

Arable lands in Poland in the market transformation period – impacts of transformations on the structure of lands, physical planning activities and the real estate cadastre

**International Seminar: State Land Management in Transitional Countries:
Issues and Ways Forward**

Budapest, Hungary, Ministry of Rural Development
20-21 September 2012

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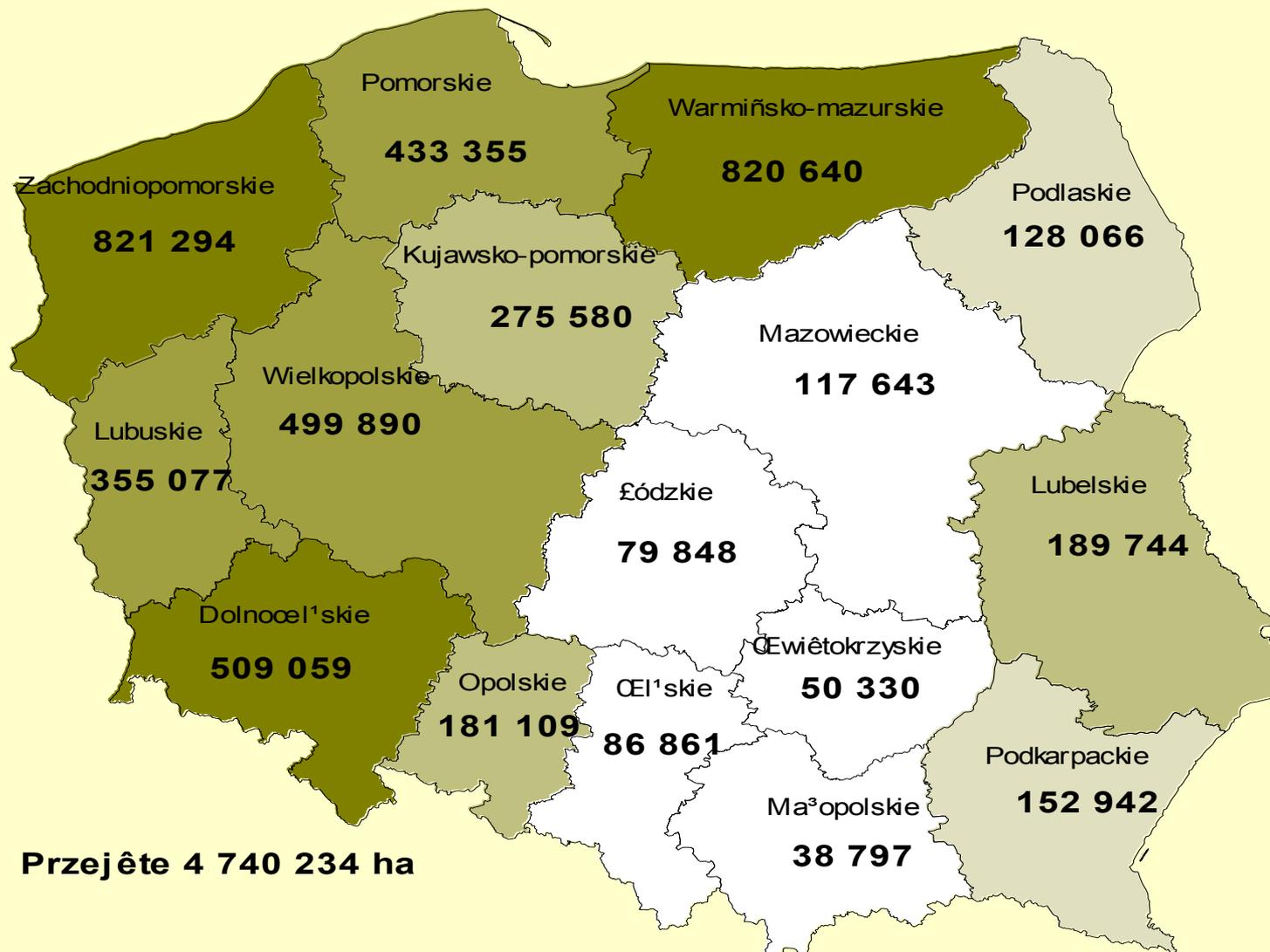
Property transformations of agricultural real estates in Poland

Liquidation of the PGR farms, finalised in 1995, covered almost 30% of the total number of state enterprises which were the subject of privatisation processes in Poland (**3,8 mln ha – 20% of arable lands**)

Agricultural Lands in ANR:

- of the ex-PGR farms (**3,762.0** thous. hectares),
 - from the State Fund of Lands (PFZ) - (**602.0** thous. hectares)
 - from other entities,
- total size of **4,740.0 thous. hectares** were taken over by **the Agency of the State Property of Farms (AWRSP)** – the later **The Agency for Agricultural Real Estates** -(**ANR**), which included them into the Agricultural Property Agency of the State Treasury

The agricultural lands taken over by the AWRSP in voivodship in Poland (ha)



Arable Lands of the State Treasury in Poland - responsibility

Responsible for administration of the lands of the State Treasury is Agency for Agricultural Real Estates (ANR)

It operates basing on the two legal acts:

