

90th EUROCONSTRUCT Conference 23-24 November 2020, Munich, Germany

90th

90th EUROCONSTRUCT Country Report Winter 2020



European Construction: Market Trends until 2023

ORGANISER



ifo INSTITUTE

IFO INSTITUTE

www.ifo.de

The ifo Institute is one of the leading economic research institutes in Europe. Through its five fields of action – research, the promotion of young researchers, policy advice, participation in public debates, and information/services – it helps maintain and increase sustainable economic prosperity and social participation under constantly changing conditions. The ifo Institute works on economically and politically relevant issues at the highest scientific level and with an international reputation, developing research-based recommendations for action for government, business, and society. Economic data and information collected systematically and over long time horizons provide impetus for political and public debates, which in turn generate new research tasks. In this way, ifo plays an important part in the development of appropriate economic policy decisions as a basis for innovation and social development.

SPONSORS



ZEPPELIN **CAT**

ZEPELIN

www.zeppelin-cat.de

Zeppelin Baumaschinen GmbH is Europe's leading sales and service organization in the construction machinery industry and has been the exclusive sales and service partner in Germany of Caterpillar Inc. the world's largest manufacturer of construction machinery since 1954. With 1,747 employees and sales of 1.18 billion euros in 2019, Zeppelin Baumaschinen GmbH is the largest company in the Zeppelin Group. In addition to the sale of new and used Caterpillar construction machinery, the product portfolio includes service, which is provided nationwide in 35 branches, consulting and financing for the equipment. The headquarters and legal domicile of Zeppelin Baumaschinen GmbH are located in Garching near Munich.



BayernLB

BAYERNLB

www.bayernlb.com

BayernLB is one of the major commercial banks in Germany with head office in Munich. BayernLB is the reliable innovation partner for companies in high growth business sectors of the future in Bavaria and Germany and it supports its corporate customers sustainably and for the long term with in depth expertise. In real estate financing, BayernLB uses its specialist knowledge and network to support customers throughout the entire value chain in Germany and other selected markets. BayernLB is the central bank for the Bavarian savings banks and the main bank for the Free State of Bavaria. Its subsidiary DKB provides its customers with an excellent client experience and outstanding digital solutions.

90th EUROCONSTRUCT Conference 23-24 November 2020, Munich, Germany

90th

90th EUROCONSTRUCT Country Report Winter 2020



European Construction: Market Trends until 2023



COPYRIGHT NOTICE

All rights reserved © EUROCONSTRUCT, November 2020

Reproduction or distribution of all or parts of the report is strictly forbidden without the prior written authority from ifo Institute acting on behalf of the EUROCONSTRUCT network.

If the buyer purchases this EUROCONSTRUCT report on behalf of an association (or any kind of industrial network), it is strictly forbidden to distribute it to its members, whether physical or juridical persons.

EUROCONSTRUCT reserves the right to refuse the selling of any EUROCONSTRUCT product (including conference participation) to those violating the above mentioned copyright rules.

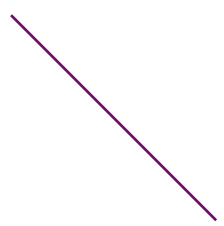
EUROCONSTRUCT® is a registered trademark.

The report is provided for informational purposes only and without any obligation, whether contractual or otherwise. No warranty or representation is made as to the correctness, completeness and accuracy of the information supplied or the forecasts made.

This Country Report has been written and prepared by the EUROCONSTRUCT network from the country reports of the 19 EUROCONSTRUCT member institutes.

