



SPECIAL RELEASE

Construction Statistics from Approved Building Permits Third Quarter 2020

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TABLE A. Summary of Construction Statistics from Approved Building Permits, Philippines: Third Quarter 2020^p, Second Quarter 2020^r and Third Quarter 2019

Type of Construction	Third Quarter 2020 ^p		Second Quarter 2020 ^r		Third Quarter 2019	
	Level	Annual Growth Rate (percent)	Level	Annual Growth Rate (percent)	Level	Annual Growth Rate (percent)
Total						
Number	28,696	-35.3	17,112	-63.2	44,376	-2.6
Floor Area (sq.m.)	5,655,726	-48.0	2,711,262	-75.3	10,884,605	4.2
Value (PhP '000)	64,018,854	-49.4	26,953,715	-79.7	126,495,988	11.2
Residential						
Number	20,178	-37.2	12,854	-62.8	32,148	-3.7
Floor Area (sq.m.)	2,773,432	-46.7	1,406,112	-75.2	5,199,654	-7.2
Value (PhP '000)	28,941,099	-46.0	13,484,740	-80.5	53,621,359	1.6
Non-residential						
Number	4,490	-34.3	2,438	-61.3	6,836	6.3
Floor Area (sq.m.)	2,823,519	-48.7	1,283,586	-75.3	5,502,341	20.2
Value (PhP '000)	30,195,493	-53.0	12,744,306	-77.1	64,289,021	28.6
Addition						
Number	879	-44.0	390	-75.9	1,571	4.5
Floor Area (sq.m.)	58,775	-67.8	21,564	-85.2	182,610	-31.2
Value (PhP '000)	494,395	-66.5	198,422	-82.2	1,474,693	-50.1
Alteration and Repair						
Number	3,149	-17.6	1,430	-63.9	3,821	-10.3
Value (PhP '000)	4,387,867	-38.3	526,247	-92.6	7,110,915	-11.4

p – preliminary; r – revised

Note: Details of floor area and value may not add up to their respective totals due to rounding.

Source: Philippine Statistics Authority



Number of Constructions

1. Number of constructions declined

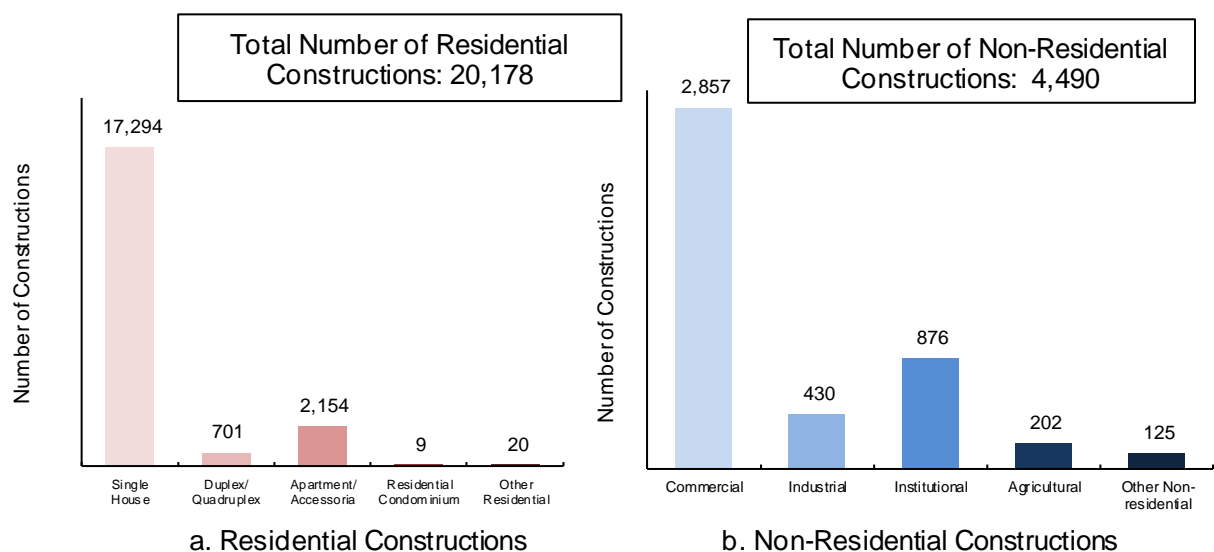
The number of constructions in the third quarter of 2020 registered a total of 28,696, translating to a -35.3 percent annual decline. This was slower than the previous quarter's annual drop of -63.2 percent. In the third quarter of 2019, the number of constructions decreased by -2.6 percent annually. (Table A)