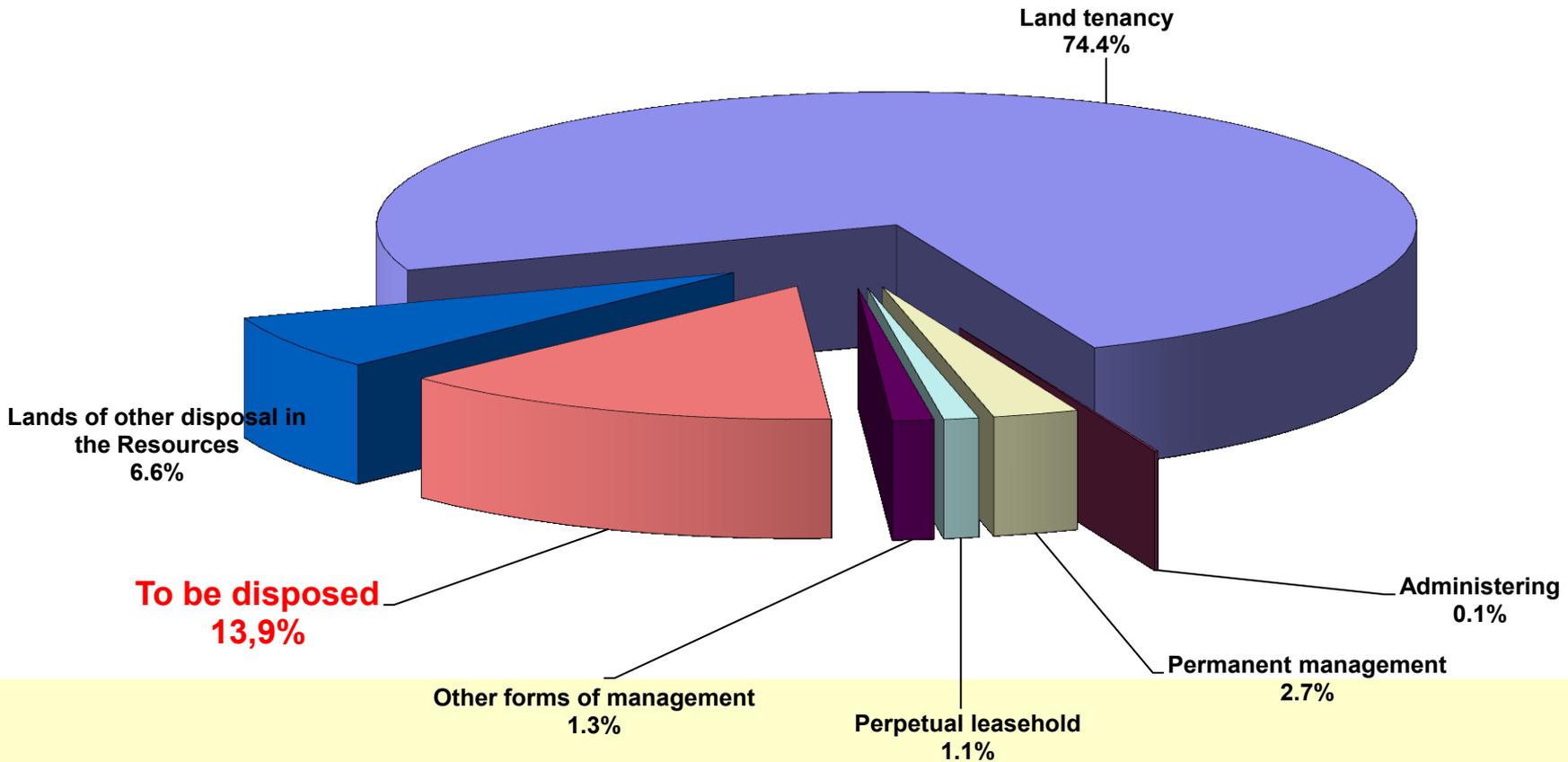
- the Act of 1991 on administration of the agricultural properties of the State Treasury, and
- the Act of 2003 on development of the agricultural system.

Arable Lands of the State Treasury in Poland - management

These included lands were managed in the processes of:

- ✓ sales of property,
- ✓ **leasing** the properties for the specified period, for the paid use by individual or legal; entities,
- ✓ **contribution** of the properties or their parts **into companies**,
- ✓ **leasing** the property to the administrator, for the specified period,
- ✓ **transferring the management** of the property.

Management of lands of the Resources of the Agricultural Property of the State Treasury (as of December 31, 2011) (2,786.0 mln ha)



Management of lands of the Resources of the Agricultural Property of the State Treasury (as of December 31, 2011)

As a result of permanent management, the total area of lands included in the Resources was decreased by **2,786.0 thous.** hectares.

