



13 September 2022

CONSTRUCTION: BUILDING PERMITS AND COMPLETED BUILDINGS  
2<sup>nd</sup> quarter of 2022

## BUILDING PERMITS DECREASES IN THE 2<sup>ND</sup> QUARTER, BUT MAINTAINS GROWTH COMPARED TO 2019

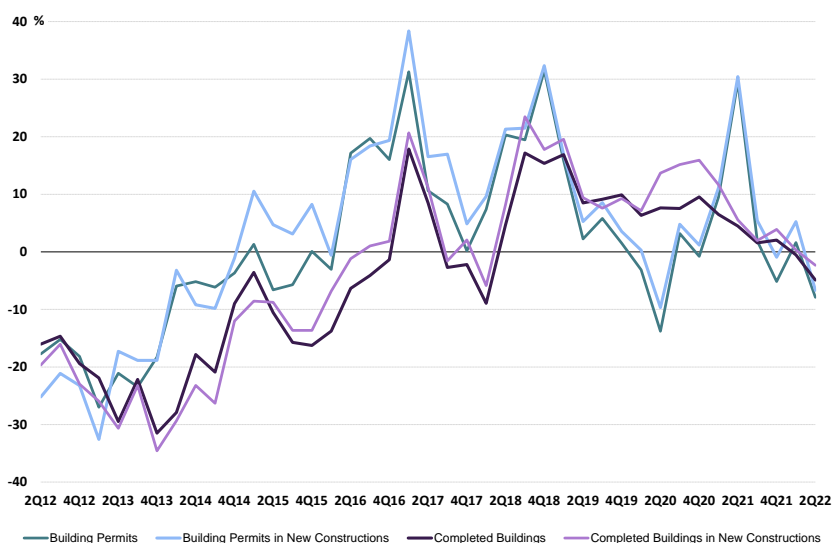
In the **2<sup>nd</sup> quarter of 2022**, the number of licensed buildings was 6.2 thousand, i.e., 7.9% less than in the same quarter of the previous year (+1.6% in the 1<sup>st</sup> quarter of 2022) and 2.9% more compared to the 2<sup>nd</sup> quarter of 2019. Building permits for new constructions decreased by 6.7% (+5.3% in the 1<sup>st</sup> quarter of 2022), corresponding to a level 9.9% higher than in the 2<sup>nd</sup> quarter of 2019. The number of renovation permits decreased by 9.5% (-8.6% in the 1<sup>st</sup> quarter of 2022), corresponding to a decrease of 14.8% compared to the 2<sup>nd</sup> quarter of 2019. An estimated 3.6 thousand buildings were completed in the second quarter of the current year, i.e., 4.9% less compared to the same period in 2021 (-0.5% in the 1<sup>st</sup> quarter of 2022) and up 7.0% vis-à-vis the 2<sup>nd</sup> quarter of 2019.

When compared with the **previous quarter**, the number of building permits decreased by 10.0% (+21.8% in the 1<sup>st</sup> quarter of 2022) and the number of completed buildings declined by 5.8% (-3.1% in the 1<sup>st</sup> quarter of 2022).

A **monthly analysis** highlights the 16.4% decrease in the number of building permits in May vis-à-vis the same month of 2021. Compared to May 2019, the number of building permits decreased by 17.4%.

In the **1<sup>st</sup> half of 2022**, 3.1% less buildings were licensed than in the same period in 2021, but 6.3% more than in the 1<sup>st</sup> half of 2019.

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 – 2<sup>nd</sup> quarter of 2022



## 1. Building permits

In the 2<sup>nd</sup> quarter of 2022, the number of building permits issued in Portugal was 6.2 thousand, corresponding to a 7.9% decrease vis-à-vis the 2<sup>nd</sup> quarter of 2021 (+1.6% in the 1<sup>st</sup> quarter of 2022). This figure stands for a 2.9% increase compared to the number of building permits issued in the 2<sup>nd</sup> quarter of 2019.

Of the total building permits, 75.5% corresponded to new constructions, and, of these, 80.7% referred to family housing. Demolished buildings (354 units) corresponded to 5.7% of the total building permits in the 2<sup>nd</sup> quarter of 2022.

