



International Seminar on State Land
Management in Transitional Countries:
Issues and Ways Forward
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CHANGES IN POLISH PUBLIC REAL ESTATE MANAGEMENT SYSTEM AFTER 1989*

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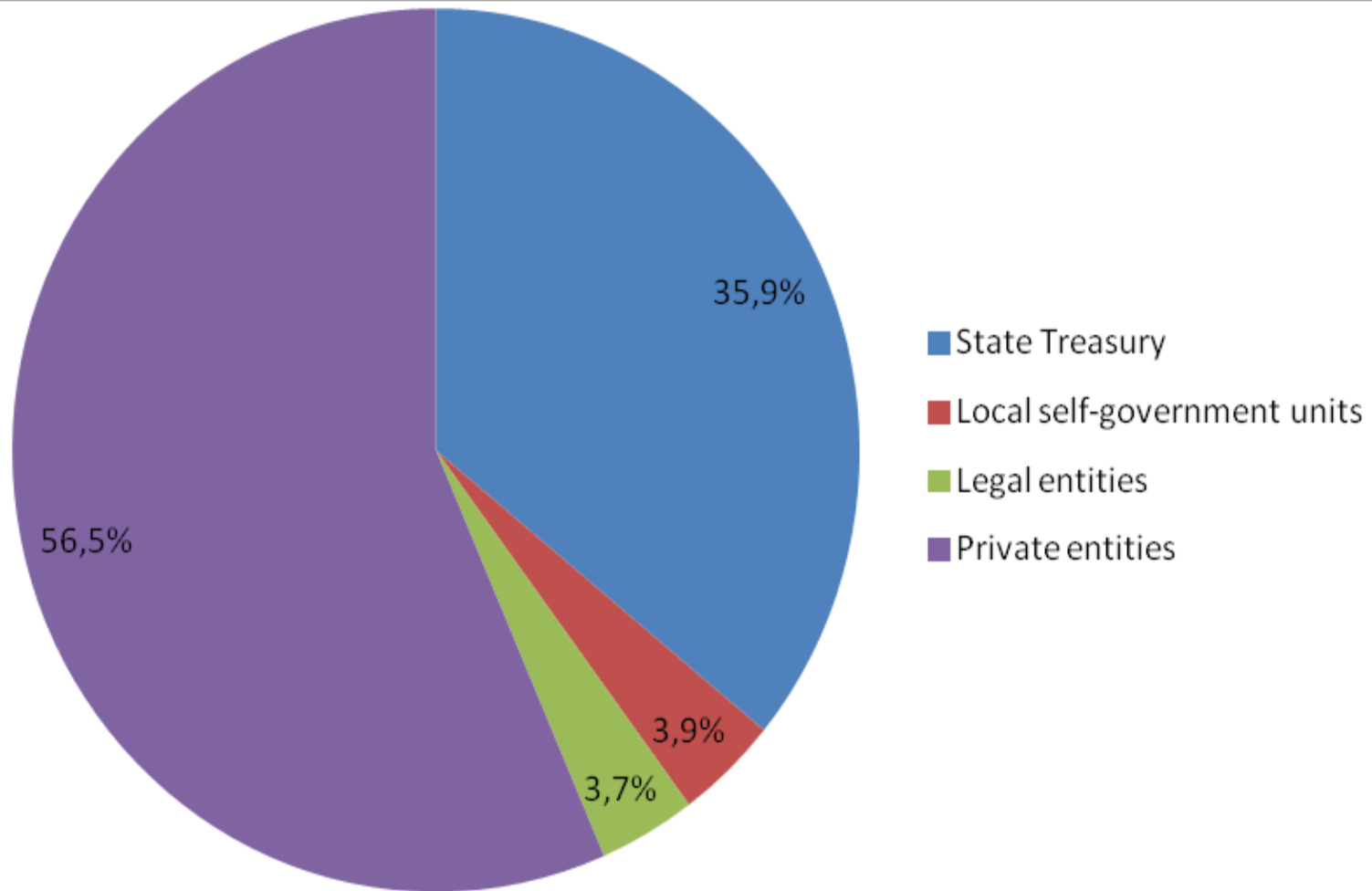
The agenda

A large, multi-story brick building with a prominent red-tiled roof and a tall, white tower with a spire. The building features Gothic-style windows and arches. In the foreground, a paved town square is visible with several people walking. To the right, there are other buildings and a green awning. The sky is blue with scattered white clouds.

- Introduction.
- Changes in Polish public real estate management system
- Entities responsible for public real estate management.
- Why Poland made these changes?
- How successful these changes have been?
- Conclusions.