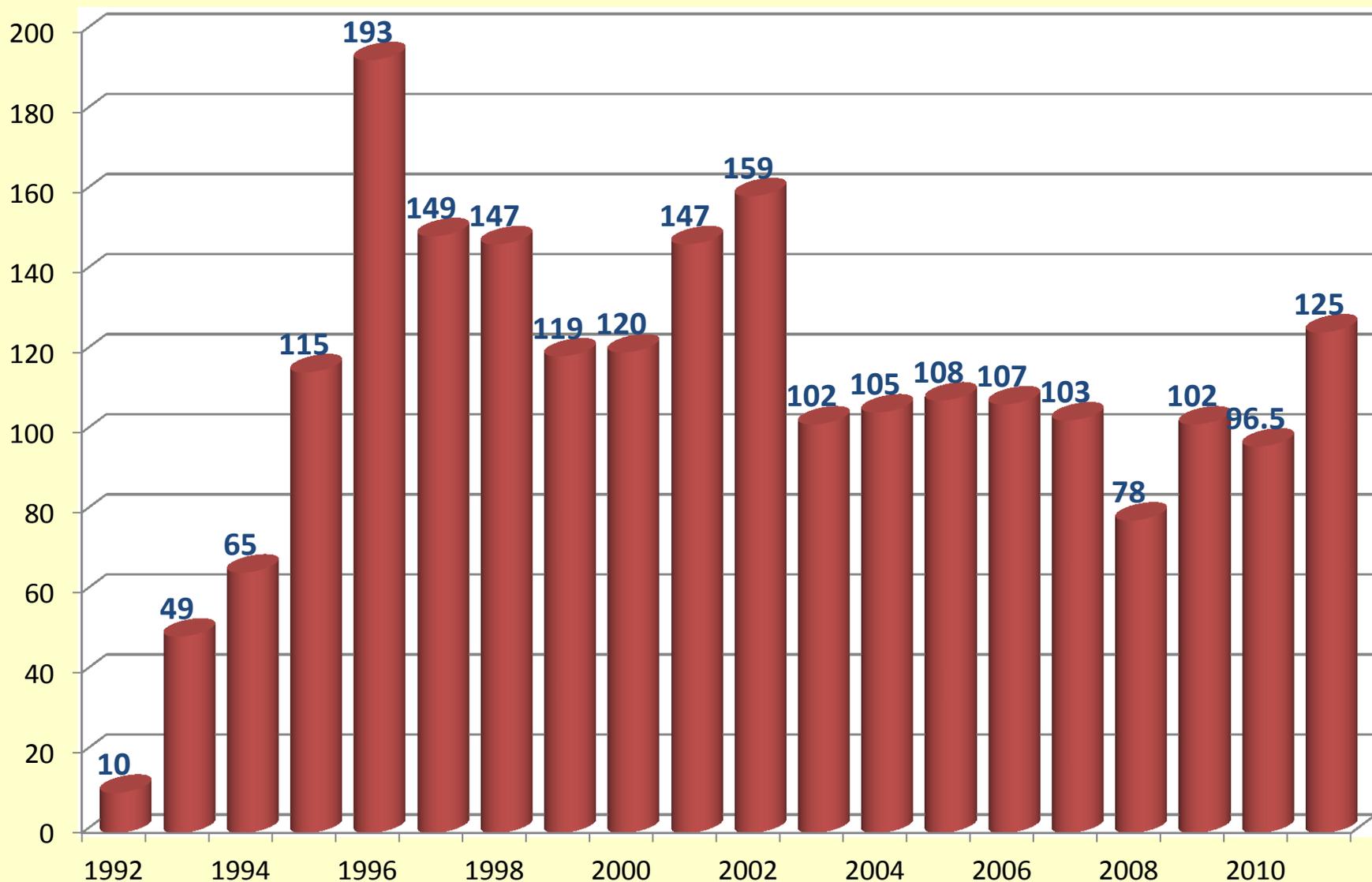
✓ The main direction of the permanent disposing of lands taken over by the Agency, was their **sales** (2,203.3 thous. hectares).

✓ **527.9** thous. hectares were **transferred, free of charge,**

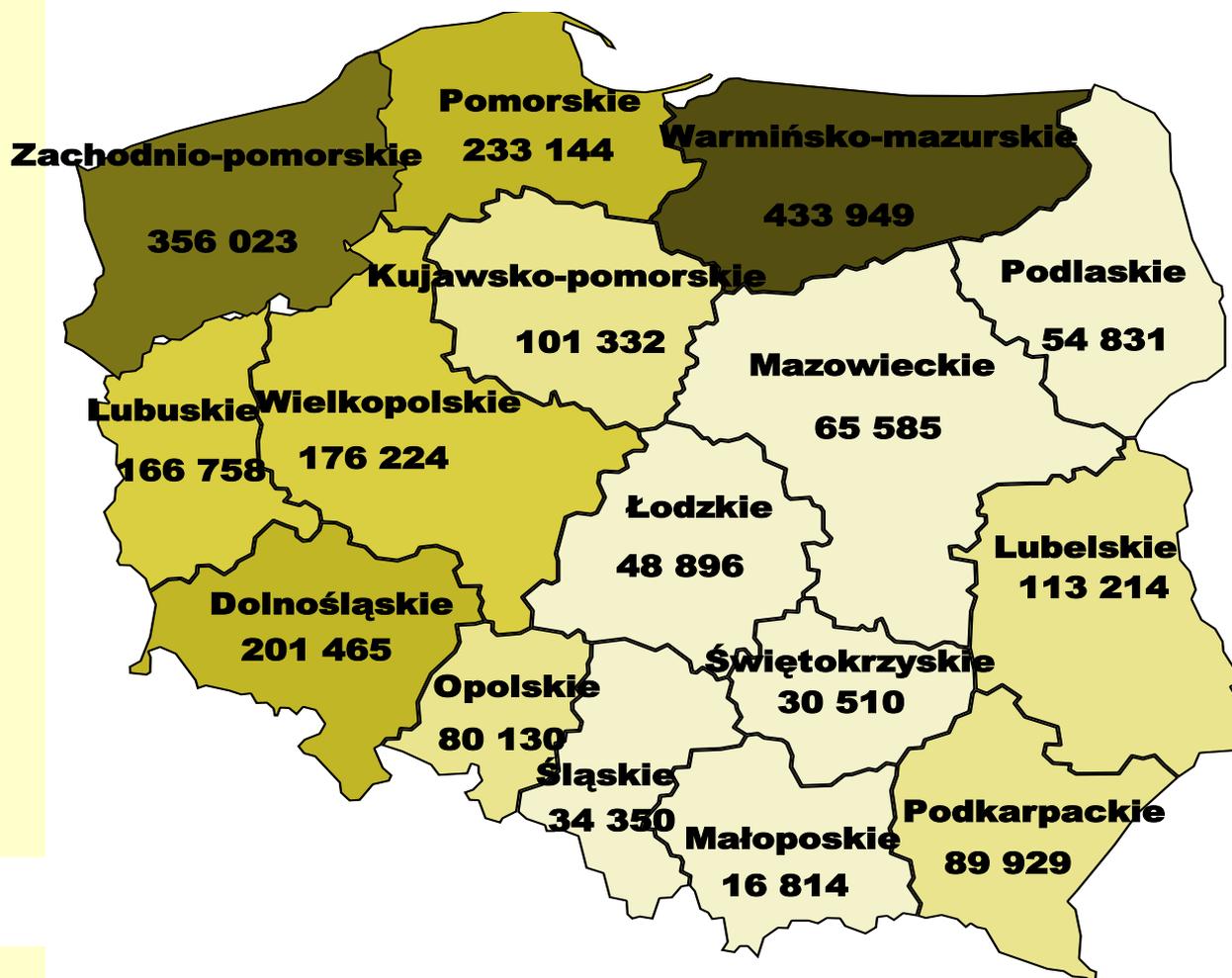
✓ as the **contribution to companies** (23.8 thous. hectares),

