

# SPECIAL RELEASE

# Construction Statistics from Approved Building Permits First Quarter 2022

Date of Release: 05 October 2022

Reference No. 2022-355

Table A. Summary of Construction Statistics from Approved Building Permits, Philippines: First Quarter 2021, Fourth Quarter 2021<sup>r</sup> and First Quarter 2022<sup>p</sup>

Type of Construction	First Quarter 2021		Fourth Quarter 2021 <sup>r</sup>		First Quarter 2022 <sup>p</sup>	
	Level	Annual Growth Rate (percent)	Level	Annual Growth Rate (percent)	Level	Annual Growth Rate (percent)
Total						
Number	36,621	4.7	39,513 <sup>r</sup>	9.2	37,270	1.8
Floor Area (sq.m.)	7,251,716	-17.7	8,225,536 <sup>r</sup>	26.1	7,720,289	6.5
Value (PhP '000)	87,548,880	-9.5	100,810,811 <sup>r</sup>	38.4	86,781,856	-0.9
Residential						
Number	25,535	10.0	28,898 <sup>r</sup>	11.6	26,546	4.0
Floor Area (sq.m.)	4,220,115	8.8	4,609,124 <sup>r</sup>	31.1	4,132,221	-2.1
Value (PhP '000)	50,180,608	21.0	50,213,001 <sup>r</sup>	35.8	45,012,950	-10.3
Non-residential						
Number	5,798	-9.4	6,106 <sup>r</sup>	16.6	6,145	6.0
Floor Area (sq.m.)	2,888,318	-39.5	3,524,942 <sup>r</sup>	19.4	3,512,401	21.6
Value (PhP '000)	32,496,068	-33.7	44,292,448 <sup>r</sup>	51.4	35,404,618	9.0
Addition						
Number	883	-30.9	1,066 <sup>r</sup>	94.5	1,131	28.1
Floor Area (sq.m.)	143,283	-9.8	91,470 <sup>r</sup>	62.8	75,667	-47.2
Value (PhP '000)	1,438,123	-20.1	869,435 <sup>r</sup>	88.4	731,025	-49.2
Alteration and Repair						
Number	4,405	7.5	3,443 <sup>r</sup>	-23.7	3,448	-21.7
Value (PhP '000)	3,434,080	-23.0	5,435,927 <sup>r</sup>	-12.0	5,633,263	64.0

 $p-preliminary; \ r-revised$ 

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 increased annually

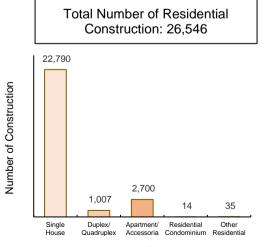
The number of constructions from approved building permits in the first quarter of 2022 was posted at 37,270. This indicates an annual increase of 1.8 percent, which is slower compared with the previous quarter's annual growth rate of 9.2 percent. In the first quarter of 2021, the number of constructions increased by 4.7 percent annually. (Tables A and 1)

# 2. Residential buildings still had the highest number of constructions

By type of construction, residential buildings reported the highest number of constructions of 26,546 or 71.2 percent of the total number of constructions during the quarter. This type of construction expanded at a rate of 4.0 percent, which was slower compared with the annual increment of 10.0 percent in the same quarter of the previous year. Majority (85.9%) of the total residential constructions were single-type houses. (Figure 1a, and Tables A and 1)

Non-residential type of constructions ranked second with 6,145 or 16.5 percent of the total number of constructions during the quarter. This number indicates an increase of 6.0 percent compared with the count in the same period of the previous year. About 70.4 percent of the non-residential constructions were commercial buildings. (Figure 1b, and Tables A and 1)

