

Europe Prefabricated Buildings Market Size & Share Analysis - Growth Trends and Forecast (2026 - 2031)

> ****Industry:**** Construction & Infrastructure (Real Estate & Construction)
> ****Source:**** <https://www.mordorintelligence.com/industry-reports/european-prefabricated-buildings-industry-study>
> ****Scraped Date:**** 2026-09-17

Executive Market Summary

Market Metric	Details
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Base Market Size	USD 84.10 billion
Projected Forecast (2031)	USD 84.10 billion
Growth Rate (CAGR)	7.14 %
Largest Market Region	N/A
Fastest-Growing Region	N/A

Market Visualizations & Infographics

![Major players in Europe Prefabricated Buildings industry](images/chart_2.png)

![Europe Prefabricated Buildings Market Size](images/chart_3.png)

![Europe Prefabricated Buildings Market Share by Material Type, 2025](images/chart_4.png)

![Europe Prefabricated Buildings Market Share by Product Type, 2025](images/chart_5.png)

![Europe Prefabricated Buildings Market Concentration](images/chart_6.png)

![footer background image](images/chart_9.png)

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Comprehensive Research Analysis

Overview Points List Flex 49 Share Feature End

Market OverviewStudy Period | 2020 - 2031 |
Forecast Data Period | 2026 - 2031 |
Base Year Market Size (2025) | USD 78.5 Billion |
Market Size (2026) | USD 84.10 Billion |
Market Size (2031) | USD 118.80 Billion |
Growth Rate (2026 - 2031) | 7.14 % |
Market Concentration | Medium |
Major Players*Disclaimer: Major Players sorted in no particular order

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Market Overview

Europe Prefabricated Buildings Market Analysis by Mordor Intelligence The Europe prefabricated buildings market size is projected to be USD 78.5 Billion in 2025, USD 84.10 billion in 2026, and reach USD 118.8 billion by 2031, growing at a CAGR of 7.14% from 2026 to 2031[1] European Commission, "Communication on Affordable and Sustainable Housing," ec.europa.eu. Demand is accelerating as the EU Green Deal renovation-wave mandates push owners to upgrade 35 million structures this decade, while the Carbon Border Adjustment Mechanism (CBAM) raises the delivered cost of non-EU steel and cement, reinforcing local supply chains. A chronic regional labor deficit, 2.3 million open positions in 2025, makes factory assembly attractive because automation compensates for scarce tradespeople. Digital product passports embedded in modules simplify compliance with new lifecycle, carbon reporting rules, and procurement policy across Germany, the Netherlands, and the Nordics increasingly reward timber and hybrid systems that cut embodied emissions by up to 60%.

Key Report Takeaways* By material type, metal led with 52% of the Europe prefabricated buildings market share in 2025, while timber is forecast to register a 9.4% CAGR through 2031.

* By application, residential captured 58% of the Europe prefabricated buildings market size in 2025; the "others" segment is projected to expand at an 8.7% CAGR between 2026-2031.

* By product type, modular buildings accounted for 44.3% revenue in 2025, whereas panelised systems are advancing at a 9.9% CAGR to 2031.

* By geography, Germany commanded 35% of regional revenue in 2025, while the Netherlands is expected to register the fastest pace at a 9.2% CAGR through 2031

Key Market Trends

Market Trends and Insights Drivers Impact Analysis of Europe Prefabricated Buildings Market* Driver | (~) % Impact on CAGR Forecast | Geographic Relevance | Impact Timeline |

Affordable-housing gap spurring volumetric residential modules | +2.1% | EU-27, focus on Germany, Spain, Netherlands | Long term (≥ 4 years) |

EU Green Deal renovation-wave mandates favoring off-site upgrades | +1.8% | EU-27, strongest in Germany, France, Netherlands | Medium term (2-4 years) |

Persistent skilled-labor shortages across Western Europe | +1.5% | Germany, UK, France, Benelux | Long term (≥ 4 years) |

Corporate net-zero commitments boosting low-carbon prefab demand | +1.2% | Western Europe, spreading to Southern Europe | Medium term (2-4 years) |

CBAM cost-shield incentivising EU-made modular steel frames | +0.9% | EU-27, particularly Germany, France, Italy | Short term (≤ 2 years) |

On-site robotic / 3D-print hybridisation enabling just-in-time modules | +0.7% | Netherlands, Germany, Nordics | Long term (≥ 4 years) |

Source: Mordor Intelligence |

Competitive Landscape

Competitive Landscape

Modulaire Group dominates rental and semi-permanent niches, expanding its UK Canaby facility to 60,000 m² and winning USD 101 million in government work. Goldbeck's 2026 entry into UK residential via the Oak House partnership with Prime plc shows German giants exporting know-how. Skanska pilots "flying factories" that cut costs 28% by situating pop-up workshops near sites, signaling a shift toward distributed manufacturing.

Disruptors exploit digital tooling. Leko Labs' parametric engine converts customer sketches into fabrication files within hours, shrinking design lead times. KL EUSBERG's five KUKA robots weld 2,000 m of frames weekly, paring headcount and c

cycle time. Timber specialists Baufritz and CREE target premium segments where buyers prize embodied-carbon disclosure and architectural flair over lowest cost.

Competitive intensity is rising as CBAM erodes cheap import advantages. Players differentiate on carbon transparency, automation depth, and lifecycle services such as module take-back or refurbishment. The European Technical Assessment pathway offers market access for novel systems, yet a 12-18 month queue forces innovators to plan product launches early. Consolidation pressure is likely as mid-sized firms seek scale to fund certification, R&D, and cybersecurity upgrades.

Europe Prefabricated Buildings Industry Leaders* Skanska AB

* Modulaire Group (Algeco Scotsman)

* Lindbäcks Bygg

* Portakabin Ltd

* Huf Haus

* *Disclaimer: Major Players sorted in no particular order

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Component Component 3 Scope Of The Report Bottom

Europe Prefabricated Buildings Market Report ScopeBy Material TypeConcrete |
Glass |
Metal |
Timber |
Other Materials |

Segmentation Accordion Item

By CountryGermany |
United Kingdom |
France |
Spain |
Italy |
Netherlands |
Sweden |
Denmark |
Norway |
Rest of Europe |

Frequently Asked Questions

What is the forecast value of the Europe prefabricated buildings market by 2031?

The market is projected to reach USD 118.8 billion by 2031, reflecting a 7.14% CAGR between 2026 and 2031.

How large will Europe's prefabricated buildings sector be by 2031?

The Europe prefabricated buildings market size is projected to reach USD 118.8 billion by 2031, expanding at a 7.14% CAGR from 2026.

Which material leads the adoption curve today?

Metal modules dominate with 52% share in 2025, though engineered timber is the fastest-growing material at 9.4% CAGR.

Why are governments turning to modular housing?

Factory-built apartments cut build times up to 50% and reduce labor needs 40%, helping close the EU's 5.8 million-unit housing deficit.

How does CBAM influence supply chains?

The carbon levy lifts import costs for steel frames by roughly 15-20%, steering procurement toward EU-made modular systems.

Which country shows the quickest growth outlook?

The Netherlands leads with a forecast 9.2% CAGR through 2031, driven by a national pact targeting 100,000 industrialized homes annually.