



14 December 2021

CONSTRUCTION: BUILDING PERMITS AND COMPLETED BUILDINGS
3rd quarter of 2021

LICENSING AND WORKS COMPLETIONS ABOVE PRE-PANDEMIC PERIOD

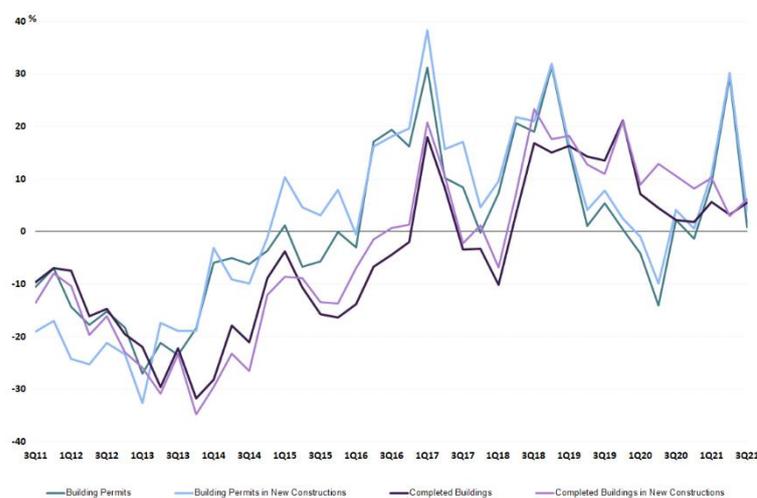
In the 3rd quarter of 2021, there were 6.0 thousand licensed buildings, more 0.9% than in the same quarter of the previous year (+29.5% in the 2nd quarter of 2021) and more 3.1% than in the 3rd quarter of 2019. Building permits for new constructions increased by 3.8% (+30.2% in the 2nd quarter of 2021) and more 8.1% vis-à-vis the 3rd quarter of 2019. Renovation permits decreased by 6.3% (+26.3% in the 2nd quarter of 2021), representing a 9.8% decrease compared with the 3rd quarter of 2019. The number of completed buildings increased by 5.5% (+3.3% in the 2nd quarter of 2021), more 7,8% than in the 3rd quarter of 2019, totalling 3.9 thousand buildings.

Compared with the **previous quarter**, the number of building permits decreased by 8.9% (-0.5% in the 2nd quarter of 2021) and the number of completed buildings increased by 4.1% (-0.4% in the 2nd quarter of 2021).

In a monthly analysis, there were very significant increases in March, April and May (+46.2%, +72.4% and +24.8%, respectively), which coincides with the period of greatest decreases in 2020, due to the strong impact of the COVID-19 pandemic in those months, in which many services of the municipalities were closed or with limitations in public service. In the following months, more tenuous growths or even decreases were observed compared to 2020.

In the first three quarters of 2021, the number of licensed buildings increased by 12.3% compared to 2020 and by 6.4% compared to the same period in 2019.

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



Source: Statistics of building permits and construction works completed



According to the preliminary information available so far, in the 3rd quarter of 2021, there were 6.0 thousand building permits issued and 3.9 thousand buildings completed in Portugal. The number of building permits grew by 0.9% compared to the 3rd quarter of 2020 (+29.5% in the 2nd quarter of 2021), having decreased by 8.9% compared to the previous quarter. The number of completed buildings grew by 5.5% year-on-year (+3.3% in the 2nd quarter of 2021), having increased by 4.1% vis-à-vis the previous quarter.

1. Building permits

In the 3rd quarter of 2021, the number of building permits issued in Portugal was 6.0 thousand, corresponding to a 0.9% increase in comparison with the same quarter of the previous year (+29.5% in the 2nd quarter of 2021). This figure surpasses by 3.1% the number of buildings licensed in the 3rd quarter of 2019 (pre-pandemic COVID-19 period).

Of the total building permits, 74.8% corresponded to new constructions, and, of these, 78.2% referred to family housing. Demolished buildings (369 units) corresponded to 6.1% of the total building permits in the 3rd quarter of 2021.