2. Residential had the highest number of constructions

By type of construction, residential was reported to have the highest number of constructions during the quarter with total of 20,178 (70.3%). This type of construction contracted at a slower rate of -37.2 percent than its annual rate in the previous quarter of -62.8 percent. Majority (85.7%) of the residential constructions were single-type houses.

Non-residential constructions ranked second which accounted for 15.6 percent of the total constructions during the quarter. Non-residential constructions, likewise, decreased at an annual rate of -34.3 percent. Most (63.6%) of the non-residential constructions were commercial buildings. (Tables A and 1, and Figure 1)

Figure 1. Number of Constructions from Approved Building Permits by Type
Philippines: Third Quarter 2020



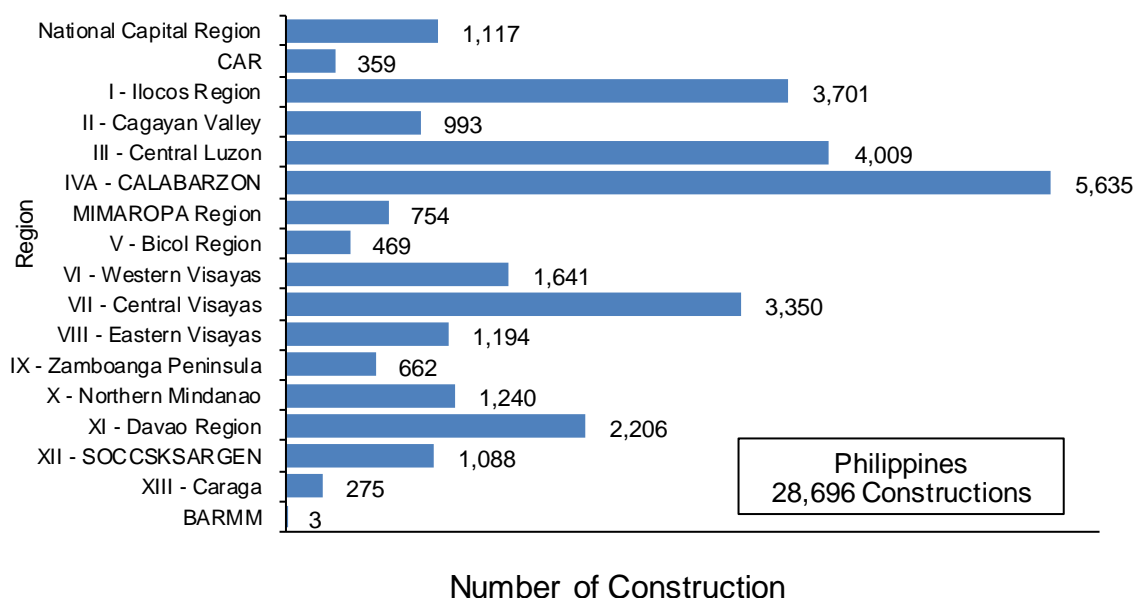
Source: Philippine Statistics Authority

Addition, which refers to any new construction which increases the height or area of an existing building/structure, and alteration and repair of existing structures had shares of 3.1 percent and 11.0 percent, respectively. Both types of constructions also dropped at a slower rate, -44.0 percent for addition and -17.6 percent for alteration and repair, compared with their respective annual rates in the previous quarter. (Tables A and 1)

3. Number of constructions was highest in CALABARZON

CALABARZON ranked first in terms of number of constructions with 5,635 constructions (19.6%). Completing the top three regions were Central Luzon with 4,009 constructions (14.0%) and Ilocos Region with 3,701 constructions (12.9%). (Table 2 and Figure 2)

