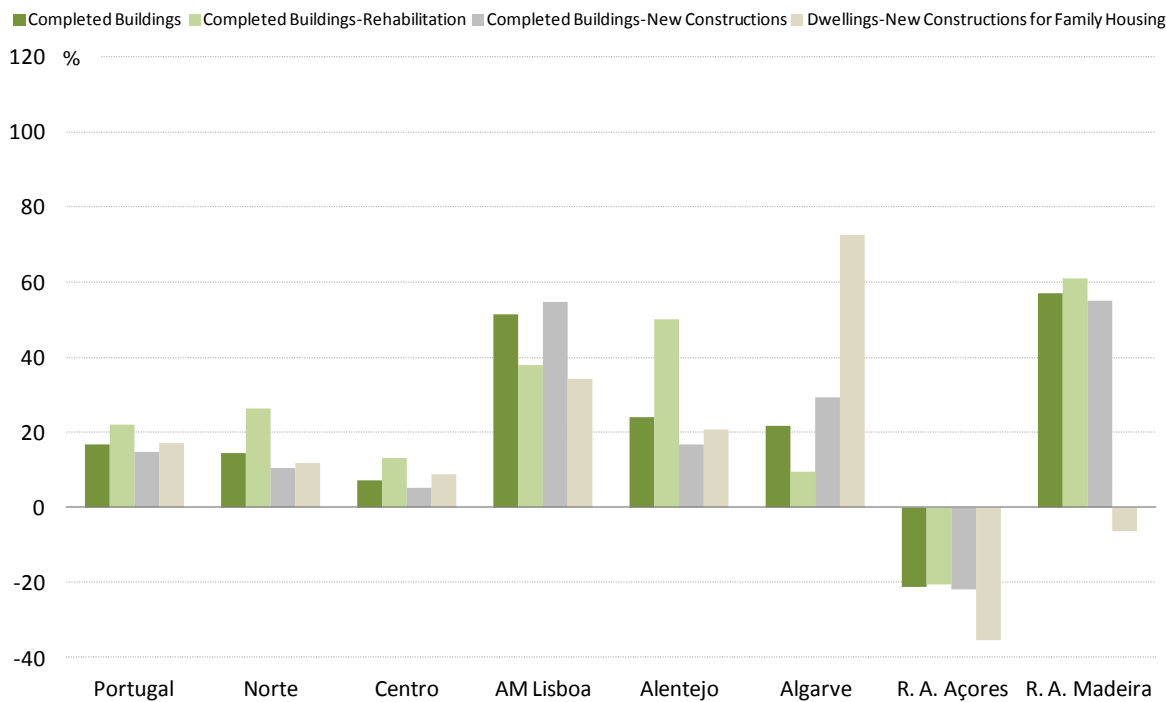
In the 3rd quarter 2019, the number of completed dwellings in new constructions for family housing stood at 3.8 thousand, increasing by 17.2% when compared to the 3rd quarter 2018 (+14.6% in the 2nd quarter 2019). There were only two regions that presented negative year-on-year rates of change: Região Autónoma dos Açores (-35.4%; -40 dwellings) and Região Autónoma da Madeira (-6.4%; -5 dwellings). All the remaining regions presented positive year-on-year rates of change, more so the Algarve (+72.6%) and Área Metropolitana de Lisboa (+34.2%), in line with the evolution in building permits.

Of the total buildings completed in the 3rd quarter 2019, 65.4% were located in the regions of the Norte and Centro, where 60.9% of the total completed dwellings in new constructions for family housing in the country were located. The Norte region accounted for a 38.4% share in buildings and 38.1% in completed dwellings. The works completed in Área Metropolitana de Lisboa corresponded to 14.9% of the total buildings and 21.6% of the total dwellings in the country.

In the 3rd quarter 2019, there was a 19.4% increase in the total completed construction area in Portugal. There were declining rates of change in Região Autónoma dos Açores (-26.7%), Região Autónoma da Madeira (-12.6%) and in the Centro (-10.5%). The remaining regions registered increases in terms of the total completed construction area compared to the same quarter of the previous year, with the emphasis on the Algarve, Alentejo and Norte regions (+63.4%, +42.8% and +39.0%, respectively).

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

(3rd quarter 2019)