Região Autónoma da Madeira and Alentejo registered positive year-on-year rates of change concerning the total number of building permits (+39.8% and +4.8% respectively). All the remaining regions presented declining year-on-year rates of change, particularly Região Autónoma dos Açores which registered a decrease of 18,2%.

The number of building permits for new constructions in Portugal decreased by 6.7% compared to the 2<sup>nd</sup> quarter of 2021, while renovation permits decreased by 9.5%. When compared to the previous quarter, the permits for new constructions decreased by 10.7%, and renovation works reduced by 6.6%. Compared to the 2<sup>nd</sup> quarter of 2019, building permits for new constructions grew by 9.9%, while renovation permits decreased by 14.8%.

As with the total number of building permits, the permits for new constructions also recorded year-on-year increase in the Região Autónoma da Madeira (+24.7%) and in Alentejo (+9.0%). It was also in the Região Autónoma dos Açores that the sharpest decrease was registered (-26.9%).

In the 2<sup>nd</sup> quarter of 2022, 7.7 thousand dwellings in new construction for family housing were licensed. This value reflects an increase of 0.9% when compared to the 2<sup>nd</sup> quarter of 2021 (+10.1% in the 1<sup>st</sup> quarter of 2022). In comparison with the 2<sup>nd</sup> quarter of 2019, the number of dwellings in new constructions increased by 26.2%. Algarve, Região Autónoma da Madeira and Norte registered the highest positive year-on-year rate of change in this variable (+38.9%, +34.1% and +18.2%, in the same order). The most significant decreases were observed in Área Metropolitana de Lisboa (-34.4%) and in Região Autónoma dos Açores (-27.4%).

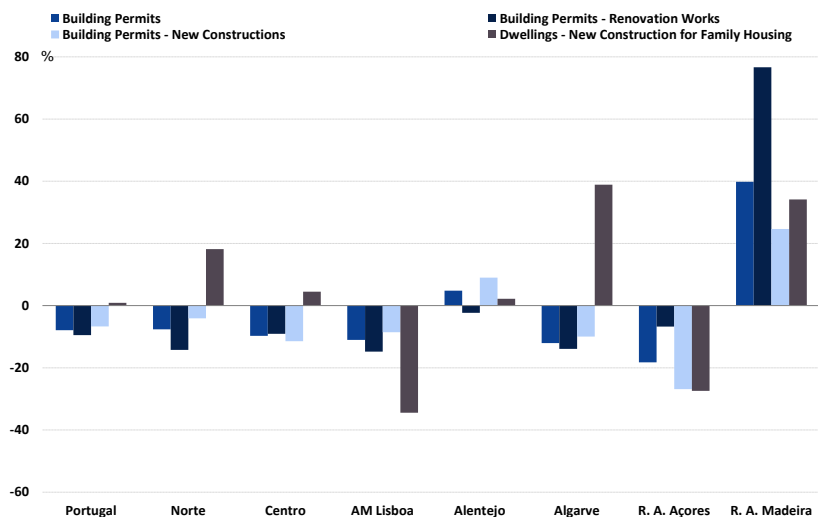
In Portugal, in the 2<sup>nd</sup> quarter of 2022, the total licensed area decreased by 5.4% year-on-year (+4.6% in the 1<sup>st</sup> quarter of 2022). Região Autónoma da Madeira, Algarve and Norte were the only regions to show year-on-year growth in this indicator (+30.0%, +16.5% and +8.6%, respectively). All the other regions observed decreases in this indicator, particularly Alentejo (-43.8%), Região Autónoma dos Açores (-29.9%) and Área Metropolitana de Lisboa (-19.5%). The decrease observed in Alentejo is mainly justified by the licensing of buildings for general use in the municipality of Azambuja, which was smaller in this quarter compared to the same quarter of the previous year.

The Norte region continues to stand out with the greatest contribution in all indicators, being responsible for 38.6% of the building permits, 37.2% of the building permits for renovation, and 46.1% of the dwellings licensed in new construction for family housing.