Figure 1. Number of Constructions from Approved Building Permits by Type, Philippines: First Quarter 2022<sup>p</sup>



a. Residential Constructions

Total Number of Non-Residential Construction: 6,145

4,324

4,324

1,007

450

189

175

Commercial Industrial Institutional Agricultural Other Non-residential Institutional Agricultural Other Non-residential Other Non-residential Other Non-residential Institutional Agricultural Other Non-residential Institutional I

b. Non-Residential Constructions

p - preliminary

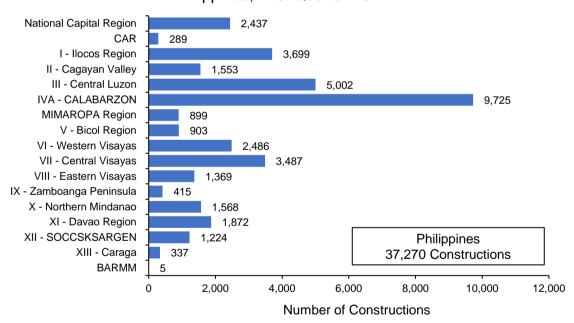
Source: Philippine Statistics Authority

Addition, which refers to any new construction that increases the height or area of an existing building/structure, and alteration and repair of existing structures, had shares of 3.0 percent and 9.3 percent to the total number of constructions, respectively. Compared with their respective annual rates in the same period of the previous year, addition-type of construction expanded at a rate of 28.1 percent this quarter, while alteration and repair dropped at a rate of -21.7 percent. (Tables A and 1)

### 3. Number of constructions was highest in CALABARZON

Region IVA - CALABARZON continued to register the highest number of constructions with 9,725 constructions or 26.1 percent share to the total during the quarter. Completing the top three regions with the highest number of constructions were Central Luzon with 5,002 (13.4%) constructions, and Ilocos Region with 3,699 (9.9%) constructions. (Figure 2 and Table 2)

Figure 2. Distribution of Constructions from Approved Building Permits by Region: Philippines, First Quarter 2022<sup>p</sup>



p – preliminarySource: Philippine Statistics Authority

### Value of Constructions

### 1. Total value of constructions decreased

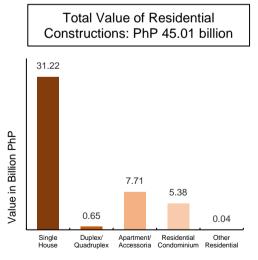
In the first quarter of 2022, the total value of constructions was PhP 86.78 billion, which translates to an annual decline of -0.9 percent. Compared with the previous quarter, it increased at an annual rate of 38.4 percent, while it decreased at an annual rate of -9.5 percent in the first quarter of 2021. (Tables A and 1)

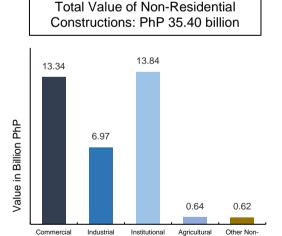
### 2. Residential-type recorded the highest value of constructions

Residential building constructions, valued at PhP 45.01 billion accounted for 51.9 percent of the total value. This amount declined by -10.3 percent from the PhP 50.18 billion total construction value in the same quarter of 2021. (Figure 3a, and Tables A and 1)

Value of non-residential constructions, which amounted to PhP 35.40 billion, accounted for 40.8 percent of the total value during the quarter. This reflects a 9.0 percent increment from the PhP 32.50 billion value of non-residential construction in the same quarter of the previous year. (Figure 3b, Tables A and 1)

Figure 3. Value of Construction from Approved Building Permit by Type, Philippines: First Quarter 2022<sup>p</sup>





a. Residential Constructions

b. Non-Residential Constructions

p - preliminary

Source: Philippine Statistics Authority

For this quarter, the value of construction for addition, and alteration and repair to existing structures amounted to PhP 0.73 billion (0.8%) and PhP 5.63 billion (6.5%), respectively. Construction value for addition

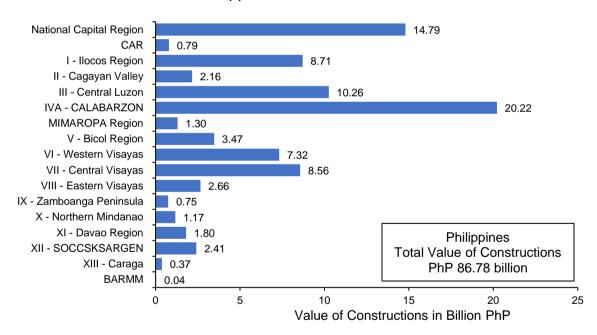
dropped at an annual rate of -49.2 percent, while construction value for alteration and repair of existing structure expanded at an annual rate of 64.0 percent. (Tables A and 1)