✓ **31.1** thous. hectares **were disposed in other ways.**

Land sold from the Agency for Agricultural Real Estates (1992-2011) tys. ha (2 203 tys. ha)



The lands sold by the ANR in voivodship in Poland (as of December 31, 2011)

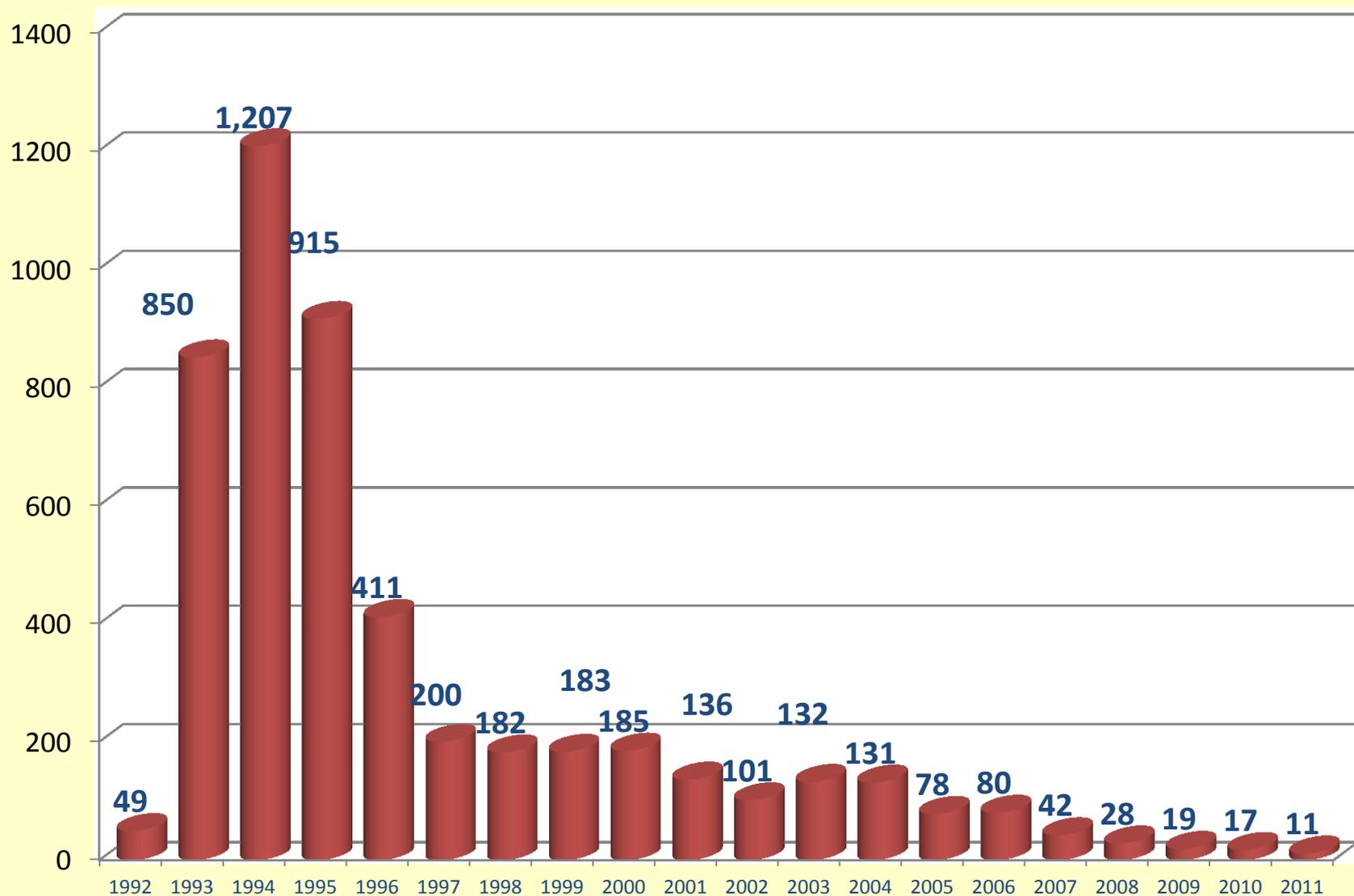


Regions of Poland in the period of annexation – Prussian and Austrian cadastres



Land tenancy - from the Agency for Agricultural Real Estates (1992-2011)