Figure 2. Distribution of Constructions from Approved Building Permits by Region
Philippines: Third Quarter 2020



Source: Philippine Statistics Authority

Value of Constructions

1. Total value of constructions decreased

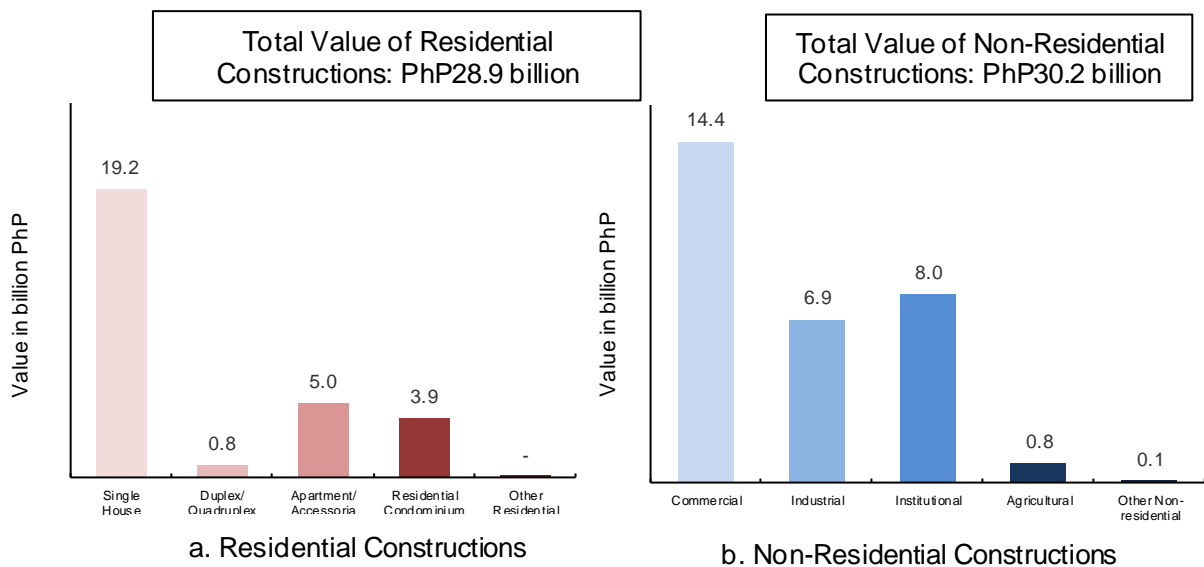
In the third quarter of 2020, the total value of constructions amounted to PhP 64.0 billion, indicating an annual decrease of -49.4 percent. In the previous quarter, the value of constructions dropped at an annual rate of -79.7 percent, and in the third quarter of 2019, it increased by 11.2 percent. (Tables A and 1)

2. Non-residential recorded the highest value of constructions

Value of non-residential constructions, which amounted to PhP 30.2 billion, accounted for 47.2 percent of the total value during the quarter. This translates to a -53.0 percent decrease from the PhP 64.3 billion value of construction in the same quarter of the previous year. (Tables A and 1, and Figure 3b)

Residential building constructions, valued at PhP 28.9 billion, accounted for 45.2 percent of the total value. This construction value dropped by -46.0 percent from the PhP 53.6 billion total construction value in the same quarter of 2019. (Tables A and 1, and Figure 3a)

Figure 3. Value of Constructions from Approved Building Permits by Type
Philippines: Third Quarter 2020



Note: - means less than 0.1 PhP billion share to total value of construction
Source: Philippine Statistics Authority

For this quarter, the value of construction for addition, and alteration and repair to existing structures amounted to PhP 0.5 billion (0.8%) and PhP 4.4 billion (6.9%), respectively. Both types of constructions were at a downturn with annual rate of -66.5 percent for addition and -38.3 percent for alteration and repair to existing structure. (Tables A and 1)

