



9 June 2022

CONSTRUCTION: BUILDING PERMITS AND COMPLETED BUILDINGS
1st quarter of 2022

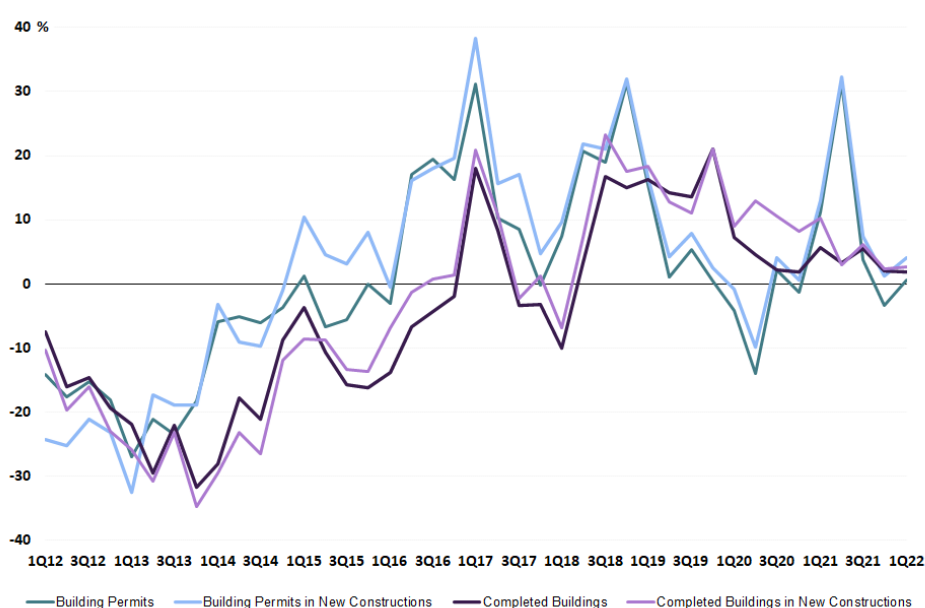
BUILDING PERMITS RECORDED A SMALL YEAR-ON-YEAR GROWTH BUT AT A SIGNIFICANTLY HIGHER LEVEL THAN BEFORE THE PANDEMIC

In the **1st quarter of 2022**, the number of licensed buildings was 6.8 thousand, i.e., 0.6% more than in the same quarter of the previous year (-3.3% in the 4th quarter of 2021) and 7.1% more compared to the 1st quarter of 2019. Building permits for new constructions increased by 4.1% (+1.2% in the 4th quarter of 2021), corresponding to a level 16.5% higher than in the 1st quarter of 2019. The number of renovation permits decreased by 9.1% (-11.4% in the 4th quarter of 2021), corresponding to a decrease of 14.1% compared to the 1st quarter of 2019. An estimated 3.8 thousand buildings were completed in the 1st quarter of 2022, i.e., 1.8% more compared to the same period in 2021 (+2.0% in the 4th quarter of 2021) and up 15.2% vis-à-vis the 1st quarter of 2019.

When compared with the **previous quarter**, the number of building permits grew by 20.6% (-8.9% in the 4th quarter of 2021) and the number of completed buildings decreased by 3.1% (+1.3% in the 4th quarter of 2021).

A **monthly analysis** highlights the 6.5% decrease in the number of building permits in March 2022, compared to the same month of 2021. Vis-à-vis March 2019, the number of building permits increased by 19.8%.

Figure 1. Quarterly year-on-year rates of change (Building permits and completed buildings)



Source: Statistics of building permits and construction works completed

CONSTRUCTION: BUILDING PERMITS AND COMPLETED BUILDINGS – 1st quarter of 2022



1. Building permits

In the 1st quarter of 2022, the number of building permits issued in Portugal was 6.8 thousand, corresponding to a 0.6% increase vis-à-vis the 1st quarter of 2021 (-3.3% in the 4th quarter of 2021). This figure stands for a 7.1% increase compared to the number of building permits issued in the 1st quarter of 2019.