Construction: Building Permits	Building Permits**					Quarterly year-on-year change rate (3 rd Q)*
	3 rd Q- 2018	4 th Q- 2018	1 st Q- 2019	2 nd Q- 2019	3 rd Q- 2019	
	Number					
Portugal						
Building Permits	5 392	5 663	6 195	5 860	5 712	5.9
Rehabilitation	1 211	1 306	1 389	1 245	1 258	3.9
New Construction	3 731	3 914	4 291	4 044	3 962	6.2
for Family Housing	2 787	2 980	3 250	3 107	3 025	8.5
Dwellings	4 697	5 496	6 179	5 428	6 068	29.2
Total area (m2)	2 245 507	2 414 718	2 353 019	2 130 233	2 198 137	-2.1
Norte						
Building Permits	2 073	2 214	2 466	2 288	2 222	7.2
Rehabilitation	480	480	528	436	501	4.4
New Construction	1 447	1 582	1 724	1 554	1 497	3.5
for Family Housing	1 100	1 197	1 333	1 214	1 178	7.1
Dwellings	1 962	2 524	2 761	2 032	2 627	33.9
Total area (m2)	1 045 044	1 135 501	1 020 727	890 593	960 247	-8.1
Centro						
Building Permits	1 603	1 564	1 627	1 592	1 597	-0.4
Rehabilitation	375	417	379	374	339	-9.6
New Construction	1 050	1 003	1 123	1 096	1 153	9.8
for Family Housing	733	717	770	792	821	12.0
Dwellings	1 091	1 112	1 116	1 249	1 272	16.6
Total area (m2)	579 362	623 238	592 435	623 893	584 954	1.0
Área Metropolitana de Lisboa						
Building Permits	776	952	1 009	973	840	8.2
Rehabilitation	127	150	162	157	129	1.6
New Construction	580	713	734	729	631	8.8
for Family Housing	480	598	625	611	533	11.0
Dwellings	952	1 013	1 361	1 350	1 308	37.4
Total area (m2)	300 172	326 079	409 810	338 364	330 496	10.1
Alentejo						
Building Permits	392	376	465	436	462	17.9
Rehabilitation	70	91	110	97	117	67.1
New Construction	303	267	337	313	316	4.3
for Family Housing	173	171	207	199	187	8.1
Dwellings	216	221	228	249	226	4.6
Total area (m2)	149 707	133 405	122 885	88 060	124 348	-16.9
Algarve						
Building Permits	266	284	330	293	297	11.7
Rehabilitation	78	85	111	82	90	15.4
New Construction	163	167	184	181	175	7.4
for Family Housing	146	146	157	152	156	6.8
Dwellings	291	417	495	276	441	51.5
Total area (m2)	97 573	116 024	136 086	115 385	129 344	32.6
R.A. Açores						
Building Permits	202	175	188	191	208	3.0
Rehabilitation	50	48	56	63	51	2.0
New Construction	140	119	123	120	136	-2.9
for Family Housing	115	93	100	93	105	-6.5
Dwellings	131	102	152	158	127	-3.1
Total area (m2)	52 357	38 028	48 433	47 178	45 042	-14.0
R.A. Madeira						
Building Permits	80	98	110	87	86	7.5
Rehabilitation	31	35	43	36	31	0.0
New Construction	48	63	66	51	54	12.5
for Family Housing	40	58	58	46	45	12.5
Dwellings	54	107	66	114	67	24.1
Total area (m2)	21 292	42 443	22 643	26 760	23 706	11.3

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 (3 rd Q)*
	3 rd Q- 2018	4 th Q- 2018	1 st Q- 2019	2 nd Q- 2019	3 rd Q- 2019	
	Number					
Portugal						
Completed Buildings	3 498	3 723	3 715	3 875	4 081	16.7
Rehabilitation	874	983	988	1 088	1 066	22.0
New Construction	2 624	2 740	2 727	2 787	3 015	14.9
for Family Housing	1 931	2 019	1 998	2 084	2 273	17.7
Dwellings	3 251	3 165	3 005	3 327	3 809	17.2
Total area (m2)	1 482 216	1 533 879	1 639 016	1 643 788	1 769 906	19.4
Norte						
Completed Buildings	1 370	1 496	1 387	1 537	1 567	14.4
Rehabilitation	326	402	368	421	412	26.4
New Construction	1 044	1 094	1 019	1 116	1 155	10.6
for Family Housing	778	801	777	838	881	13.2
Dwellings	1 299	1 107	1 058	1 218	1 452	11.8
Total area (m2)	580 902	690 429	690 857	605 579	807 406	39.0
Centro						
Completed Buildings	1 028	1 056	1 089	1 129	1 103	7.3
Rehabilitation	265	286	279	321	300	13.2
New Construction	763	770	810	808	803	5.2
for Family Housing	542	556	546	573	575	6.1
Dwellings	798	829	763	864	869	8.9
Total area (m2)	517 384	412 367	469 532	532 096	462 998	-10.5
Área Metropolitana de Lisboa						
Completed Buildings	402	483	527	498	609	51.5
Rehabilitation	79	101	123	124	109	38.0
New Construction	323	382	404	374	500	54.8
for Family Housing	274	322	339	325	404	47.4
Dwellings	614	741	674	710	824	34.2
Total area (m2)	172 933	199 750	247 097	248 086	231 577	33.9
Alentejo						
Completed Buildings	292	338	315	288	362	24.0
Rehabilitation	64	71	71	67	96	50.0
New Construction	228	267	244	221	266	16.7
for Family Housing	142	154	141	133	177	24.6
Dwellings	163	175	171	164	197	20.9
Total area (m2)	81 033	119 380	109 265	140 468	115 724	42.8
Algarve						
Completed Buildings	165	156	161	168	201	21.8
Rehabilitation	63	67	69	66	69	9.5
New Construction	102	89	92	102	132	29.4
for Family Housing	82	80	74	86	111	35.4
Dwellings	186	169	192	209	321	72.6
Total area (m2)	59 022	58 978	50 757	55 526	96 431	63.4
R.A. Açores						
Completed Buildings	178	135	165	184	140	-21.3
Rehabilitation	54	36	48	65	43	-20.4
New Construction	124	99	117	119	97	-21.8
for Family Housing	78	69	84	89	72	-7.7
Dwellings	113	79	87	104	73	-35.4
Total area (m2)	44 203	36 470	39 319	39 699	32 402	-26.7
R.A. Madeira						
Completed Buildings	63	59	71	71	99	57.1
Rehabilitation	23	20	30	24	37	60.9
New Construction	40	39	41	47	62	55.0
for Family Housing	35	37	37	40	53	51.4
Dwellings	78	65	60	58	73	-6.4
Total area (m2)	26 739	16 505	32 189	22 334	23 368	-12.6

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	
	2 nd Quarter 2019	
Previous publication	Previous publication	Current Publication
Building Permits	0.5%	1.9%
Licensed Dwellings	-1.1%	0.6%

Further data

Data presented for 2019 may be underestimated, due to the unavailability of part of the information concerning the municipality of Porto, as a result of difficulties regarding the compilation and submission to Statistics Portugal.

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 OCTOBER 2019 can be found.

DATE OF NEXT PRESS RELEASE: **13 March 2020**.