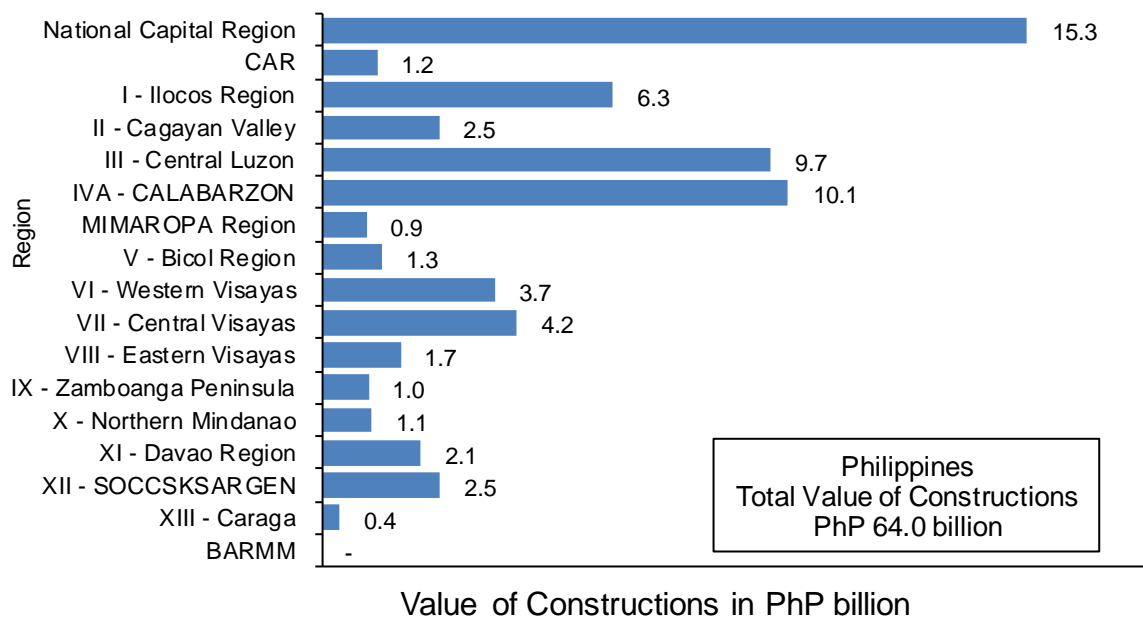
3. Top three regions contributed more than half to the total value of constructions

The combined shares of the top three regions, in terms of value of constructions, totaled to PhP 35.0 billion or 54.7 percent of the total. These regions were:

- a) NCR, PhP 15.3 billion (23.8%)
- b) CALABARZON, PhP 10.1 billion (15.7%)
- c) Central Luzon, PhP 9.7 billion (15.1%).

(Figure 4)

Figure 4. Value of Constructions from Approved Building Permits by Region
Philippines: Third Quarter 2020



Note: - means less than 0.1 PhP billion share to total value of construction
Source: Philippine Statistics Authority

Floor Area

1. Total floor area of constructions shrank

The total floor area of constructions for this quarter was posted at 5.7 million square meters. This translates to a -48.0 percent annual decrease during the quarter, from -75.3 percent in the previous quarter. In contrast, the total floor area increased by 4.2 percent in the third quarter of 2019. (Table A)

2. Residential and non-residential accounted for almost the entire total floor area of constructions

Non-residential construction recorded 2.8 million square meters or almost half (49.9%) of the total floor area of constructions this quarter. It dropped at an annual rate of -48.7 percent, which was slower than the previous quarter's annual decrement of -75.3 percent.

On the other hand, residential construction accounted for 2.8 million square meters (49.0%) of the total floor area of constructions. The annual rate of the total floor area of residential constructions was at a downtrend at -46.7 percent for this quarter. (Table 1)

Average Cost per Square Meter

1. Average cost of construction contracted

The average cost of construction, excluding those for alteration and repair, in the third quarter of 2020 was valued at PhP 10,531 per square meter. It decreased at an annual rate of -3.5 percent, slower than the previous quarter's annual drop of -14.8 percent. On the contrary, the average cost per square meter expanded by 7.9 percent in the third quarter of 2019. (Table 1)