Of the total building permits, 76.0% corresponded to new constructions, and, of these, 82.6% referred to family housing. Demolished buildings (396 units) corresponded to 5.8% of the total building permits in the 1st quarter of 2022.

The regions of Norte, Centro, and Algarve registered positive year-on-year rates of change concerning the total number of building permits (+3.0%, +1.1%, and +1.1%, respectively). All the remaining regions presented declining year-on-year rates of change: -3.8% in Área Metropolitana de Lisboa, -3.1% in Região Autónoma da Madeira, -2.7% in Alentejo and -0.9% in Região Autónoma dos Açores.

The number of building permits for new constructions in Portugal increased by 4.1% compared to the 1st quarter of 2021, while renovation permits decreased by 9.1%. When compared to the previous quarter, the permits for new constructions increased by 21.8%, and renovation works grew by 15.3%. When compared to the 1st quarter of 2019, building permits for new constructions grew by 16.5%, while renovation permits decreased by 14.1%.

Except for Alentejo (a null rate of change), all the regions of the country recorded year-on-year increases in building permits for new constructions. The highest rates were registered in Região Autónoma dos Açores (+15.9%) and Algarve (+13.2%).

In the 1st quarter of 2022, 8.0 thousand dwellings in new construction for family housing were licensed. This value reflects an increase of 9.3% when compared to the 1st quarter of 2021 (-3.9% in the 4th quarter of 2021). In comparison with the 1st quarter of 2019, the number of dwellings in new constructions increased by 24.8%. Algarve was the only region to register a declining year-on-year rate of change in this variable (-52.5%). The decrease recorded in this region is a result of a base effect, given that in the 1st quarter of 2021, the highest level of licensing of new dwellings for family housing of the last five quarters was registered in the municipality of Silves.

Região Autónoma da Madeira, Região Autónoma dos Açores, and Alentejo registered the highest year-on-year positive rates of change (+63.7%, +32.9%, and +32.8%, in the same order). Several building permits in the municipality of Funchal spread over the first three months of the year, contributed to the higher growth recorded in Região Autónoma da Madeira.

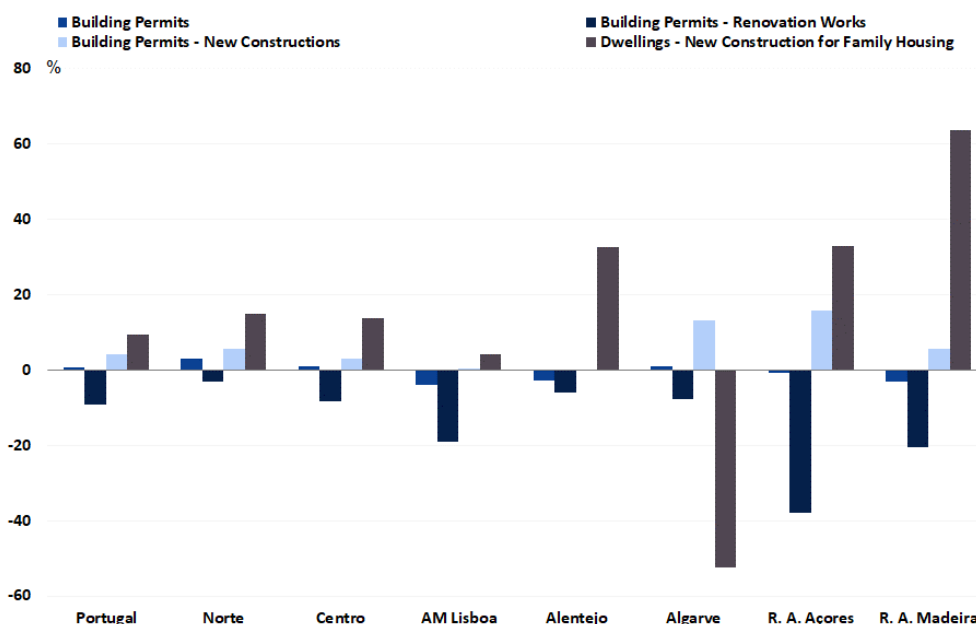
In Portugal, in the 1st quarter of 2022, the total licensed area increased by 3.6% year-on-year (-5.9% in the 4th quarter of 2021). The Algarve and Centro regions recorded negative rates of change in this variable (-48.7% and -3.0%, respectively). All the other regions observed an increase in this indicator, particularly Região Autónoma da Madeira (+50.9%) and Região Autónoma dos Açores (+40.7%). The increase observed in Região Autónoma da Madeira is mainly justified by the growth in the number of new dwellings licensed for family housing.