tys. ha



Agency for Agricultural Real Estates - legal tasks

- ✓ **Creation and improvement** of the area structure of family farms,
- ✓ **Restructuring and privatisation** of the properties of the State Treasury, which are utilised for agricultural purposes,
- ✓ **turnover and administration of properties** of the real estates of the State Treasury, which are used for agricultural purposes
- ✓ **discrete supervision** of the agricultural real estate market

Agency for Agricultural Real Estates

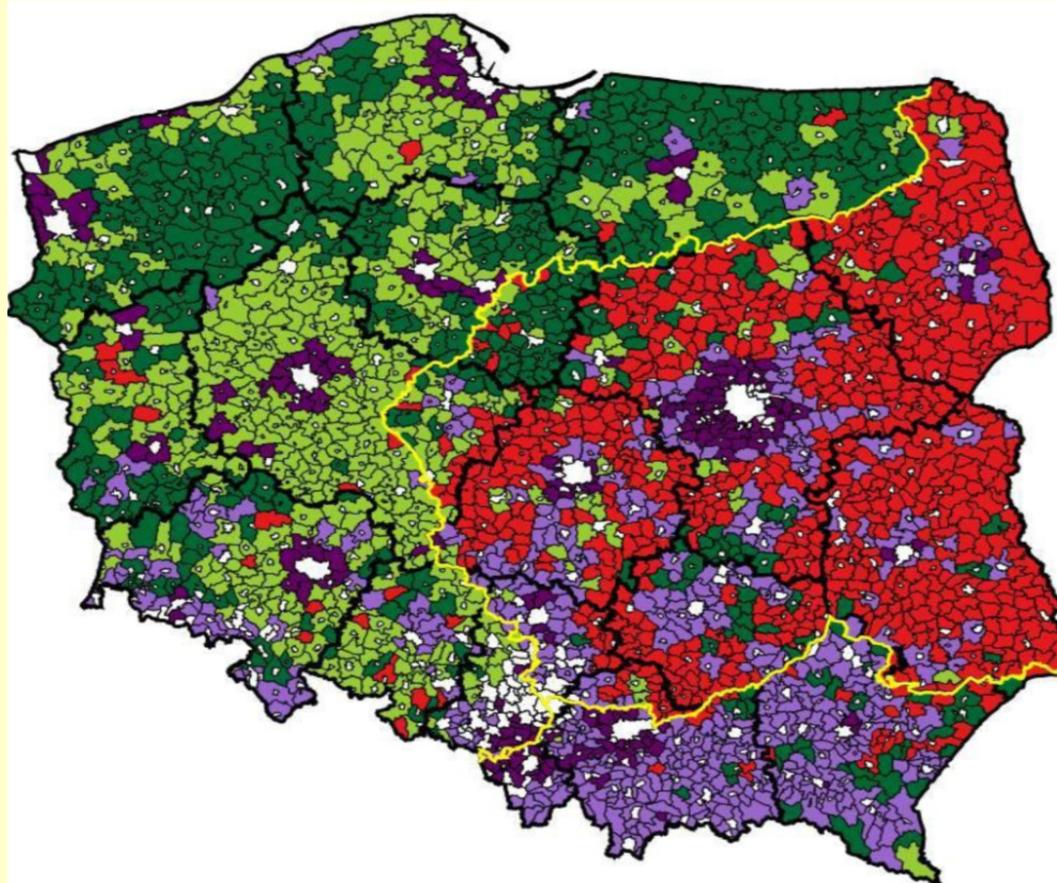
The required attention was not paid to:

- ✓ **good and worth to be repeated revitalising processes** in the context of properties left after the ex-PGR farms,
- ✓ **organising the landscape protection systems** by reforestation in areas of intensive agricultural production,
- ✓ **management of communication areas** with respect to development of roads systems used for field services,
- ✓ **reservation of areas in the process of their transformations** for non-agricultural purposes, for the perspective of, **at least, 20 years**

The required attention was not paid to:

- ✓ **cooperation in the context of interest of the local society**, with consideration of rules of the sustainable development of agricultural production and spatial order,
- ✓ **supporting and searching for new functions** in construction of objects of high values for cultural and regional heritage,
- ✓ **financial support for groups of inhabitants**, which could improve the aesthetics and living standards, with preservation of building materials and standards, which have been traditionally used within given areas.