2. Non-residential had the highest average cost of constructions

Among types of constructions, non-residential had the highest average cost of PhP 10,670 per square meter during the quarter. This was followed by residential with PhP 10,435 per square meter and addition with PhP 8,412 per square meter. (Figure 5b and Table 1)

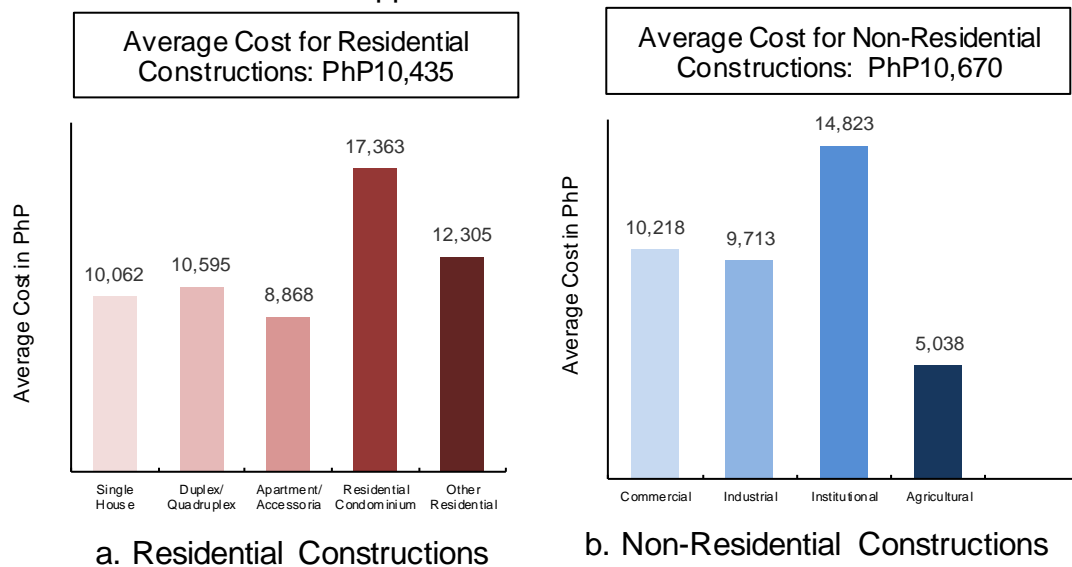
3. Residential condominium construction was the most expensive among types of residential construction

Among residential constructions, condominiums had the highest average cost of PhP 17,363 per square meter during the quarter, while apartment/accessoria recorded the lowest at PhP 8,868 per square meter. (Figure 5a and Table 1)

4. Institutional-type buildings were the most costly among non-residential buildings

Institutional-type building constructions reported the highest average cost of PhP 14,823 per square meter this quarter among types of non-residential buildings. On the other hand, agricultural-type building constructions continued to register the lowest average cost of PhP 5,038 per square meter. (Figure 5b and Table 1)

Figure 5. Average Cost per Square Meter by Type of Construction, Philippines: Third Quarter 2020



Source: Philippine Statistics Authority

DENNIS S. MAPA, Ph.D.

Undersecretary

National Statistician and Civil Registrar General

TECHNICAL NOTES

Introduction

This Special Release presents the preliminary data on construction statistics from approved building permits for the third quarter of 2020. Data are presented in monthly and quarterly statistical tables at the regional and provincial level by type of construction.

Scope and Coverage

Construction statistics presented in this special release are based on approved building permits on new constructions and additions, alterations and repairs of existing residential and non-residential buildings, and other structures which are proposed to be constructed in the different cities/municipalities of the country.

Sources of Information

Construction statistics are generated from approved building permits as well as from the demolition and fencing permits collected every month by PSA field personnel from the Offices of Local Building Officials (LBOs).

Limitations of data

1. Data on building constructions are based on approved applications for construction during the reference period and not on the construction work completed during the reference period.
2. The completeness of construction data relies on the approved applications filed with the LBOs. Hence, building constructions without approved building permits are not part of the tabulation of data.

Geographic Classification

For the third quarter of 2020, building constructions are classified and presented by geographic area using the Philippine Standard Geographic Classification (PSGC) as of December 2017.