The regions of Região Autónoma dos Açores, Alentejo, and Área Metropolitana de Lisboa presented positive year-on-year rates of change concerning the number of building permits (+23.0%, +18.0%, and 9.7%, in the same order). The remaining regions presented negative year-on-year rates of change, more so in the case of Centro (-8.4%).

The number of building permits for new constructions grew by 3.8% compared to the 3rd quarter of 2020, with renovation permits decreasing by 6.3%. When compared to the previous quarter, the number of permits for new constructions decreased by 8.5%, while renovation works declined by 9.0%. Compared to the 3rd quarter of 2019, licensing for new constructions increased by 8.1%, while renovation works decreased by 9.8%.

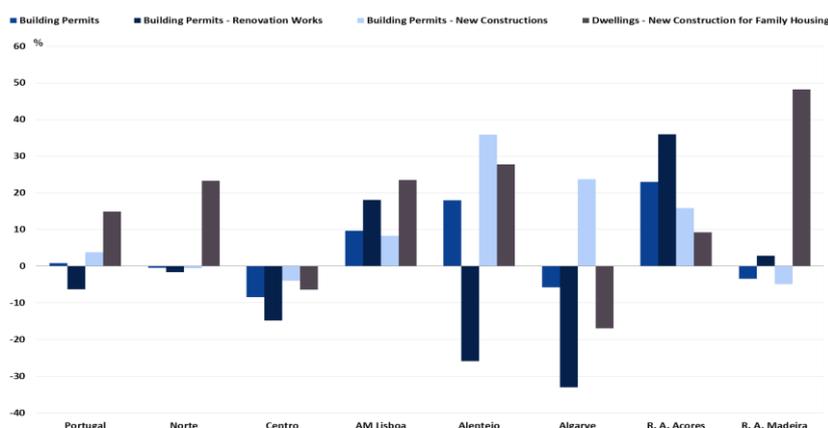
The number of building permits for new constructions increased in Alentejo (+35.9%), Algarve (+23.7%), Região Autónoma dos Açores (+15.9%), and Área Metropolitana de Lisboa (+8.3%). The remaining regions accounted for a decrease, namely Região Autónoma da Madeira (-4.9%).

In the 3rd quarter of 2021, 7.1 thousand dwellings in new construction for family housing were licensed. This value reflects an increase of 14.9% compared to the 3rd quarter of 2020 (+23.8% in the 2nd quarter of 2021). Compared to the 3rd quarter of 2019, dwellings in new construction increased by 10.7%. Algarve and Centro were the only regions that presented a declining year-on-year rate of change (-16.9% and -6.3%, respectively). The largest increase was recorded in Região Autónoma da Madeira (+48.1%), followed by Alentejo (+27.8%), Área Metropolitana de Lisboa (+23.5%), Norte (+23.3%), and Região Autónoma dos Açores (+9.3%).

In Portugal, in the 3rd quarter of 2021, the total licensed area increased by 4.8% year-on-year (+30.2% in the 2nd quarter of 2021). The region of Centro was the only one registering a declining year-on-year rate of change in this indicator (-15.0%). Among the other regions, Área Metropolitana de Lisboa stood out (+44.1%).



Figure 2. Building and dwelling permits – Quarterly year-on-year rate of change
(3rd quarter of 2021)



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

In an analysis by municipality, in the 3rd quarter of 2021, it was verified that the five municipalities with the highest positive absolute variation compared to the same quarter, represented 28.7% of the total dwellings in construction works (considering all types of works and all destinations). Taken together, these municipalities recorded an increase of 104.3% compared to the previous year (+1,239 dwellings).

The five municipalities with the greatest decreasing rates of change in the number of dwellings licensed for construction, decreased by 58.9% when compared to the same quarter of the previous year (-502 dwellings).