Rural areas in terms of socio-economic structure - 2011



This diversification is also the result of partitioning of particular regions of Poland in the period of annexation

Type 1 – the limit mono-functionality based on family agriculture

Type 2 – the “Post PGR” mono-functionality based on the large-area agriculture

Type 3 – municipalities of fragmented agriculture and mixed means of living, without a clear economic specialisation

Type 4 – multi-functionality with domination of the modern (mainly family) agriculture

Type 5 – multi-functionality resulting from economic urban development

Regions of Poland in the period of annexation – Prussian and Austrian cadastres



Structure of the area of Poland – 2000-2011

(from reports of geodetic and cartographic services – thous. ha)

Years	Total	<i>(Of which)</i>						
		<i>Agricultural lands</i>	<i>Forest lands as well as woody and bushy lands</i>	<i>Lands under waters</i>	<i>Minerals</i>	<i>Areas used for</i>		<i>Wastelands</i>
						<i>Transport</i>	<i>Residential purposes</i>	
<i>In thous. Ha</i>								
2000	31268.5	18557.6	9103.6	833.4	38.1	959.8	1051.0	499.8
2002	31268.5	19161.9	9146.6	640.4	36.5	939.2	546.9	495.1
2005	31268.5	19148.2	9338.4	636.2	32.6	896.9	546.3	497.9
2008	31267.9	19025.0	9463.5	638.2	30.3	886.9	593.4	486.8
2009	31267.9	18980.7	9496.1	640.5	30.0	887.6	611.8	485.5
2010	31268.0	18931.0	9531.0	639.8	29.1	891.2	630.0	481.7
2011	31268.0	18870.0	9570.0	645.3	28.8	896.2	647.4	480.0

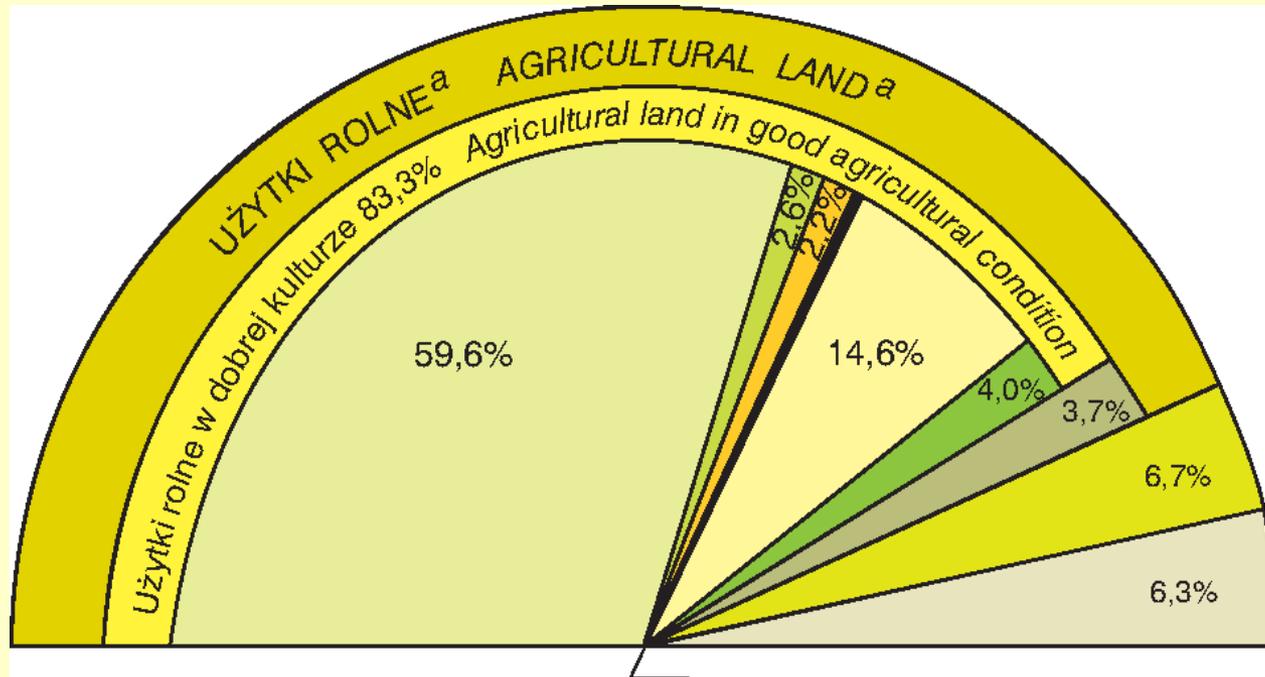
Agricultural lands -2000-2011

(from reports of geodetic and cartographic services)

Areas in good agricultural condition										
<i>Specification</i>	<i>Grand total</i>	<i>Total</i>	<i>Sown area</i>	<i>Fallow lands</i>	<i>Permanent crops</i>		<i>Kitchen gardens</i>	<i>Permanent meadows</i>	<i>Perma- nent pastures</i>	<i>Others</i>
					<i>Total</i>	<i>of which orchards</i>				
in thous. ha										
<i>TOTAL 2000</i>	17812	x x	12408			257 297		25 032	1369	x x
2005	15906		11193				529	858		
2010	15503	14603	10428	450	398	374	44	2629	654	900
2011	15442	14780	10576	468	390	362	55	2589	702	662
<i>Of which private farms</i>	13892	13434	9473	409	382	355	54	2475	641	458
<i>Of which private farms exceeding 1 ha of agricultural land</i>	13655	13226	9391	377	369	345	35	2420	634	429
1.01—4.99 ha	2375	2162	1286	172	103	94	19	500	82	213
5.00— 9.99	2412	2319	1625	64	106	101	7	436	81	93
10.00—14.99	1924	1894	1361	50	67	65	4	324	88	30
15.00—19.99	1266	1236	885	35	17	16	1	221	77	30
20.00—49.99	2840	2805	2086	21	34	33	3	495	166	35
50,00 ha and more	2838	2810	2148	35	42	36	1	444	140	28