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

The combined shares of the top three regions, in terms of value of constructions, amounted to PhP 45.27 billion or 52.2 percent of the total. These regions were:

- a) Region IVA CALABARZON, PhP 20.22 billion (23.3%);
- b) National Capital Region, PhP 14.79 billion (17.0%); and
- c) Region III Central Luzon, PhP 10.26 billion (11.8%). (Figure 4 and Table 2)

Figure 4. Value of Constructions from Approved Building Permits by Region: Philippines, First Quarter 2022



p – preliminary

Source: Philippine Statistics Authority

#### Floor Area

# 1. Reported total floor area of constructions increased

The total floor area of constructions for this quarter was registered at 7.72 million square meters. This translates to a slower annual increase of 6.5 percent, from 26.1 percent increment of the previous quarter. On the

other hand, it declined at an annual rate of -17.7 percent in the first quarter of 2021. (Tables A and 1)

# 2. Residential-type accounted for more than half of the total floor area of constructions

Residential constructions recorded 4.13 million square meters or 53.5 percent of the total floor area of constructions this quarter. It dropped at an annual rate of -2.1 percent compared with the previous year's same quarter increase of 8.8 percent.

Similarly, non-residential constructions recorded 3.51 million square meters or 45.5 percent of the total floor area of constructions this quarter. This reflects an annual increment of 21.6 percent compared with the previous year's same quarter annual decrease of -39.5 percent. (Tables A and 1)

### **Average Cost per Square Meter**

### 1. Average cost of construction declined

The average cost of construction in the first quarter of 2022, excluding those for alteration and repair, and other non-residential, was PhP 10,430 per square meter. It declined at an annual rate of -10.0 percent compared with the previous quarter's annual increase of 13.4 percent. On the contrary, the average cost per square meter expanded by 10.7 percent in the first quarter of 2021. (Table 1)

# 2. Residential buildings had the highest average cost of constructions

Among types of constructions, residential buildings had the highest average cost of PhP 10,893 per square meter during the quarter. This was followed by non-residential with PhP 9,903 per square meter, and addition to existing constructions with PhP 9,661 per square meter. (Table 1)

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

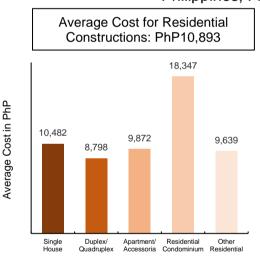
Among residential constructions, residential condominiums posted the highest average cost of PhP 18,347 per square meter during the quarter, while residential duplex/quadruplex recorded the lowest at PhP 8,798 per square meter. (Figure 5a and Table 1)

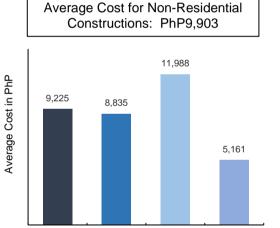
# 4. Institutional-type buildings were the costliest among non-residential constructions

For this quarter, institutional-type building constructions reported the highest average cost of PhP 11,988 per square meter. On the other hand, agricultural-type buildings continued to register the lowest average cost of PhP 5,161 per square meter. (Figure 5b and Table 1)

Figure 5. Average Cost per Square Meter by Type of Construction:

Philippines, First Quarter 2022<sup>P</sup>





a. Residential Constructions

b. Non-Residential Constructions

p – preliminarySource: 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 first quarter of 2022. Data are presented at the regional, provincial and/or Highly Urbanized City (HUC) levels with monthly and quarterly disaggregation.

### **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 the Philippine Statistics Authority (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.
- 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 first quarter of 2022, building constructions are classified and presented by geographic area using the Philippine Standard Geographic Classification (PSGC) as of December 2021.

### **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; and
- 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. Such data 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 50 days after the reference quarter in the PSA website (https://psa.gov.ph).

### Revision

All documents received after the cut-off date, which is 40 days after the reference quarter, are included in the generation of revised results. The revised data of the previous quarter are reported during the release of the preliminary report of the current quarter. Revisions are made for the previous quarters until the annual report is released seven months after the reference year.

### **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 of the Philippines (Presidential Decree No. 1096, s. 1977).

**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.

**Accesoria** 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, sanitaria, 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.