Introduction

The ownership of lands in Poland



Source: Authors' own study based on Ministry of Treasury (2011)

Changes in Polish public real estate management system

- Changes in the Constitution of the Republic of Poland and preparing its new version in 1997:

Article 21

- 1. The Republic of Poland shall protect ownership and the right of succession.*
- 2. Expropriation may be allowed solely for public purposes and for just compensation.*

Changes in Polish public real estate management system



- Initiation of market principles in real estate:
 - the official prices were abolished and replaced by market ones;
 - there were created some jobs connected with real estate management, valuation and trading.

Changes in Polish public real estate management system

- Different forms of possession: ownership, perpetual usufruct, usufruct, permanent management, leasing, letting etc. - strictly determined by the rules of law

The ownership in Poland before 1989

Socialized property

state-owned property

cooperative property

property owned by
other social
organizations

Individual property

agricultural land

housing

Private property

flats

Source: Authors' own study based on Regulski (2003)

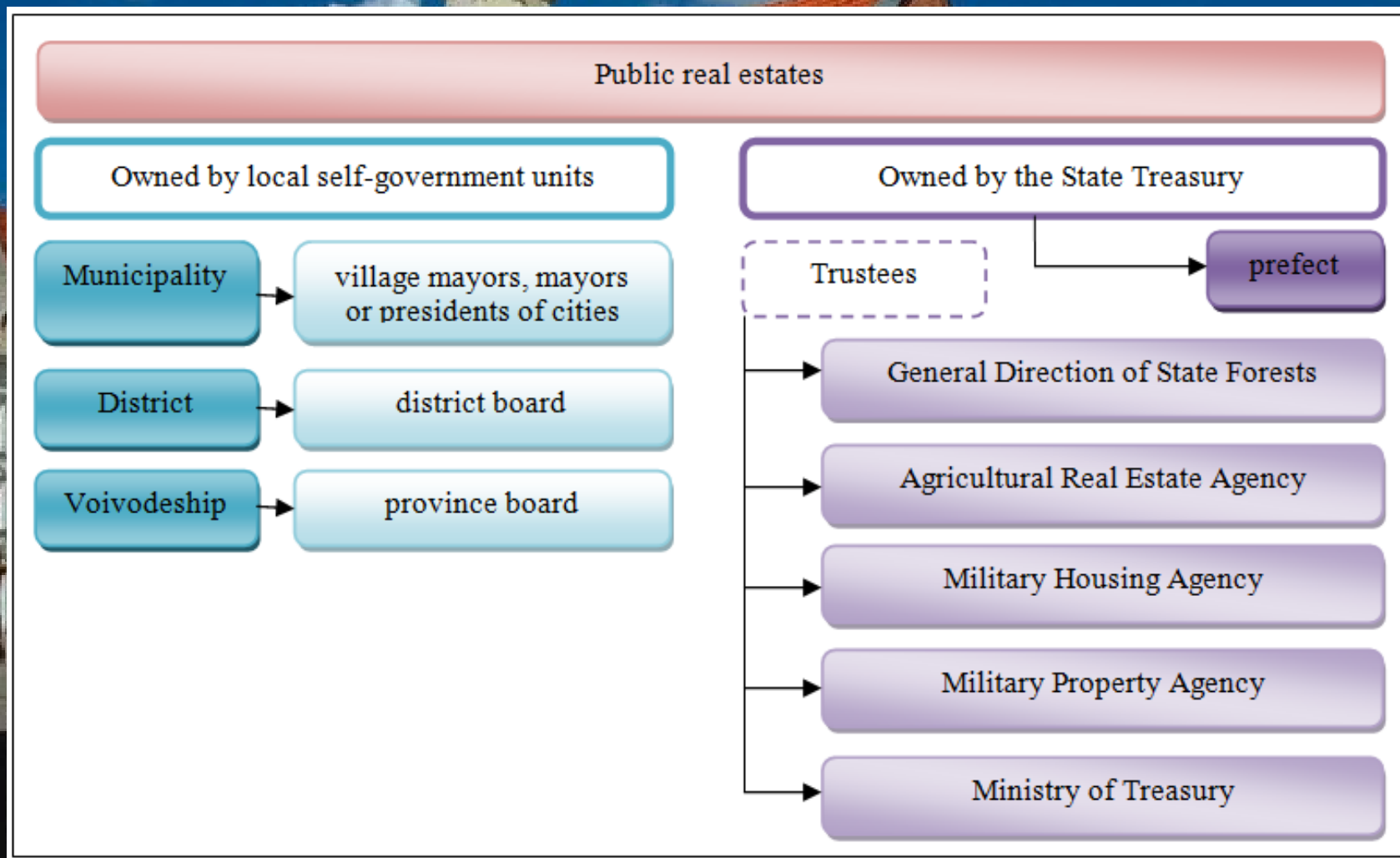
Changes in Polish public real estate management system