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

Rank	Municipality	3 rd Quarter		Variation (Number)	Year-on-year rate of change (%)
		2021	2020		
	PORTUGAL	8454	7537	917	12,2
+					
1	Porto	970	428	542	126,6
2	Vila Nova de Gaia	678	332	346	104,2
3	Lisboa	500	328	172	52,4
4	Odivelas	156	43	113	262,8
5	Maia	123	57	66	115,8
-					
1	Matosinhos	105	334	-229	-68,6
2	Leiria	109	188	-79	-42,0
3	Vila Real de Santo António	20	87	-67	-77,0
4	Aveiro	97	161	-64	-39,8
5	Póvoa de Varzim	19	82	-63	-76,8

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



In the accumulated January to October 2021, the number of licensed buildings grew by 12.3 % compared to 2020 and by 6.4% compared to the same period in 2019.

In a monthly analysis, there were very significant increases in March, April and May (+46.2%, +72.4% and +24.8%, respectively), which coincides with the period of greatest decreases in 2020, due to the strong impact of the COVID-19 pandemic in those months, in which many services of the municipalities were closed or with limitations in public service. In the following months, more tenuous growths or even decreases were observed compared to 2020.

Figure 4. Building permits – monthly information

Unit: No.

Month	Building Permits (No.)			Growth Rate (%)		
	2019	2020	2021	2020/2019	2021/2020	2021/2019
TOTAL	24 117	23 068	19 342	-4,3	12,3	6,4
January	2 248	2 272	1 999	1,1	-12,0	-11,1
February	2 052	2 048	2 061	-0,2	0,6	0,4
March	2 071	1 784	2 609	-13,9	46,2	26,0
April	1 800	1 348	2 324	-25,1	72,4	29,1
May	2 341	1 821	2 272	-22,2	24,8	-2,9
June	1 815	1 954	2 037	7,7	4,2	12,2
July	2 135	2 210	2 016	3,5	-8,8	-5,6
August	1 668	1 776	1 854	6,5	4,4	11,2
September	2 056	2 003	2 170	-2,6	8,3	5,5
October	2 475	2 193				
November	1 859	1 969				
December	1 597	1 690				

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

2. Completed buildings

In the 3rd quarter of 2021, the total number of completed buildings (new constructions, building enlargements, renovations, and reconstructions) increased by 5.5% compared to the 3rd quarter of 2020 (+3.3% in the 2nd quarter of 2021). Compared to the 3rd quarter of 2019, the number of completed buildings increased by 7.8%.

In this period, it is estimated that 3.9 thousand buildings have been completed in Portugal, mostly corresponding to new constructions (80.3%), and of these, 75.9% were intended for family housing.

Alentejo was the only region that presented a year-on-year decline in the number of completed buildings (-2.7%). The remaining regions registered positive year-on-year rates of change, namely Região Autónoma da Madeira (+36.2%) and Região Autónoma dos Açores (+16.9%).

There were increases of 6.1% in completed works to new constructions and 3.1% in renovation works, vis-à-vis the 3rd quarter of 2020. Compared with the previous quarter, the rates of change were +5.1% and +0.1%, respectively.



The region of Alentejo presented a decrease in what concerns completed works for new constructions (-4.2%). Conversely, the remaining regions registered increases in this variable, more so Região Autónoma da Madeira (+35.7%) and Região Autónoma dos Açores (+21.7%).

There was a 3.1% increase in completed works for renovation. Except for Área Metropolitana de Lisboa (-12.5%), all the other regions registered growth, particularly the Região Autónoma da Madeira (+37.5%).

In the 3rd quarter of 2021, completed dwellings in new construction for family housing amounted to 4.9 thousand, corresponding to an increase of 12.4% compared to the same period of 2020 (+7.1% in the 2nd quarter of 2021). It is estimated that this growth covered all regions of the country, with a sharp increase in the Região Autónoma da Madeira (+181.8%). The growth observed in this region is partly due to the effective completion of new construction buildings for family housing, of high size, in the municipality of Funchal.

Figure 5. Completed buildings and dwellings – Quarterly year-on-year rate of change
(3rd quarter of 2021)



Source: Completed Works Estimations

Together, the Norte and Centro regions continued to stand out concerning the number of completed buildings (63.2% of the total) and completed dwellings in new construction for family housing (63.3%), in the 3rd quarter of 2021. The Norte region kept being predominant in the number of completed buildings and dwellings (36.7% and 42.7%, respectively), followed by Centro with 26.6% of completed buildings and 20.7% of completed dwellings in new construction for family housing.



