

Scandinavia Construction Market Size & Share Analysis - Growth Trends and Fore cast (2026 - 2031)

> ****Industry:**** Construction & Infrastructure (Real Estate & Construction)
> ****Source:**** <https://www.mordorintelligence.com/industry-reports/scandinavia-construction-market>
> ****Scraped Date:**** 2026-09-17

Executive Market Summary

Market Metric	Details
Base Market Size	USD 141.22 billion
Projected Forecast (2031)	USD 141.22 billion
Growth Rate (CAGR)	4.89 %
Largest Market Region	N/A
Fastest-Growing Region	N/A

Market Visualizations & Infographics

! [Major players in Scandinavia Construction industry](images/chart_2.png)

! [Scandinavia Construction Market (2026 - 2031)](images/chart_3.png)

! [Scandinavia Construction Market: Market Share by Sector](images/chart_4.png)

! [Scandinavia Construction Market: Market Share by Construction Method](images/chart_5.png)

! [Scandinavia Construction Market Concentration](images/chart_6.png)

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Comprehensive Research Analysis

Overview Points List Flex 49 Share Feature End

Market Overview

Study Period | 2020 - 2031 |
Forecast Data Period | 2026 - 2031 |
Base Year Market Size (2025) | USD 135.13 Billion |
Market Size (2026) | USD 141.22 Billion |
Market Size (2031) | USD 179.30 Billion |
Growth Rate (2026 - 2031) | 4.89 % |
Market Concentration | Medium |
Major Players*Disclaimer: Major Players sorted in no particular order

Market Overview

Scandinavia Construction Market Analysis by Mordor Intelligence
The Scandinavian construction market size was valued at USD 135.13 billion in 2025 and is estimated to grow from USD 141.22 billion in 2026 to reach USD 179.3 billion by 2031, at a CAGR of 4.89% during the forecast period (2026-2031). Growth is tilting away from speculative homebuilding toward infrastructure programs that hard-wire renewable-energy hubs, defense facilities, and strict energy-performance upgrades. A deep prefabrication culture, strong public-sector balance sheets, and low-carbon grid power continue to attract capital for data centers and power-to-X plants. Contractors that can navigate embodied-carbon rules, manage volatile timber supply, and integrate factory-built modules are positioned to win long-run maintenance-heavy contracts. Competitive discipline remains moderate because the top five incumbents still control the largest turnkey packages but face shrinking bid margins tied to fixed-price procurement formats[1]Skanska AB, "Annual Report 2025," SKANSKA.COM.

Key Report Takeaways

- * By sector, infrastructure held 45% of the Scandinavian construction market share in 2025, while residential is projected to register the fastest 5.80% CAGR through 2031.
- * By construction type, new-build projects commanded 60% share of the Scandinavian construction market size in 2025, whereas renovation is forecast to advance at a 5.00% CAGR to 2031.
- * By construction method, conventional on-site techniques retained an 80% share in 2025 and modern methods of construction are expanding at a 7.00% CAGR through 2031.
- * By country, Sweden led with a 45% revenue share in 2025 and Norway is on track for the quickest 6.00% CAGR over 2026-2031.

Key Market Trends

Scandinavia Construction Market Trends and Insights Drivers Impact Analysis*

Drivers	(~) % Impact on CAGR Forecast	Geographic Relevance	Impact Timeline
Surge in prefabricated and modular housing	+0.9%	Sweden dominates; Denmark and Norway scaling adoption	Medium term (2-4 years)
Public-sector infrastructure acceleration	+1.1%	Region-wide; Sweden EUR 3.5 billion allocation	Short term (≤ 2 years)
Renewable-energy megaproject pipeline	+1.3%	Norway offshore wind; Denmark power-to-X hubs	Long term (≥ 4 years)
Energy-efficiency retrofit incentives	+0.8%	Denmark USD 45 million; Sweden USD 75 million annualized	Medium term (2-4 years)
Arctic and Baltic defense build-up	+0.6%	Norway USD 4.5 billion; northern Sweden installations	Long term (≥ 4 years)
Nordic data-center colocation boom	+0.7%	Sweden hyperscale dominance; Norway emerging	Medium term (2-4 years)

Source: Mordor Intelligence |

Competitive Landscape

Competitive Landscape

Skanska, NCC, Peab, Veidekke, and AF Gruppen jointly control backlogs exceeding USD 27 billion, yet none exceeds 20% individually. Skanska's USD 780 million Huddinge hospital and USD 42 million Solna land sale highlight a strategy of land banking near power-dense nodes. Veidekke's USD 400 million E6 Nordland and USD 77 million Mariestad upgrades illustrate turnover diversification and embedded O&M

clauses. NCC shed residential exposure in 2024 to focus on public infrastructure, while Peab leans on in-house prefab lines for affordable housing.

AF Gruppen's February 2026 purchase of 70% of H.A. Bygg for USD 13 million marks an early-stage land-grab in Sweden's civil-works corridor. Digital adoption is uneven: 60% of firms trial AI, yet only 25% harvest double-digit productivity gains, leaving upside for data-rich early movers. Entry barriers inside defense work remain steep because NATO-level clearances exclude new challengers, effectively cartelizing a stable cash-flow niche.

White-space sits in energy-performance contracting, where guaranteed-savings models lure asset owners, and in advanced factory modules that combine timber-steel hybrids to offset CLT volatility. Multinationals eyeing the Scandinavian construction market must navigate embodied-carbon audits, tight labor pools, and fixed-price procurement, but can leverage the region's green-power brand to pilot low-carbon materials.

Scandinavia Construction Industry Leaders* Veidekke ASA

- * Skanska AB (Sweden)

- * NCC AB

- * Peab AB

- * JM AB

- * *Disclaimer: Major Players sorted in no particular order

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Scope Methodology P Space

Our study defines the Scandinavian construction market as all on-site and off-site works that create, extend, or refurbish buildings and civil infrastructure across Denmark, Sweden, and Norway, valued at the invoice price of labor, materials, and fixed equipment. New build, major renovations, and large maintenance projects are in scope.

Scope exclusion: very small DIY repairs and purely temporary structures fall outside this definition.

Segmentation Container

- * By Sector* Residential* Apartments and Condominiums

- * Villas and Landed Houses

- * Commercial* Office

- * Retail

- * Industrial and Logistics

- * Others

- * Infrastructure* Transportation Infrastructure

- * Energy and Utilities

- * Others

- * By Construction Type* New Construction

- * Renovation

- * By Construction Method* Conventional On-Site

- * Modern Methods of Construction (Prefabricated, Modular, etc.)

- * By Investment Source* Public

- * Private

- * By Country* Denmark

- * Sweden

- * Norway

Frequently Asked Questions

How big will Scandinavian construction spending be by 2031?

It is forecast to reach USD 179.3 billion, climbing from USD 141.22 billion in 2026 at a 4.89% CAGR.

Which segment is expanding the fastest?

Modern Methods of Construction is scaling at a 7.00% CAGR as labor shortages and speed-to-market pressures intensify.

Why is Norway's growth outpacing its neighbors?

Large defense installations, offshore-wind grids, and strong sovereign-fund backing propel Norway to a 6.00% CAGR through 2031.

What is driving renovation demand?

The 2026 EPBD deadline forces deep retrofits to meet energy-performance and embodied-carbon caps, lifting renovation work at a 5.00% CAGR.

How are embodied-carbon rules affecting contractors?

Compliance adds design-documentation costs and favors firms sourcing low-carbon materials, yet it also creates first-mover pricing power on public bids.