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

(2<sup>nd</sup> quarter of 2022)



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

An analysis by municipality shows that in the 2<sup>nd</sup> 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 17.2% 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 153.5% over the previous year (+950 dwellings). In the five municipalities with the greatest declining rates of change, the number of dwellings licensed for construction decreased by 56.3% in comparison with the same quarter of the previous year (-912 dwellings).

Table 1. Municipalities with the highest absolute variation in the total number of licensed dwellings in building works

(2<sup>nd</sup> quarter of 2022)

Rank	Municipality	2 <sup>nd</sup> Quarter		Variation (Number)	Year-on-year rate of change (%)
		2022	2021		
	<b>PORTUGAL</b>	<b>9128</b>	<b>9347</b>	<b>-219</b>	<b>-2.3%</b>
+					
1	Porto	799	448	351	78.3%
2	Faro	232	13	219	1684.6%
3	Esposende	229	39	190	487.2%
4	Maia	174	71	103	145.1%
5	Paços de Ferreira	135	48	87	181.3%
-					
1	Lisboa	252	678	-426	-62.8%
2	Seixal	90	254	-164	-64.6%
3	Loures	100	222	-122	-55.0%
4	Matosinhos	178	291	-113	-38.8%
5	Vila Franca de Xira	88	175	-87	-49.7%

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



In the first half of 2022, there was a decrease of 3.1% in the total number of building permits compared to the first half of 2021. However, compared to the 1<sup>st</sup> half of 2019 (pre-pandemic period) there was an increase of 6.3%.

In a **monthly analysis**, it should be noted the increases at the beginning of the year, in January (+7.6%) and February (+4.5%) compared to the same months of 2021, which stood out in contrast to the decreases that occurred in the subsequent months (with exception in April). In March, there was a 5.3% reduction in the total number of building permits, compared to the same period in 2021, which intensified in May, with a 16.4% decrease in this variable. In June, the decrease in this variable persisted, although in a lesser extent (-7.8%).

Table 2. Building permits – monthly data

Month	Building Permits (No.)				Year-on-year rate of change		
	2019	2020	2021	2022	2022/2019	2022/2020	2022/2021
<b>TOTAL</b>	<b>24.117</b>	<b>23.068</b>	<b>4.134</b>	<b>13.106</b>	<b>6,3</b>	<b>16,7</b>	<b>-3,1</b>
January	2.248	2.272	2.044	2.200	-2,1	-3,2	7,6
February	2.052	2.048	2.090	2.184	6,4	6,6	4,5
March	2.071	1.784	2.655	2.514	21,4	40,9	-5,3
April	1.800	1.348	2.353	2.360	31,1	75,1	0,3
May	2.341	1.821	2.313	1.934	-17,4	6,2	-16,4
June	1.815	1.954	2.075	1.914	5,5	-2,0	-7,8
July	2.135	2.210	2.048				
August	1.668	1.776	1.941				
September	2.056	2.003	2.225				
October	2.475	2.193	1.679				
November	1.859	1.969	2.129				
December	1.597	1.690	1.857				

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





## 2. Completed buildings

In the 2<sup>nd</sup> quarter of 2022, it is estimated that the total number of completed buildings in Portugal was 3.6 thousand (new constructions, building enlargements, renovations, and reconstructions), which corresponds to a decrease of 4.9% when compared with the 2<sup>nd</sup> quarter of 2021 (-0.5% in the 1<sup>st</sup> quarter of 2022). In comparison with the 2<sup>nd</sup> quarter of 2019, the number of completed buildings increased by 7.0%.

For the most part, the completed buildings corresponded to new constructions (82.5%), of which 77.4% were destined for family housing.

Área Metropolitana de Lisboa was the only region to register a positive year-on-year rate of change in the number of buildings completed compared to the 2<sup>nd</sup> quarter of 2021 (+1.8%). The remaining regions registered a year-on-year decline in the number of completed buildings, more so Algarve (-17.3%), Região Autónoma dos Açores (-15,7%) and Região Autónoma da Madeira (-13,3%).

When compared with the 2<sup>nd</sup> quarter of 2021, the number of completed works in new constructions decreased by 2.3% and that of renovation works decreased by 15.3%. Compared with the previous quarter, both variables recorded decreases: -4.2% concerning new constructions and -12.5% regarding renovation works.