The average size of arable fields by one farm has been systematically increased

The structure of lands in Poland in 2011



Użytki rolne w dobrej kulturze:

Agricultural land in good agricultural condition:

pod zasiewami
sown area

grunty ugorowane
fallow land

uprawy trwałe
permanent crops

ogrody przydomowe
kitchen gardens

łąki trwałe
permanent meadows

pastwiska trwałe
permanent pastures

Pozostałe użytki rolne
Others agricultural land

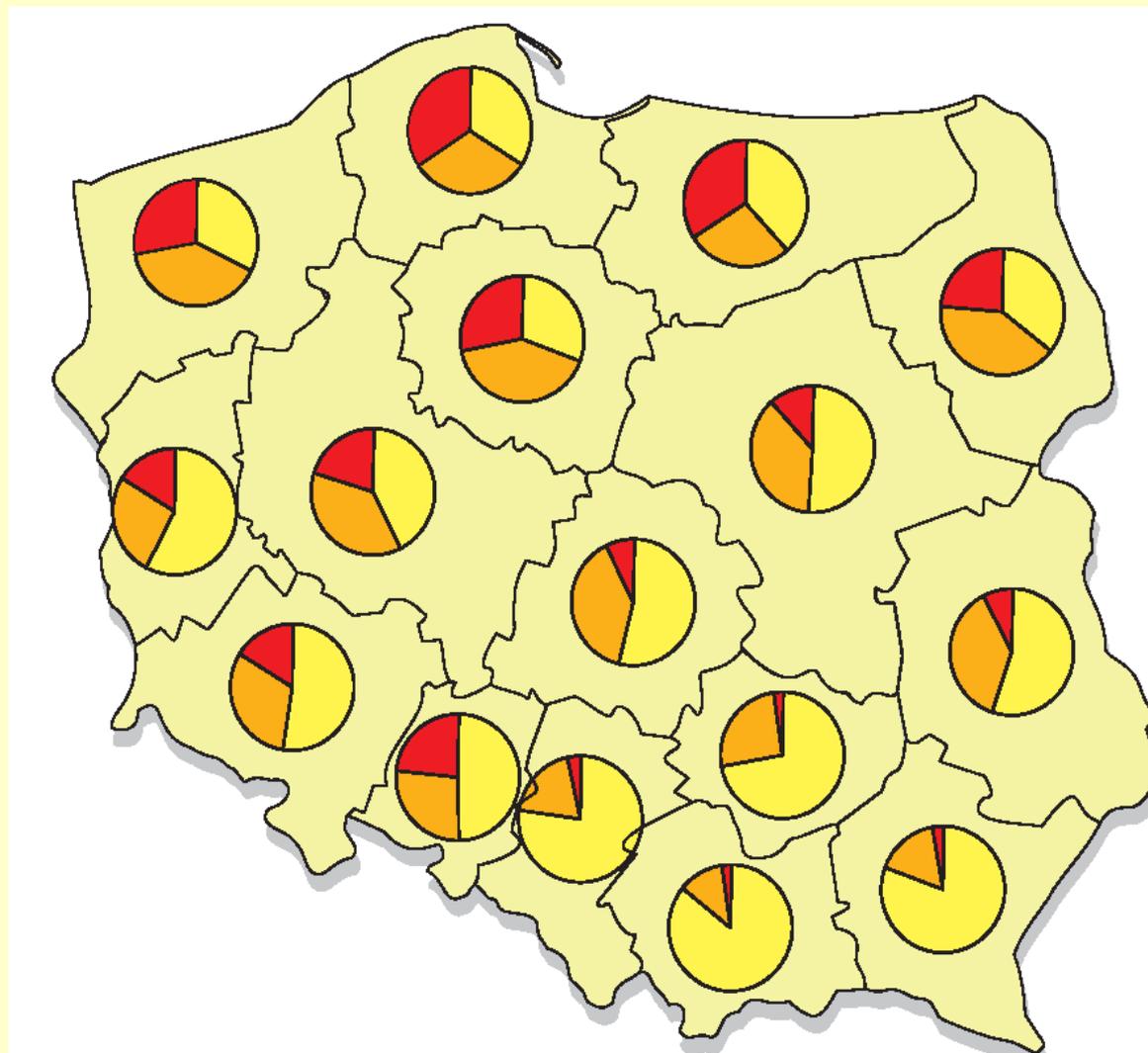
Lasy^b
Forests^b

Pozostałe grunty
Other land

0,3%

Acreage of farms in particular voivodships in 2011

Gospodarstwa o powierzchni
użytków rolnych w ha:
*Private farms with agricultural
land of:*