In an analysis by variable, the Norte region continues to stand out with the greatest contribution in all indicators, being responsible for 40.2% of the building permits, 42.7% of the building permits for renovation, and 47.4% of the dwellings licensed in new construction for family housing.

Figure 2. Building and dwelling permits – Quarterly year-on-year rate of change

(1st quarter of 2022)



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

An analysis by municipality shows that in the 1st quarter of 2022, the 5 municipalities with the highest absolute variation, compared to the same quarter of the previous year, were responsible for the licensing of 16.4% 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 155.4% over the previous year (+934 dwellings).

In the five municipalities with the greatest declining rates of change, the number of dwellings licensed for construction decreased by 58.2% in comparison with the same quarter of the previous year (-685 dwellings).



Figure 3. Municipalities with the highest absolute variation in the total number of licensed dwellings in building works
(1st quarter of 2022)

Rank	Municipality	1 st Quarter		Variation	Year-on-year rate of change
		2022	2021	(Number)	(%)
	PORTUGAL	9370	8797	573	6.5%
+					
1	Vila Nova de Gaia	744	248	496	200.0%
2	Maia	259	100	159	159.0%
3	Espinho	220	113	107	94.7%
4	Funchal	215	120	95	79.2%
5	Lourinhã	97	20	77	385.0%
-					
1	Silves	21	282	-261	-92.6%
2	Matosinhos	67	275	-208	-75.6%
3	Leiria	190	277	-87	-31.4%
4	Braga	187	253	-66	-26.1%
5	Vila Real	27	90	-63	-70.0%

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

In a **monthly analysis**, considering the first three months of the year, the growth that occurred in January (+7.1%) and February (+3.3%), when compared with the same months of the previous year, stood out. March marked a year-on-year decrease of 6.5% in the total number of building permits. In contrast, comparing March 2022 with the same month of 2019 (pre-pandemic), there was an increase of 19.8% in this indicator.

Figure 4. Building permits – monthly data

Month	Building Permits (No.)				Year-on-year rate of change		
	2019	2020	2021	2022	2022/2019	2022/2020	2022/2021
TOTAL	24 117	23 068	4 129	6 822	7,1	11,8	0,6
January	2 248	2 272	2 041	2 185	-2,8	-3,8	7,1
February	2 052	2 048	2 088	2 156	5,1	5,3	3,3
March	2 071	1 784	2 654	2 481	19,8	39,1	-6,5
April	1 800	1 348	2 350				
May	2 341	1 821	2 308				
June	1 815	1 954	2 070				
July	2 135	2 210	2 046				
August	1 668	1 776	1 940				
September	2 056	2 003	2 225				
October	2 475	2 193	1 677				
November	1 859	1 969	2 126				
December	1 597	1 690	1 853				

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



2. Completed buildings

In the 1st quarter of 2022, it is estimated that the total number of completed buildings in Portugal was 3.8 thousand (new constructions, building enlargements, renovations, and reconstructions), which corresponds to a 1.8% growth when compared with the 1st quarter of 2021 (+2.0% in the 4th quarter of 2021). In comparison with the 1st quarter of 2019, the number of completed buildings increased by 15.2%.

For the most part, the completed buildings corresponded to new constructions (81.1%), of which 76.9% were destined for family housing.

Região Autónoma da Madeira, Alentejo, Algarve, and Região Autónoma dos Açores registered a year-on-year decline in the number of completed buildings (-9.0%, -6.9%, -3.6%, and -0.6%, in the same order). The remaining regions registered positive year-on-year rates of change, more so Norte (+3.8%) and Centro (+3.2%).

