



OVERVIEW OF ETHEKWINI'S BUILDING PLANS APPROVED IN 2025Q2

[Data Story]

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INTRODUCTION

Building plan approvals are a leading indicator of future construction activity, investment momentum, and economic confidence. Tracking both the number and value of approved plans reveals important shifts in development patterns, investor appetite, and the pace of urban transformation. For eThekweni, this data provides valuable insight into the performance and direction of the local construction sector and the broader built environment.

In 2024, South Africa recorded building plan approvals valued at R101.4 billion, with KwaZulu-Natal contributing R14.7 billion, making up 14.5% of the national total. Within KZN, eThekweni accounted for R8.2 billion, representing more than 55% of the provincial total. This underscores eThekweni's critical role as a construction and development hub in the province and the country, with strong influence on spatial transformation, infrastructure rollout, and economic recovery.

The analysis that follows unpacks quarterly building plan trends in the metro from 2022 Q3 to 2025 Q2, highlighting what the latest data reveal about Durban's evolving development trajectory.

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The building plans approved in eThekweni over the last 12 quarters paint a picture of fluctuating investment activity, with a sharp peak in 2022Q4, when the city approved R6.5 billion worth of building plans. Over the following quarters, the value of building plans approved declined significantly, fluctuating mostly between R1.5 billion and R3.1 billion, with only one modest rebound in 2024Q3.

By 2025Q2, the city recorded building plan approvals totalling R1.6 billion, slightly lower than the previous quarter's R1.7 billion, signalling ongoing subdued investment in large-scale construction. This indicates a structural shift in the development profile of the city, where high-value projects have become less frequent, potentially due to economic caution, financing constraints, or a delayed project pipeline.

In terms of volume, the number of building plans approved shows a slightly different trend. Approvals peaked in 2024Q1, reaching nearly 3,500, although the value remained relatively low, suggesting a high volume of smaller, lower-cost developments, likely in the residential or informal segments. This surge in small-scale activity was followed by a sharp drop in the next few quarters, with numbers falling below 1,000 before recovering to 1,345 in 2025Q2. This recent increase, though still below historical peaks, could reflect the early signs of recovery.

Figure 1



Source: StatsSA, Selected building statistics of the private sector as reported by local government institutions at the current price, & eThekweni Municipality Development planning, 2025

VALUE OF BUILDING PLANS APPROVED PER REGION IN 2025Q2

The analysis of building plan approvals across eThekweni’s five regions from 2023Q2 to the latest quarter, 2025Q2, reveals distinct spatial investment patterns and shifting development dynamics.

The Central region continues to dominate in terms of building plan value, consistently outperforming other regions over the review period. In 2025Q2, it once again led the city with approvals just above R400 million. This trend reflects continued confidence in the region’s capacity to absorb high-density, mixed-use, and commercial developments, supported by regeneration efforts and robust infrastructure.

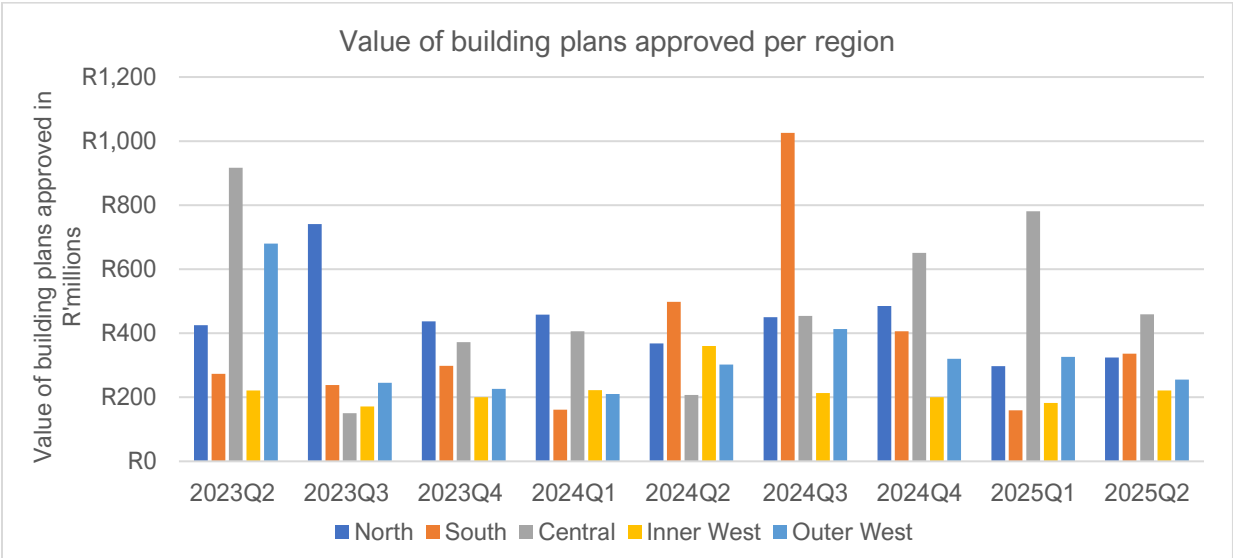
The South region, which showed fluctuating investment activity over the period, recorded a notable recovery in 2025Q2, with approvals climbing to around R350 million, one of its highest post-2024 values. While still far from the extraordinary spike of over R1 billion in 2024Q3, this recent increase may point to renewed development interest, possibly linked to smaller industrial, housing, or infrastructure projects gaining traction.

The North region remained relatively stable throughout the period, including in 2025Q2, where it posted moderate approvals of around R320 million. This steady trend suggests sustained residential and commercial development, particularly in growing precincts such as Umhlanga and Cornubia, where private investment remains active and infrastructure expansion is ongoing.