INSTITUTO NACIONAL DE ESTATÍSTICA
STATISTICS PORTUGAL

press release

DIÍSTAQUE

In the 3rd quarter of 2021, there was an 3.7% increase in the total completed construction area in Portugal, compared to the same period of the previous year. The decreases in the regions of Alentejo, Centro, and Norte contributed to this (-35.7%, -13.7%, and -4.1%, in the same order).

In all the other regions there was an increase in this indicator, with Região Autónoma da Madeira presenting the most significant positive rate of change (+94.4%). The effective conclusion of residential buildings in the municipality of Funchal contributed to this growth.



Unit: No.

Construction: Building Permits	Building Permits**					Quarterly year-on-year change
	3 rd Q- 2020	4 th Q- 2020	1 st Q- 2021	2 nd Q- 2021	3 rd Q- 2021	rate (2 nd Q)*
	%					
Portugal						
Building Permits	5 989	5 852	6 669	6 633	6 040	0,9
Renovation Works	1 232	1 214	1 335	1 269	1 155	-6,3
New Construction	4 349	4 208	4 898	4 936	4 516	3,8
for Family Housing	3 396	3 302	3 935	3 885	3 533	4,0
Dwellings	6 179	6 604	7 148	7 321	7 100	14,9
Total area (m2)	2 311 198	2 432 719	2 687 348	2 747 219	2 421 651	4,8
Norte						
Building Permits	2 325	2 236	2 619	2 557	2 316	-0,4
Renovation Works	490	460	525	493	482	-1,6
New Construction	1 711	1 651	1 963	1 919	1 701	-0,6
for Family Housing	1 360	1 308	1 591	1 551	1 401	3,0
Dwellings	2 874	3 037	3 223	2 936	3 545	23,3
Total area (m2)	1 067 796	1 018 294	1 205 948	1 069 877	1 105 350	3,5
Centro						
Building Permits	1 679	1 584	1 770	1 798	1 538	-8,4
Renovation Works	318	322	368	340	271	-14,8
New Construction	1 226	1 133	1 283	1 344	1 178	-3,9
for Family Housing	901	849	1 000	989	867	-3,8
Dwellings	1 388	1 208	1 417	1 451	1 300	-6,3
Total area (m2)	633 109	594 908	646 054	618 533	538 276	-15,0
Área Metropolitana de Lisboa						
Building Permits	948	979	1 172	1 174	1 040	9,7
Renovation Works	122	169	162	160	144	18,0
New Construction	735	697	895	907	796	8,3
for Family Housing	641	605	780	762	680	6,1
Dwellings	1 168	1 432	1 368	1 931	1 442	23,5
Total area (m2)	318 761	475 273	414 481	558 502	409 093	28,3
Alentejo						
Building Permits	456	455	475	432	538	18,0
Renovation Works	120	99	101	87	89	-25,8
New Construction	315	336	347	319	428	35,9
for Family Housing	203	218	216	223	248	22,2
Dwellings	227	250	234	272	290	27,8
Total area (m2)	112 556	158 153	169 502	266 105	162 145	44,1
Algarve						
Building Permits	263	272	278	298	248	-5,7
Renovation Works	97	73	78	72	65	-33,0
New Construction	135	166	165	200	167	23,7
for Family Housing	119	149	151	173	150	26,1
Dwellings	301	383	586	503	250	-16,9
Total area (m2)	98 498	96 504	160 274	125 916	122 859	24,7
R.A. Açores						
Building Permits	200	213	228	271	246	23,0
Renovation Works	50	54	65	87	68	36,0
New Construction	145	149	155	174	168	15,9
for Family Housing	108	116	120	123	119	10,2
Dwellings	140	150	163	143	153	9,3
Total area (m2)	49 225	48 068	49 651	74 419	50 449	2,5
R.A. Madeira						
Building Permits	118	113	127	103	114	-3,4
Renovation Works	35	37	36	30	36	2,9
New Construction	82	76	90	73	78	-4,9
for Family Housing	64	57	77	64	68	6,3
Dwellings	81	144	157	85	120	48,1
Total area (m2)	31 253	41 519	41 438	33 867	33 479	7,1

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



Unit: No.