When compared with the 1st quarter of 2021, the number of completed works in new constructions increased by 2.6% and renovation works decreased by 1.5%. Compared with the previous quarter, both variables recorded decreases: -2.1% concerning new constructions and -7.3% regarding renovation works.

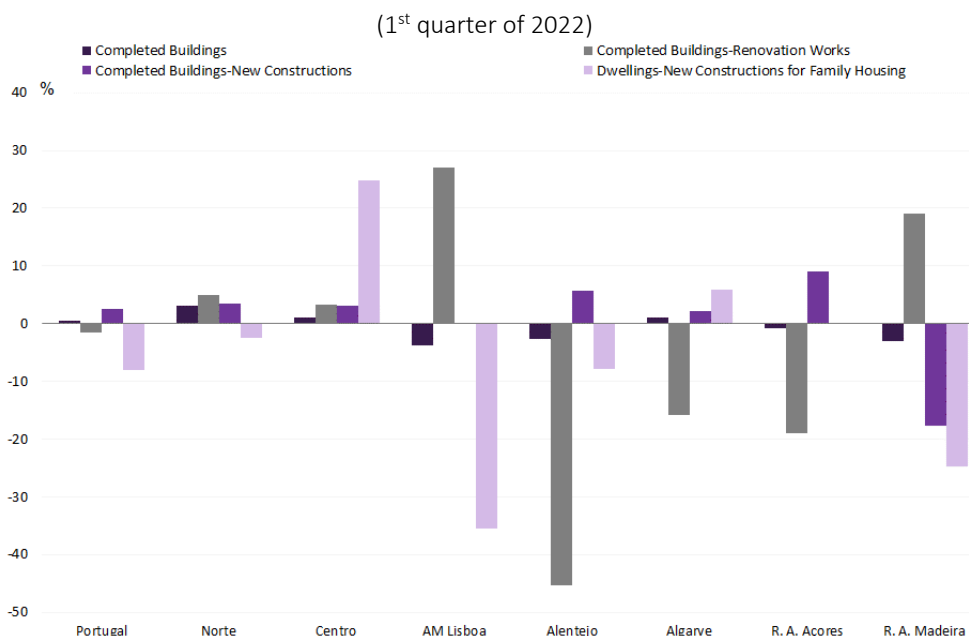
Região Autónoma da Madeira presented a decline in terms of completed works in new constructions (-17.6%). All other regions registered increases, more so Região Autónoma dos Açores (+9.1%) and Alentejo (+5.7%).

There was a 1.5% decrease in the number of completed works for renovation. This outcome was the result of the contributions of Alentejo, Região Autónoma dos Açores, and Algarve (-45.3%, -19.0, and -15.9%, respectively). The remaining regions registered positive year-on-year rates of change, particularly Área Metropolitana de Lisboa (+27.0%) and Região Autónoma da Madeira (+19.0%).

In the 1st quarter of 2022, completed dwellings in new construction for family housing amounted to 4.4 thousand, corresponding to a decrease of 8.1% when compared to the 1st quarter of 2021 (+5.9% in the 4th quarter of 2021). The regions of Centro and Algarve recorded a positive rate of change concerning this variable (+24.8% and +5.8% respectively). Região Autónoma dos Açores had a null rate of change. The remaining regions recorded a decline in this variable, more so Área Metropolitana de Lisboa (-35.4%), reflecting the increase of this indicator in the 1st quarter of 2021, as a result of completed buildings with a higher number of dwellings in the municipalities of Alcochete, Seixal, and Lisboa.



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



Source: Completed Works Estimations

In the 1st quarter of 2022, Norte and Centro regions continued to stand out in terms of the number of completed buildings (representing together 64.2% of the total) and completed dwellings in new construction for family housing (66.3%). The Norte region kept being predominant in the number of completed buildings and dwellings (38.7% and 42.6%, respectively). The Centro region followed in terms of completed buildings (25.5%) and completed dwellings in new constructions for family housing (23.7%).