Statistics Generated

Construction statistics generated from approved building permits provide monthly data on building construction at the regional and provincial level. The statistics generated are the following:

1. number
2. floor area
3. type of construction
4. value of construction

Aside from the preliminary tables posted in the PSA website, the annual, quarterly, and monthly statistical tables at the municipality level by type of construction are available at the Industry Statistics Division (ISD) of the Economic Sector Statistics Service (ESSS) of the PSA. They can be requested through email at nonmfg.staff@psa.gov.ph.

Dissemination

Preliminary results of construction statistics are made public in the form of Quarterly Special Releases. The Quarterly Special Releases are reports containing the preliminary results of construction statistics submitted within the cut-off dates for each month. Results are posted 65 days after the reference quarter in the PSA website (www.psa.gov.ph).

Definition of Terms (Adopted from the Revised and Updated IRR of the National Building Code)

Building permit is a written authorization granted by the LBO to an applicant allowing him to proceed with the construction of a specific project after plans, specifications and other pertinent documents have been found to be in conformity with the National Building Code (PD 1096).

Building refers to any independent, free-standing structure comprised of one or more rooms or other spaces, covered by a roof and enclosed with external walls or dividing walls, which extend from the foundation to the roof.

Construction refers to all on-site work done from site preparation, excavation, foundation, assembly of all the components and installation of utilities, machineries, and equipment of buildings/structures.

Residential building is a building for which its major parts or more than half of its gross floor area is built for dwelling purposes. This type of building can be of the single type, duplex, apartment and/or accessoria, and residential condominium.

Single house is a complete structure intended for a single family or household, i.e., bungalow, 2-storey house, nipa hut, etc.

Duplex house is a structure intended for two households, with complete living facilities for each; it is a single structure divided into two dwelling units by a wall extending from the floor to the ceiling.

Apartment is a structure, usually of two storeys, made up of independent living quarters, with independent entrances from internal walls and courts.

Accessoria is a one or two-floor structure divided into several dwelling units, each dwelling unit having its own separate entrance from the outside.

Residential condominium is a structure, usually of several storeys, consisting of multiple dwelling units.

Other residential construction consists of school or company staff houses, living quarters for drivers and maids, and guardhouses.

Non-residential building includes commercial, industrial, agricultural and institutional buildings.

Commercial buildings refer to office buildings and all buildings which are intended for use primarily in wholesale, retail and service trades; i.e., stores, hotels, restaurants, banks, disco houses, etc.

Industrial buildings are buildings used to house the production, assembly and warehousing activities of industrial establishments; i.e., factories, plants, mills, repair shops, machine shops, printing press, storage plant, electric generating plants.

Institutional buildings are buildings which primarily engaged in providing educational instructions and hospital/health care; ports, airports and other government buildings; i.e., school, museums, libraries, sanitarium, churches, hospitals.

Agricultural buildings are buildings used to house livestock, plants and agricultural products such as barn, poultry house, piggeries, stables, greenhouses and grain mill.

Other non-building constructions include cemetery structures, street furniture, waiting sheds, communication towers, etc.

Addition refers to any new construction which increases the height or area of an existing building/structure.

Repair is a remedial work done on any damaged or deteriorated portion/s of a building/structure to restore its original condition.

Renovation is any physical change made on structures to increase their value and quality.

Alteration is a construction in a building/structure involving changes in the materials used, partitioning and location/size of openings, structural parts, existing utilities and equipment but does not increase the overall area thereof.

Conversion is a change in the use or occupancy of structure or any portion thereof, which has different requirements.

Demolitions refer to the systematic dismantling or destruction of a building/structure, in whole or in part.

Street furniture are street structures consisting of monuments, waiting sheds, benches, plant boxes, lampposts, electric poles, and telephone poles.

Floor area of building refers to the sum of the area of each floor of the building measured to the outer surface of the outer walls including the area of lobbies, cellars, elevator shafts and all communal spaces in multi-dwellings. Areas of balconies are excluded.

Total value of construction refers to the sum of the cost of building, electrical, mechanical, plumbing, and others. The value is derived from the approved building permit and represents the estimated value of the building or structure when completed.