Design by FARM Studio (farm.co.hu)
Editing by Buildecon (buildecon.com)

Table Of Contents



| | | | |
|---------------------------|-----|---|----|
| The Euroconstruct Network | 6 | | |
| Member Institutes | 6 | | |
| Austria | 9 | — | AT |
| Belgium | 31 | — | BE |
| Czechia | 51 | — | CZ |
| Denmark | 81 | — | DK |
| Finland | 109 | — | FI |
| France | 139 | — | FR |
| Germany | 165 | — | DE |
| Hungary | 191 | — | HU |
| Ireland | 209 | — | IE |
| Italy | 237 | — | IT |
| Netherlands | 263 | — | NL |
| Norway | 285 | — | NO |
| Poland | 305 | — | PL |
| Portugal | 325 | — | PT |
| Slovakia | 343 | — | SK |
| Spain | 367 | — | ES |
| Sweden | 389 | — | SE |
| Switzerland | 413 | — | CH |
| United Kingdom | 429 | — | UK |
| General Definitions | 448 | | |

The Euroconstruct Network

- Austria [AT] – WIFO
- Belgium [BE] – AQUIEC
- Czechia [CZ] – STEM/MARK
- Denmark [DK] – CIFS
- Finland [FI] – Forecon
- France [FR] – Le BIPE, member of BDO
- Germany [DE] – ifo Institute
- Hungary [HU] – BUILDECON
- Ireland [IE] – EY-DKM
- Italy [IT] – CRESME
- Netherlands [NL] – EIB
- Norway [NO] – Prognosecenter AS
- Poland [PL] – PAB-PCR&F Institute
- Portugal [PT] – TECNINVEST
- Slovakia [SK] – ÚEOS
- Spain [ES] – ITeC
- Sweden [SE] – Prognoscentret AB
- Switzerland [CH] – KOF ETH Zürich
- United Kingdom [UK] – EXPERIAN



European Construction Business Research And Forecasting Group

www.euroconstruct.org

EUROCONSTRUCT® is a registered trademark.

EUROCONSTRUCT was set up in 1974 by specialised research organisations from Belgium, France, Germany, Italy, the Netherlands and United Kingdom as a study group for construction analysis and forecasting. It has since expanded from the core group to include almost all Western European countries, as well as 4 Central Eastern European countries. At present, EUROCONSTRUCT has member institutes in 19 European countries.

EUROCONSTRUCT's objective is to provide decision makers in the construction sector and other to the construction industry related markets with information, analyses and forecasts to enable them to plan their business better and more effectively. Furthermore, the activities of the EUROCONSTRUCT network addresses to official institutions like ministries or agencies and to national and international associations.

Construction markets are regional or even local. It is, therefore, a great advantage that the analyses and forecasts for these markets are prepared within the EUROCONSTRUCT network by competent national institutes for their respective home markets.

EUROCONSTRUCT's research and advice focuses on:

- Short and medium-term macro-economic forecasts and construction trends in Europe;
- Analyses of structural changes, business strategies and competition in the construction industry;
- Market studies for industrial goods and services used by the building and infrastructure sectors.
- EUROCONSTRUCT's research and forecasts are designed to meet the needs of many types of business including:
 - Construction contractors and developers; housing associations;
 - Manufacturers and traders supplying construction materials, products, equipment and machines; architects and other construction professionals;
- Insurances, banks, financial and credit institutions; fund managers and other investors; government departments and national agencies; industry associations;
- The Commission of the European Community and other European organisations.

Each country member of EUROCONSTRUCT has the project management resources to offer their customers turnkey studies of pan-European scope.

They can guarantee:

- Specific know-how and experience in database research and consulting;
- A consistent multinational approach;
- Expertise in project co-ordination and quality control;
- Reports in the languages of the customer's choice.
- Twice a year, EUROCONSTRUCT organises an international conference on:
 - Forecasts for the main market segments (housing, non-residential construction, infrastructure and civil engineering, all sub-sectors with a breakdown in new work and renovation/modernisation activities) in the EUROCONSTRUCT member countries;
 - A special issue selected for its impact on the construction industry (e.g. demographics, privatisation, lifestyles, technological change, internationalisation of strategies, changes in the demand and supply structure).