In the 1st quarter of 2022, the total completed construction area in Portugal increased by 6.4% compared to the same period of the previous year. Algarve (+83.5%), Alentejo (+50.8%), Norte (+10.3%), and Centro (+5.8%) recorded positive year-on-year rates of change. The sharpest increases registered in Algarve and Alentejo were partly due to the lower values of this indicator in the 1st quarter of 2021. The remaining regions showed declining rates of change, the sharpest having occurred in Região Autónoma dos Açores (-35.1%).



Construction: Building Permits	Building Permits**					Unit: No.	
	1 st Q- 2021	2 nd Q- 2021	3 rd Q- 2021	4 th Q- 2021	1 st Q- 2022	Quarterly year-on-year change	
						rate (1 st Q)*	
							%
Portugal							
Building Permits	6 783	6 728	6 211	5 656	6 822	0.6	
Renovation Works	1 364	1 285	1 169	1 075	1 240	-9.1	
New Construction	4 982	5 014	4 669	4 258	5 186	4.1	
for Family Housing	4 002	3 956	3 625	3 463	4 284	7.0	
Dwellings	7 301	7 566	7 256	6 347	7 979	9.3	
Total area (m2)	2 730 285	2 802 905	2 470 099	2 289 724	2 827 357	3.6	
Norte							
Building Permits	2 664	2 588	2 359	2 136	2 745	3.0	
Renovation Works	547	503	492	423	530	-3.1	
New Construction	1 987	1 939	1 732	1 605	2 096	5.5	
for Family Housing	1 610	1 569	1 422	1 335	1 750	8.7	
Dwellings	3 288	2 969	3 591	2 674	3 783	15.1	
Total area (m2)	1 224 190	1 086 657	1 118 248	948 682	1 340 510	9.5	
Centro							
Building Permits	1 789	1 807	1 556	1 530	1 809	1.1	
Renovation Works	371	342	272	269	340	-8.4	
New Construction	1 298	1 351	1 194	1 170	1 338	3.1	
for Family Housing	1 011	994	882	885	1 049	3.8	
Dwellings	1 433	1 469	1 349	1 441	1 632	13.9	
Total area (m2)	654 613	622 713	551 152	568 862	634 927	-3.0	
Área Metropolitana de Lisboa							
Building Permits	1 205	1 222	1 097	976	1 159	-3.8	
Renovation Works	162	162	144	124	131	-19.1	
New Construction	928	953	853	782	931	0.3	
for Family Housing	811	805	734	677	825	1.7	
Dwellings	1 434	2 118	1 501	1 050	1 494	4.2	
Total area (m2)	428 053	592 292	421 994	391 459	429 207	0.3	
Alentejo							
Building Permits	484	435	586	391	471	-2.7	
Renovation Works	101	87	88	90	95	-5.9	
New Construction	355	322	476	290	355	0.0	
for Family Housing	220	226	249	228	250	13.6	
Dwellings	238	275	291	311	316	32.8	
Total area (m2)	170 940	266 653	171 040	110 736	206 820	21.0	
Algarve							
Building Permits	280	299	251	272	283	1.1	
Renovation Works	78	72	67	71	72	-7.7	
New Construction	167	201	168	178	189	13.2	
for Family Housing	152	174	151	159	173	13.8	
Dwellings	587	504	251	326	279	-52.5	
Total area (m2)	160 624	126 069	123 582	94 284	82 383	-48.7	
R.A. Açores							
Building Permits	231	274	248	231	229	-0.9	
Renovation Works	66	89	70	62	41	-37.9	
New Construction	157	175	168	151	182	15.9	
for Family Housing	121	124	119	105	148	22.3	
Dwellings	164	146	153	137	218	32.9	
Total area (m2)	50 290	74 654	50 604	54 756	70 781	40.7	
R.A. Madeira							
Building Permits	130	103	114	120	126	-3.1	
Renovation Works	39	30	36	36	31	-20.5	
New Construction	90	73	78	82	95	5.6	
for Family Housing	77	64	68	74	89	15.6	
Dwellings	157	85	120	408	257	63.7	
Total area (m2)	41 575	33 867	33 479	120 945	62 729	50.9	