- Equalizing rights to real estates;
- Replacing inalienable rights to real estates by alienable ones;
- Strengthening the rights of legal entities by their enfranchisement;
- Introducing compulsory tenders;
- Abolishing most of administrative decisions;
- Foreigners can buy Polish real estates;
- Creating new territorial division of Poland – municipalities, districts and voivodeships;

Changes in Polish public real estate management system

- Changes in Polish legislation - some of the legal acts were changed and some new were created:
 - Constitution of the Republic of Poland (1997);
 - Civil Code (1964);
 - Real Estate Management Act (1997);
 - Forests Act (1991);
 - State-owned Agricultural Real Estate Management Act (1991);
 - Ownership of Condominium Units Act (1994);
 - Planning and Development Act (2003);
 - Forming Agricultural System Act (2003);
 - Municipal Government Act (1990);
 - District Government Act (1998);
 - Voivodeship Government Act (1998);
 - Certain Components of State Treasury's Property Management and Military Property Agency Act (1996);
 - Accommodation of the Polish Armed Forces Act (1995).

Entities responsible for public real estate management



Entities responsible for public real estate management and their tasks

Municipality:

- managing its real estates;
- water, electricity and heat supplies;
- looking after spatial order;
- maintaining of cemeteries, market places and market halls;
- environmental protection;
- maintaining communal greenery and afforestation;
- etc.



Entities responsible for public real estate management and their tasks

A large, multi-story brick building with a prominent red-tiled roof and a tall, white tower with a spire. The building is situated in a public square with cobblestone paving. In the foreground, there are several large, rectangular planters filled with green shrubs. People are walking around the square, and other buildings are visible in the background under a blue sky with scattered white clouds.

District:

- managing its real estates;
- spatial development;
- transport and public roads;
- environmental protection;
- agriculture and forestry;
- etc.

Entities responsible for public real estate management and their tasks

Voivodeship:

- public roads and transport;
- environmental protection;
- spatial development;
- water management;
- modernization of rural areas;
- etc.



Entities responsible for public real estate management and their tasks

Agricultural Real Estate Agency:

- responsible for exercising the right of ownership and other property rights, as well as rights to purchase and sell agricultural real estates.

General Direction of State Forests:

- leads forests management, manages lands and other real estates and movable related to forestry; leads a record of the State Treasury real estates and determine its value.

Entities responsible for public real estate management and their tasks

Military Housing Agency:

- selling housing units and other real estates and infrastructure;
- taking over and purchase real estates;
- renovates buildings, housing units, dormitories and related infrastructure;
- leading economic activity;
- creating a draft of three-year plan of using the resource and present it to Minister of Defence for approval.

Entities responsible for public real estate management and their tasks

The background image shows a street scene in a European town. A large, multi-story brick building with a red-tiled roof and a prominent tower with a spire is the central focus. The sky is blue with scattered white clouds. In the foreground, there are people walking on a paved street, and some greenery in planters. The overall atmosphere is bright and sunny.

Military Property Agency:

- managing, keeping, regulating the legal status and leading a record. It concerns the state-owned property that was let into permanent management of some organizational units as well as property that lost after liquidation of some state legal entities.

Ministry of Treasury

- managing the real estates belong to the State Treasury in cases determinated in article 60 of REAL ESTATE MANAGEMENT ACT (1997). It concerns mainly real estates that are need for statutory use of public buildings.

Why Poland made these changes?

- To protect ownership and the right of succession;
- To have free real estate market;
- To make procedures more transparent;
- To reduce corruption.



How successful these changes have been?

- Compulsory purchase was limited to use in case of public purposes realization defined in Real Estate Management Act;
- They have contributed to real estate development
- They equalize in rights all the entities appearing at the real estate market;
- Selling or letting real estate into perpetual usufruct require form of authenticated deed and registration in the land and mortgage register;
- They caused decentralization of governance;
- There is a clear division of responsibility between different units of territorial division of the country – between the State Treasury and local self-government units (municipalities, districts and voivodeships);

How successful these changes have been?

- The tasks of each unit and each trustee of state-owned real estates are strictly determinate by law. There are several acts that describe in details their tasks. This way each entity managing public real estate knows what is in the scope of its competence and for what activities it is responsible for.
- All rights to public as well as private real estates are registered;
- There were created some new legal acts and some existing were modified to improve management of public real estates.

Conclusions

Despite a lot of changes of Polish public real estate management system it still requires some improvements, especially in legislation.

Legal acts should be more transparent and the procedures should be simplified.

System still evaluates. In the future the public sector of real estates should be reduced, especially state-owned, because it has a big influence on the management principles.



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