Recent and forthcoming conference venues:

- Summer 2019 Rome (Italy)
- Winter 2019 Warsaw (Poland)
- Summer 2020 Stockholm (Sweden)
- **Winter 2020 Munich (Germany)**
- Summer 2021 Vienna (Austria)

In addition, EUROCONSTRUCT offers special studies for selected national and international clients based on well-founded knowledge of databases, methods, correlations and measures.

For details, please contact the EUROCONSTRUCT partner institute in your country.



90th EUROCONSTRUCT Conference ○ 23-24 November 2020, Munich, Germany

Austria

WIFO – Austrian Institute of Economic Research
www.wifo.ac.at

Michael Klien
michael.klien@wifo.ac.at

Michael Weingärtler
michael.weingaertler@wifo.ac.at

Tel: +43 1 798 260 1483

Belgium

AQUIEC

Jean-Pierre Liebaert
belgium@euroconstruct.org

Tel: +32 2 545 57 40

Czechia

STEM/MARK
www.stemmark.cz

David Frič
fric@stemmark.cz

Tel: +420 724 433 876

Denmark

Copenhagen Institute for Futures Studies
www.cifs.dk

Anders Bjerre
abj@cifs.dk

Tel: +45 33 11 71 76

Finland

Forecon Ltd
www.forecon.fi

Markku Riihimäki
Markku.Riihimaki@forecon.fi

Tel: +358 40 704 1187

France

BDO Advisory – BIPE
www.bipe.fr

Pascal Marlier
Anne-Sophie Alsif
Paul Donadieu de Lavit
Nathalie Kouassi

construction@bipe.fr
Tel : + 33 (0) 1 70 37 23 23

Germany

DE

ifo Institute
www.ifo.de

Ludwig Dorffmeister
dorffmeister@ifo.de

Tel: +49 89 9224 1343



Hungary

BUILDECON
www.buidecon.com

János Gáspár
janos.gaspar@buidecon.com

Tel: +36 1 785 4414

Ireland



EY-DKM Economic Advisory Services
www.ey.com/ie/ey-dkm

Annette Hughes
annette.hughes@ie.ey.com

Tel: 353 1 475 0555



Italy

CRESME RICERCHE
www.cresme.it

Antonella Stemperini
stemperin@cresme.it

Tel: +390688807100

Netherlands

Economisch Instituut voor de Bouw, EIB
www.eib.nl

Radislav Semenov
rsemenov@eib.nl

Paul Groot
pgroot@eib.nl

Thomas Endhoven
tendhoven@eib.nl

Jeffrey Kok
jkok@eib.nl

Tel: +31 20 205 1600

Norway

Prognosesenteret AS
www.prognosesenteret.no

Nejra Macic, David Lund and Kjell Senneset
makro@prognosesenteret.no

Tel: +47 24 11 58 80

Portugal

PT

Tecinvest
tecinvest.com

Antonio Coimbra
antonio.coimbra@tecinvest.pt

Tel: +351 217 159 482

Poland

PAB-PCR&F Institute
Euroconstruct.pl

Mariusz Sochacki
sochacki@polishconstruction.waw.pl

Tel: +48 602 791 976



90th EUROCONSTRUCT Conference ○ 23-24 November 2020, Munich, Germany

Slovakia

ÚEOS-Komercia, a.s.
www.ueos.sk

Radovan Kostelník
kostelnik@ueos.sk

Vladimír Lenko
lenko@ueos.sk

Tel: +421 910 990 568
+421 905 759 542

Spain

ITeC – The Catalonia Institute
of Construction Technology
www.itec.es

Josep R. Fontana
jrfontana@itec.es

Tel: +34 933 09 34 04

Sweden

Prognoscentret
www.prognoscentret.se

Thomas Ekvall
te@prognoscentret.se

Christian Brander
cb@prognoscentret.se

Sara Snöbohm
ss@prognoscentret.se

Tel: +46 8440 9360

Switzerland

KOF Swiss Economic Institute
www.kof.ethz.ch

Anne Kathrin Funk
funk@kof.ethz.ch

Mirjam Hegglin
hegglin@kof.ethz.ch

Tel: +41 44 633 89 08

United Kingdom

Experian plc
www.experian.co.uk/economics

Sadia Sheikh
sadia.sheikh@experian.com

Tel: +44 (0) 7802 524636

GENERAL DEFINITIONS

The following notes describe which are the most common definitions of the concepts of the Euroconstruct report among the different countries. These definitions do not apply literally to each of the 19 countries, so readers are encouraged to check the specific methodological notes of each country in order to identify the possible deviations from these standards that may apply to that particular market.

Macroeconomic

- **Population and households:** as of January 1st.
- **Unemployed:** figures based on labour force surveys that also include jobseekers that do not register at the employment offices.
- **Unemployment rate:** as percent of total labour force.
- **Construction prices:** annual change rate of sales prices, not construction costs.

Construction Output