Área Metropolitana de Lisboa and Alentejo registered positive year-on-year rates of change in terms of completed works in new constructions (+3.7% and +0.4%, respectively). All the other regions presented a decline as far as this variable is concerned, more so Região Autónoma da Madeira (-22.4%), Região Autónoma dos Açores (-11.1%) and Algarve (-10.8%).

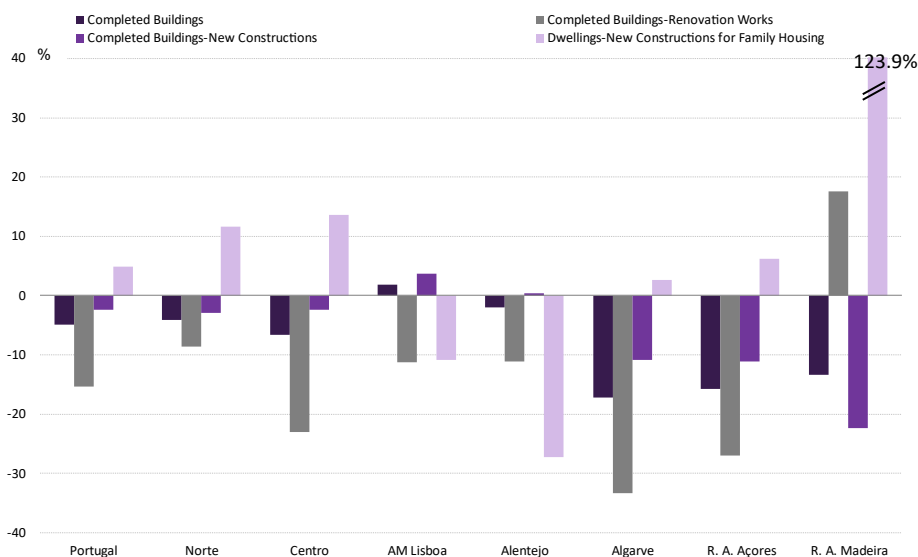
There was a 15.3% decrease in the number of completed works for renovation. Região Autónoma da Madeira registered a positive year-on-year rate of change (+17.6%). The remaining regions registered a decrease in this indicator more so Algarve (-33.3%) and Região Autónoma dos Açores (-26.9%).

In the 2<sup>nd</sup> quarter of 2022, completed dwellings in new construction for family housing amounted to 4.8 thousand, corresponding to an increase of 4.9% when compared to the 2<sup>nd</sup> quarter of 2021 (-6.6% in the 1<sup>st</sup> quarter of 2022). The regions of Alentejo and Área Metropolitana de Lisboa recorded a decline in this variable (-27.3% and -10.9%, respectively). The remaining regions registered a positive rate of change concerning this indicator, more so Região Autónoma da Madeira (+123.9%). The declared completion of a project in the municipality of Santa Cruz, with 88 dwellings, contributed to the relative growth in this region.



Figure 3. Completed buildings and dwellings – Quarterly year-on-year rate of change

(2<sup>nd</sup> quarter of 2022)



Source: Completed Works Estimations

Together, Norte and Centro regions continued to stand out in terms of the number of completed buildings (63.1% of the total) and completed dwellings in new construction for family housing (61.6%) in the 2<sup>nd</sup> quarter of 2022. The Norte region kept being predominant in the number of completed buildings and dwellings (37.5% and 40.7%, respectively), followed by the Centro region in terms of completed buildings (25.6%) and by the Área Metropolitana de Lisboa, in what concerns completed dwellings (22.9% of completed dwellings in new constructions for family housing).

In the 2<sup>nd</sup> quarter of 2022, the total completed construction area in Portugal decreased by 10.9% compared to the same period of the previous year. Algarve (+14.6%), and Área Metropolitana de Lisboa (+4.8%) recorded positive year-on-year rates of change. The remaining regions showed declining rates of change, the sharpest having occurred in the regions of Centro (-28.7%), Região Autónoma da Madeira (-28.4%) and Alentejo (-21.1%).



Unit: No.

