

On Construction in Q2 of 2024

Slight decline in construction, while civil engineering grows by 18.6%

In the first half of 2024, construction output decreased by 2.4% compared to the first half of the previous year (unadjusted data). In the second quarter, construction output was 1.5% lower than in the same period in 2023, primarily due to a significant decline in building construction activity.

Civil engineering volumes increased in the second quarter of 2024 compared to the second quarter of the previous year, while both building construction and specialized construction work volumes decreased.

Building construction output fell by 15.8% in the second quarter of 2024 compared to the same period in 2023. This was driven by a decline in residential building volumes, particularly in two- and multi-apartment buildings, while the non-residential housing segment experienced a slower decline.

Civil engineering volumes saw notable growth during this period, exceeding the 2nd quarter 2023 figures by 18.6%. The main drivers of growth were urban infrastructure projects, the continued development of solar panel installations, and significant high-voltage infrastructure construction work.

The rate of decrease in specialized construction works was slower, with volumes in the 2nd quarter of 2024 being 1.5% lower than in the same quarter of 2023. This decline was due to reductions in segments such as construction completion works and other specialized construction activities.

In the 2nd quarter of 2024, 1,193 building permits were issued, representing a 1.1% increase compared to the 2nd quarter of the previous year. Meanwhile, the expected construction area increased more significantly, growing by 37.5% during this period. The largest growth was observed in the expected area of industrial production buildings and warehouses.

The sector's development indicators and their dynamics suggest that challenges in construction should be carefully considered when planning for the near-term development outlook.

CHANGES IN CONSTRUCTION PRODUCT VOLUME

percentage change compared to the corresponding period of the previous year, unadjusted data