Production is calculated according to branch definition, including not just works done by construction firms, but also works done by all firms that execute construction work regardless of the industry group they belong to. It also includes:

- Services provided by public bodies in the case that fees are involved.
- The builders' own effort, like do-it-yourself works.
- Works done by unregistered firms (black economy) should be included.

VAT or any other sales tax are not included.

Production value of a **building** project, residential and non-residential, includes:

- Project development.
- Planning and engineering works, architects.
- Plot work up.
- Construction work on the building including all intermediate products (building materials, transport cost, energy, use of machinery and equipment etc.)
- Installations work (electrical, plumbing, glazing, paintings and wallpaper, lifts etc.)
- Public fees (for building permits etc.)
- Financial costs, like interest and fees on construction loans (external funding)
- Fees to estate agents
- Transaction costs, if any
- Advertisement costs, if any

Production of **civil engineering** in general follows the same rules, so the value of investments (and maintenance) in civil engineering includes all intermediate products and not only the civil engineering part.

Residential

This category includes:

- Permanent residences
- Second homes or holiday homes owned by households.
- Building objects considered as auxiliary of the main residential object, such as garages, out-houses or other annexes.

The **1+2 family dwellings** category includes:

- Detached or semi-detached houses that contain one or two dwellings (for example, a main dwelling plus one bed-sit, basement flat etc.)
- Farmhouses that contain one or two dwellings.

The **flats** category is for residential buildings that contain three or more dwellings, including the following cases:

- Row houses, linked houses and terraced houses.
- Multi-dwelling buildings of more than one storey, free-standing or linked.
- Residences and service residences for the elderly and other social groups, when the health care aspect is not dominant (otherwise they are categorised as nursing homes and accounted as non-residential)
- Student homes.
- Other residential buildings for communities.
- Dwellings in non-residential buildings.

A **second home** is defined as any dwelling of the residential categories (1+2 families or flats), that is only in use temporarily as a holiday or leisure residence. Second homes also include cottages, huts, shacks, chalets, etc.

When second homes are a market product that is different from permanent homes (design, size...) and that market is big enough to be noticeable, and statistics allow them to be distinguished from permanent homes, they may be excluded from the figures for permits, starts or completed dwellings. However, they still are included in stock figures. Investments in second homes are also included in residential construction.

A residential building is considered **completed** when either a temporary permission to use the building is given by the competent authority, or when a certificate for completion is issued by the competent authority. This certificate should be given when final documentation about the building and a declaration from the builder that the building is completed is available.

Non-residential

This category includes every other building that is not considered residential. The following cases are also treated as non-residential:

- Buildings for temporary residential use that have a commercial purpose, for instance hotels, hostels, motels and holiday homes for rent by businesses/public bodies.
- Homes for the elderly with manned facilities and nursing services.

Non-residential surface is measured as utility floor space, which is the floor area measured within the outer walls.