Construction: Building Permits	Building Permits**					Quarterly year-on-year change rate (2 <sup>nd</sup> Q)*
	2 <sup>nd</sup> Q- 2021	3 <sup>rd</sup> Q- 2021	4 <sup>th</sup> Q- 2021	1 <sup>st</sup> Q- 2022	2 <sup>nd</sup> Q- 2022	%
<b>Portugal</b>						
Building Permits	6 741	6 214	5 665	6 898	6 208	-7.9
Renovation Works	1 287	1 169	1 079	1 247	1 165	-9.5
New Construction	5 025	4 672	4 263	5 249	4 689	-6.7
for Family Housing	3 964	3 628	3 467	4 335	3 785	-4.5
Dwellings	7 588	7 260	6 351	8 047	7 657	0.9
Total area (m2)	2 809 680	2 470 753	2 290 529	2 859 270	2 658 181	-5.4
<b>Norte</b>						
Building Permits	2 593	2 360	2 138	2 787	2 395	-7.6
Renovation Works	505	492	424	533	433	-14.3
New Construction	1 942	1 733	1 606	2 131	1 863	-4.1
for Family Housing	1 572	1 423	1 335	1 777	1 529	-2.7
Dwellings	2 986	3 592	2 674	3 813	3 528	18.2
Total area (m2)	1 088 963	1 118 134	948 918	1 359 621	1 182 211	8.6
<b>Centro</b>						
Building Permits	1 812	1 556	1 531	1 816	1 636	-9.7
Renovation Works	342	272	269	342	311	-9.1
New Construction	1 356	1 194	1 171	1 342	1 201	-11.4
for Family Housing	997	882	886	1 051	919	-7.8
Dwellings	1 472	1 349	1 442	1 647	1 538	4.5
Total area (m2)	626 867	551 152	567 921	642 168	605 631	-3.4
<b>Área Metropolitana de Lisboa</b>						
Building Permits	1 225	1 098	980	1 183	1 090	-11.0
Renovation Works	162	144	125	131	138	-14.8
New Construction	956	854	785	955	874	-8.6
for Family Housing	807	735	680	846	757	-6.2
Dwellings	2 120	1 503	1 053	1 516	1 390	-34.4
Total area (m2)	592 607	422 311	392 763	435 009	477 166	-19.5
<b>Alentejo</b>						
Building Permits	435	586	392	471	456	4.8
Renovation Works	87	88	91	96	85	-2.3
New Construction	322	476	290	354	351	9.0
for Family Housing	226	249	228	250	241	6.6
Dwellings	275	291	311	316	281	2.2
Total area (m2)	266 653	171 040	110 831	206 289	149 964	-43.8
<b>Algarve</b>						
Building Permits	299	251	272	283	263	-12.0
Renovation Works	72	67	71	72	62	-13.9
New Construction	201	168	178	189	181	-10.0
for Family Housing	174	151	159	173	161	-7.5
Dwellings	504	251	326	279	700	38.9
Total area (m2)	126 069	123 582	94 284	82 554	146 844	16.5
<b>R.A. Açores</b>						
Building Permits	274	249	231	232	224	-18.2
Renovation Works	89	70	62	42	83	-6.7
New Construction	175	169	151	183	128	-26.9
for Family Housing	124	120	105	149	97	-21.8
Dwellings	146	154	137	219	106	-27.4
Total area (m2)	74 654	51 055	54 814	70 900	52 349	-29.9
<b>R.A. Madeira</b>						
Building Permits	103	114	121	126	144	39.8
Renovation Works	30	36	37	31	53	76.7
New Construction	73	78	82	95	91	24.7
for Family Housing	64	68	74	89	81	26.6
Dwellings	85	120	408	257	114	34.1
Total area (m2)	33 867	33 479	120 998	62 729	44 016	30.0

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 – 2<sup>nd</sup> quarter of 2022



Unit: No.