Construction: Completed Buildings	Completed Buildings					Quaterly year-on-year change
	3 rd Q- 2020	4 th Q- 2020	1 st Q- 2021	2 nd Q- 2021	3 rd Q- 2021	rate (3 rd Q)*
						%
Portugal						
Completed Buildings	3 650	3 828	3 715	3 701	3 852	5,5
Renovation Works	734	766	725	756	757	3,1
New Construction	2 916	3 062	2 990	2 945	3 095	6,1
for Family Housing	2 135	2 231	2 376	2 268	2 350	10,1
Dwellings	4 386	4 372	4 811	4 492	4 932	12,4
Total area (m2)	1 723 879	1 657 845	1 618 366	1 806 853	1 659 846	-3,7
Norte						
Completed Buildings	1 321	1 374	1 409	1 400	1 412	6,9
Renovation Works	273	262	284	290	279	2,2
New Construction	1 048	1 112	1 125	1 110	1 133	8,1
for Family Housing	775	807	906	871	853	10,1
Dwellings	1 844	1 893	1 931	1 746	2 104	14,1
Total area (m2)	764 626	715 229	676 524	684 403	733 055	-4,1
Centro						
Completed Buildings	1 002	1 041	934	959	1 024	2,2
Renovation Works	197	228	180	222	209	6,1
New Construction	805	813	754	737	815	1,2
for Family Housing	529	527	562	512	563	6,4
Dwellings	980	1 061	840	823	1 020	4,1
Total area (m2)	437 165	418 074	371 028	506 371	377 408	-13,7
Área Metropolitana de Lisboa						
Completed Buildings	643	646	671	618	684	6,4
Renovation Works	80	71	63	76	70	-12,5
New Construction	563	575	608	542	614	9,1
for Family Housing	466	482	528	457	525	12,7
Dwellings	949	790	1 450	1 233	992	4,5
Total area (m2)	266 043	295 620	358 728	347 842	280 500	5,4
Alentejo						
Completed Buildings	301	357	304	310	293	-2,7
Renovation Works	63	73	75	65	65	3,2
New Construction	238	284	229	245	228	-4,2
for Family Housing	155	175	143	170	163	5,2
Dwellings	205	215	177	245	210	2,4
Total area (m2)	121 976	113 348	82 183	108 669	78 382	-35,7
Algarve						
Completed Buildings	153	154	140	162	159	3,9
Renovation Works	48	49	44	44	51	6,3
New Construction	105	105	96	118	108	2,9
for Family Housing	94	90	89	107	97	3,2
Dwellings	219	214	190	266	311	42,0
Total area (m2)	56 300	58 782	43 291	73 364	76 847	36,5
R.A. Açores						
Completed Buildings	172	172	168	167	201	16,9
Renovation Works	57	58	58	39	61	7,0
New Construction	115	114	110	128	140	21,7
for Family Housing	80	98	89	98	102	27,5
Dwellings	145	106	98	103	171	17,9
Total area (m2)	51 222	30 474	51 648	39 844	62 051	21,1
R.A. Madeira						
Completed Buildings	58	84	89	85	79	36,2
Renovation Works	16	25	21	20	22	37,5
New Construction	42	59	68	65	57	35,7
for Family Housing	36	52	59	53	47	30,6
Dwellings	44	93	125	76	124	181,8
Total area (m2)	26 547	26 318	34 964	46 360	51 603	94,4

Note: * Quaterly 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 rate of change	
	2 nd Quarter 2021	
	Previous publication	Current Publication
Building Permits	27,1%	29,5%
Licensed Dwellings	20,8%	23,8%

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 OCTOBER 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 the license or authorisation for use has been granted or not.

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 - comprise 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 – 15 March 2022