In contrast, the Outer West saw a decline in building plan value in 2025Q2, with approvals falling below R300 million, its lowest in the two years. After a strong showing in 2023, investment momentum appears to have tapered off, possibly due to project delays, zoning issues, or infrastructure backlogs. This downturn may require renewed attention to unlock strategic development potential in peri-urban and logistics zones.

The Inner West continued to lag other regions, recording the lowest approvals once again in 2025Q2, with values under R250 million. This persistent underperformance highlights deep-seated constraints in the region, including limited catalytic investment, aging infrastructure, and weaker development pipelines. Without targeted intervention, the Inner West risks being left behind in the city’s growth trajectory.

Figure 2



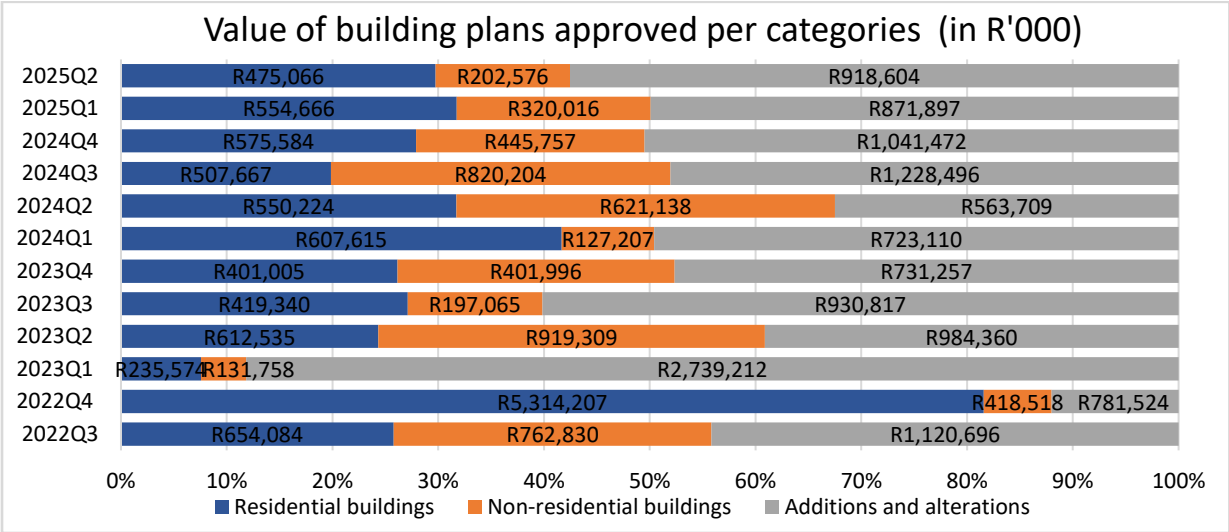
Source: StatsSA, Selected building statistics of the private sector as reported by local government institutions at the current price, & eThekweni Municipality Development planning, 2025

VALUE OF BUILDING PLANS APPROVED PER CATEGORIES IN 2025Q2

Between 2022Q3 and 2025Q2, building plan approvals in eThekweni reflect a construction sector increasingly driven by additions and alterations, which consistently accounted for the largest share of investment. This category peaked at R1.0 billion in 2024Q4 and remained strong in 2025Q2 at R918.6 million, signaling a shift toward property upgrades, densification, and incremental development, particularly in established urban areas. Residential building approvals remained relatively stable, with robust figures in 2024Q4

(R575.6 million) and 2025Q1 (R554.7 million), before easing slightly to R475.1 million in the latest quarter. This suggests continued but cautious momentum in housing development. In contrast, non-residential approvals were more erratic, marked by a sharp spike in 2024Q3 (R820.2 million), likely reflecting a once-off commercial or industrial investment, followed by a decline to R202.6 million in 2025Q2. Overall, the trend points to a market sloping toward smaller-scale, flexible, and adaptive development, with limited large-scale commercial build activity in the near term.

Figure 3



Source: StatsSA, Selected building statistics of the private sector as reported by local government institutions at the current price, & eThekweni Municipality Development planning, 2025

CONCLUSION

The trends in building plan approvals from 2022Q3 to 2025Q2 reveal a construction sector navigating through a phase of cautious transition. While eThekweni continues to anchor KwaZulu-Natal’s built environment activity, contributing over 55% of the province’s approvals in 2024, the momentum has become uneven. The resilience observed in residential activity, especially in additions and alterations, suggests a shift toward smaller, incremental investments. In contrast, the volatility in non-residential approvals indicates subdued appetite for large-scale commercial or industrial developments, reinforcing investor caution.

Spatially, investment remains skewed. Central and Northern regions continue to attract the bulk of building activity, while the Inner West lags persistently behind. The Outer West, after earlier gains, has also started to lose steam. These disparities point to the urgent need for a more spatially inclusive development model, driven by targeted infrastructure upgrades, streamlined regulatory processes, and catalytic projects that can unlock lagging regions.

Crucially, these planning and investment trends are unfolding amid a backdrop of weakening business sentiment. The Durban Business Confidence Index fell for the third consecutive quarter in 2025Q2, declining by 7% to 52.40 points. This sustained deterioration in sentiment signals mounting investor uncertainty, underlining the importance of decisive policy responses.

The construction sector faces added pressure from external risks. The introduction of US tariffs may raise the cost of imported construction materials and prompt exporters to increase local prices to cushion international losses. Combined with elevated interest rates and tighter financial conditions, these factors could dampen both affordability and investment momentum.

To build resilience, the city must accelerate efforts to localise construction supply chains, stimulate domestic production of key inputs, and support firms in accessing new export markets. A coordinated strategy that streamlines development approvals, incentivises spatially balanced investment, and strengthens the project pipeline will be vital to unlocking the sector's full economic and spatial potential.

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