The category of **buildings for education** includes the facilities (also playgrounds) for:

- Pre-school, kindergartens.
- Primary and secondary education.
- Higher education, including laboratories and research facilities.

The category of **buildings for health** includes:

- Hospitals.
- Clinics, doctor's offices, medical centres, emergency clinics.
- Health and social services centres, health stations.
- Nursing homes.
- Residence and home with nursing and medical care.
- Buildings for rehabilitation, sanatoriums
- Other long-stay hospitals and primary health buildings.

The category of **industrial buildings** includes:

- Factory buildings.
- Workshops.
- Treatment plants, pumping stations, transformer stations that can be considered buildings.

The category of **storage buildings** includes:

- Warehouses.
- Cold storage warehouses.
- Silo buildings and other specialised storage.

The category of **office buildings** includes:

- Buildings for bureaucratic purposes, town halls.
- Banks.
- Post offices.
- Buildings for the media.

The category of **commercial buildings** includes:

- Shopping centres, department stores.
- Detached shops.
- Service stations.
- Other wholesale and retail trade buildings.
- Hotels, hostels, motels, pensions.
- Holiday camps, tourist chalets, apartment lodging buildings, camping huts, holiday bungalows.
- Restaurant buildings and derivatives: food kiosks, cafés, canteens, etc.
- Parking garages.
- Fair and congress buildings.

- Buildings related to transport infrastructures such as railway stations and underground stations, airport terminals, air traffic control towers, telecommunication buildings, etc.

The category of **agricultural buildings** includes:

- Buildings for animals, granaries, fruit and vegetable storage, agricultural silos, buildings for hay/grain drying
- Greenhouses.
- Works buildings used for fishery and hunting, including fish farms, fishery boat-houses and sheds.

The category of **miscellaneous buildings** includes:

- Non-residential space in residential buildings.
- Buildings for entertainment: cinemas, theatres, concert halls, opera houses, discotheques.
- Museums and art galleries.
- Libraries.
- Zoological and botanical gardens.
- Sports halls, ice arenas, indoor swimming pools, fitness centres and Buildings for other sports.
- Community centres, local meeting halls not for bureaucratic uses.
- Buildings for religious use: churches, chapels, houses of worship, parish houses, crematoriums, cemetery chapels, chapels of repose, convents, monasteries.
- Monuments.
- Prison buildings.
- Police stations.
- Fire stations, ambulance stations.
- Building for emergency preparedness: air-raid shelters, bunkers.
- Lighthouse buildings, pilot stations, radar facilities.
- Public toilets.

Renovation with change of use

Sometimes building renovation is related to a change of end use: from residential to non-residential buildings and vice versa. When a non-residential building is transformed to a residential building, the value of this production is included in residential renovation. And vice versa.

Civil Engineering

The category of **transport infrastructure** includes:

- Construction of roads and streets, including bridges and tunnels.
- Railways include also tramways and undergrounds, also with bridges and tunnels.
- "Other" collects airports and airfields, harbours, ports, breakwaters and moles, canals, etc.

The category of **energy** includes infrastructures for:

- Generating energy: power plants and power stations that can not be considered buildings, dams

for hydroelectric power production, wind farms, wave farms.

- Delivering energy: power transmission lines, gas supply lines.

The category of **water works** includes infrastructures for water supply, sewer and waste water transport and treatment; either for drinking water, irrigation, industrial water or river flow maintenance.

The category of **other civil engineering** includes infrastructures for agriculture, forestry and fishery, civil engineering facilities for the industry **that can**

not be considered buildings, outdoor sports and leisure facilities (for example, amusement parks).

Gross Domestic Product

To be comparable to the rest of the figures in Table 5, gross fixed capital formation in construction is measured at market prices, in contrast to the measure used in Tables 2, 4a and 4b that considers output at production prices, that is, without sales taxes (or sales subsidies).

ORGANISER

ifo INSTITUTE

SPONSORS

ZEPPELIN **CAT**

BayernLB