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: Completed Buildings	Completed Buildings					Unit: No.
	1 st Q- 2021	2 nd Q- 2021	3 rd Q- 2021	4 th Q- 2021	1 st Q- 2022	Quarterly year-on-year change rate (1 st Q)*
	%					
Portugal						
Completed Buildings	3 715	3 701	3 852	3 903	3 782	1.8
Renovation Works	725	756	757	770	714	-1.5
New Construction	2 990	2 945	3 095	3 133	3 068	2.6
for Family Housing	2 376	2 268	2 350	2 351	2 358	-0.8
Dwellings	4 811	4 492	4 932	4 632	4 423	-8.1
Total area (m2)	1 618 366	1 806 853	1 659 846	1 688 102	1 722 352	6.4
Norte						
Completed Buildings	1 409	1 400	1 412	1 478	1 463	3.8
Renovation Works	284	290	279	320	298	4.9
New Construction	1 125	1 110	1 133	1 158	1 165	3.6
for Family Housing	906	871	853	890	913	0.8
Dwellings	1 931	1 746	2 104	1 880	1 883	-2.5
Total area (m2)	676 524	684 403	733 055	747 335	746 060	10.3
Centro						
Completed Buildings	934	959	1 024	1 008	964	3.2
Renovation Works	180	222	209	192	186	3.3
New Construction	754	737	815	816	778	3.2
for Family Housing	562	512	563	563	552	-1.8
Dwellings	840	823	1 020	937	1 048	24.8
Total area (m2)	371 028	506 371	377 408	388 643	392 363	5.8
Área Metropolitana de Lisboa						
Completed Buildings	671	618	684	660	689	2.7
Renovation Works	63	76	70	72	80	27.0
New Construction	608	542	614	588	609	0.2
for Family Housing	528	457	525	478	516	-2.3
Dwellings	1 450	1 233	992	1 108	936	-35.4
Total area (m2)	358 728	347 842	280 500	293 336	321 880	-10.3
Alentejo						
Completed Buildings	304	310	293	315	283	-6.9
Renovation Works	75	65	65	72	41	-45.3
New Construction	229	245	228	243	242	5.7
for Family Housing	143	170	163	154	159	11.2
Dwellings	177	245	210	179	163	-7.9
Total area (m2)	82 183	108 669	78 382	113 635	123 962	50.8
Algarve						
Completed Buildings	140	162	159	153	135	-3.6
Renovation Works	44	44	51	43	37	-15.9
New Construction	96	118	108	110	98	2.1
for Family Housing	89	107	97	104	83	-6.7
Dwellings	190	266	311	283	201	5.8
Total area (m2)	43 291	73 364	76 847	57 199	79 452	83.5
R.A. Açores						
Completed Buildings	168	167	201	191	167	-0.6
Renovation Works	58	39	61	50	47	-19.0
New Construction	110	128	140	141	120	9.1
for Family Housing	89	98	102	102	87	-2.2
Dwellings	98	103	171	147	98	0.0
Total area (m2)	51 648	39 844	62 051	56 881	33 513	-35.1
R.A. Madeira						
Completed Buildings	89	85	79	98	81	-9.0
Renovation Works	21	20	22	21	25	19.0
New Construction	68	65	57	77	56	-17.6
for Family Housing	59	53	47	60	48	-18.6
Dwellings	125	76	124	98	94	-24.8
Total area (m2)	34 964	46 360	51 603	31 073	25 122	-28.1

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 us 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, mainly reflected in the 2nd quarter of 2020, 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	
	4 th Quarter 2021	
	Previous publication	Current Publication
Building Permits	-4.7%	-3.3%
Licensed Dwellings	-6.6%	-3.9%

The 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. In 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 2022 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, and industry, among others.

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

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.

ABBREVIATIONS AND ACRONYMS:

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 – 13 September 2022