Construction: Completed Buildings	Completed Buildings					Quarterly year-on-year change rate (2 <sup>nd</sup> Q)*
	2 <sup>nd</sup> Q- 2021	3 <sup>rd</sup> Q- 2021	4 <sup>th</sup> Q- 2021	1 <sup>st</sup> Q- 2022	2 <sup>nd</sup> Q- 2022	%
<b>Portugal</b>						
Completed Buildings	3 746	3 813	3 901	3 782	3 563	-4.9
Renovation Works	738	768	762	714	625	-15.3
New Construction	3 008	3 045	3 139	3 068	2 938	-2.3
for Family Housing	2 275	2 268	2 291	2 358	2 275	0.0
Dwellings	4 605	4 881	4 857	4 423	4 830	4.9
Total area (m2)	1 850 741	1 768 667	1 742 416	1 722 352	1 649 440	-10.9
<b>Norte</b>						
Completed Buildings	1 392	1 352	1 482	1 463	1 335	-4.1
Renovation Works	278	271	310	298	254	-8.6
New Construction	1 114	1 081	1 172	1 165	1 081	-3.0
for Family Housing	841	819	881	913	845	0.5
Dwellings	1 762	2 034	1 987	1 883	1 968	11.7
Total area (m2)	724 269	734 476	742 459	746 060	695 749	-3.9
<b>Centro</b>						
Completed Buildings	978	1 050	1 050	964	913	-6.6
Renovation Works	200	216	205	186	154	-23.0
New Construction	778	834	845	778	759	-2.4
for Family Housing	536	567	556	552	543	1.3
Dwellings	884	1 031	965	1 048	1 005	13.7
Total area (m2)	548 584	411 081	430 170	392 363	391 138	-28.7
<b>Área Metropolitana de Lisboa</b>						
Completed Buildings	651	648	619	689	663	1.8
Renovation Works	80	68	59	80	71	-11.3
New Construction	571	580	560	609	592	3.7
for Family Housing	476	477	445	516	505	6.1
Dwellings	1 242	959	1 150	936	1 107	-10.9
Total area (m2)	293 919	264 800	306 062	321 880	307 929	4.8
<b>Alentejo</b>						
Completed Buildings	304	314	322	283	298	-2.0
Renovation Works	63	77	72	41	56	-11.1
New Construction	241	237	250	242	242	0.4
for Family Housing	175	158	158	159	166	-5.1
Dwellings	253	202	184	163	184	-27.3
Total area (m2)	115 137	82 332	115 528	123 962	90 847	-21.1
<b>Algarve</b>						
Completed Buildings	168	175	160	135	139	-17.3
Renovation Works	48	57	48	37	32	-33.3
New Construction	120	118	112	98	107	-10.8
for Family Housing	109	104	103	83	93	-14.7
Dwellings	297	367	341	201	305	2.7
Total area (m2)	84 037	160 290	65 139	79 452	96 311	14.6
<b>R.A. Açores</b>						
Completed Buildings	178	204	182	167	150	-15.7
Renovation Works	52	60	49	47	38	-26.9
New Construction	126	144	133	120	112	-11.1
for Family Housing	89	105	97	87	83	-6.7
Dwellings	96	174	143	98	102	6.3
Total area (m2)	40 474	68 037	55 280	33 513	35 729	-11.7
<b>R.A. Madeira</b>						
Completed Buildings	75	70	86	81	65	-13.3
Renovation Works	17	19	19	25	20	17.6
New Construction	58	51	67	56	45	-22.4
for Family Housing	49	38	51	48	40	-18.4
Dwellings	71	114	87	94	159	123.9
Total area (m2)	44 321	47 651	27 778	25 122	31 737	-28.4

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.

CONSTRUCTION: BUILDING PERMITS AND COMPLETED BUILDINGS – 2<sup>nd</sup> quarter of 2022





## 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 2<sup>nd</sup> 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	
	1 <sup>st</sup> Quarter 2022	
	Previous publication	Current Publication
Building Permits	0.6%	1.6%
Licensed Dwellings	9.3%	10.1%

**Series revision:** This press release includes the update of the series for the years 2011 and following, according to the SIUO Revisions Policy of updating the information in the intercensal period. Consequently, there are changes in the quarterly figures previously disclosed.

**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](http://www.ine.pt) , where available data on Building Permits for JULY 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.

**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 <sup>2</sup>	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

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**Date of next quarterly press release** – 14 December 2022

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