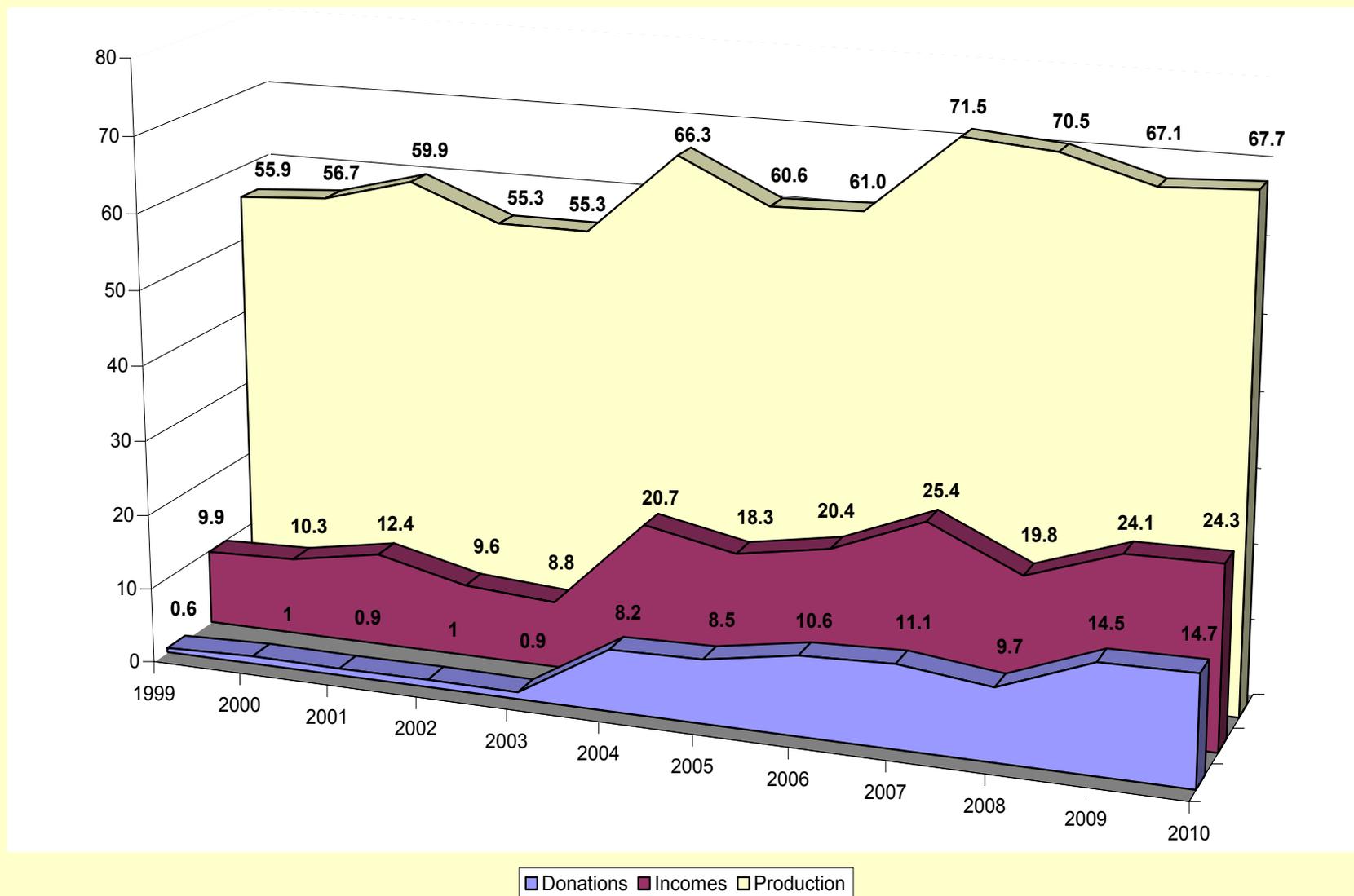


The structure of lands in 2011

- ✓ **individual farms** used 90.0% of the total area of arable lands.
- ✓ as a result of privatisation of lands of the PGR farms, **about 300 thous. individual farmers increased their farms by approximately 5 hectares**, as an average
- ✓ There is about **5 000 farms of the size of more than 100 hectares**, commenced their activities as a result of purchase or leasehold of lands.
- ✓ large-area farms were created, the size of which highly exceeded 100 hectares. **Some of them reached the size bigger than 500 hectares.**
- ✓ following the reports, the **number of farms of good agricultural culture, which size exceeded 50 hectares** off arable lands, **equalled to 2838**; they created the new element of the Polish agriculture.

The country was transformed from large-area, state farms to large-area individual farms, which must look for their development opportunities in the European Union market agricultural economy.

The values of production and incomes of the agricultural sector and donations



Property transformations of agricultural real estates in Poland

✓ individual, private farms were always dominating in Poland

✓ **Liquidation** of the State Farms (PGR) was not performed in a proper way, since **they were not given the chance of privatisation**

✓ The lands taken over by the AWRSP (and later by the ANR) were interesting to purchasers (individual farmers, who purchased lands in order **to increase the sizes of their farms by several hectares**)

✓ **New, large private farms were also created**

✓ The purchasers were not interested in purchasing buildings of ex-PGR farms

✓ The buildings, which were left, are becoming damaged and they disturb the rural landscapes

Dwelling houses of ex-PGR farms



Farm buildings of ex-PGR farms



Farm buildings of ex-PGR farms



Dwelling houses and farm buildings of ex-PGR farms

- ❑ As a result, those villages where the PGR farms were located, **create uninteresting landscapes**, with buildings in poor technical conditions, which adversely influence the environment and the public space, where many inhabitants of villages live.

- ❑ At the same time, many **buildings of attractive architecture** and locations (close to forests, over lakes and in other attractive places) **have found new (mainly private) investors**, who adopted those buildings to their own demands or started to use them as hotels, SPA, guest houses, etc.

An attractive building, the ex-headquarter of the PGR farm, which was purchased by a new, private investor

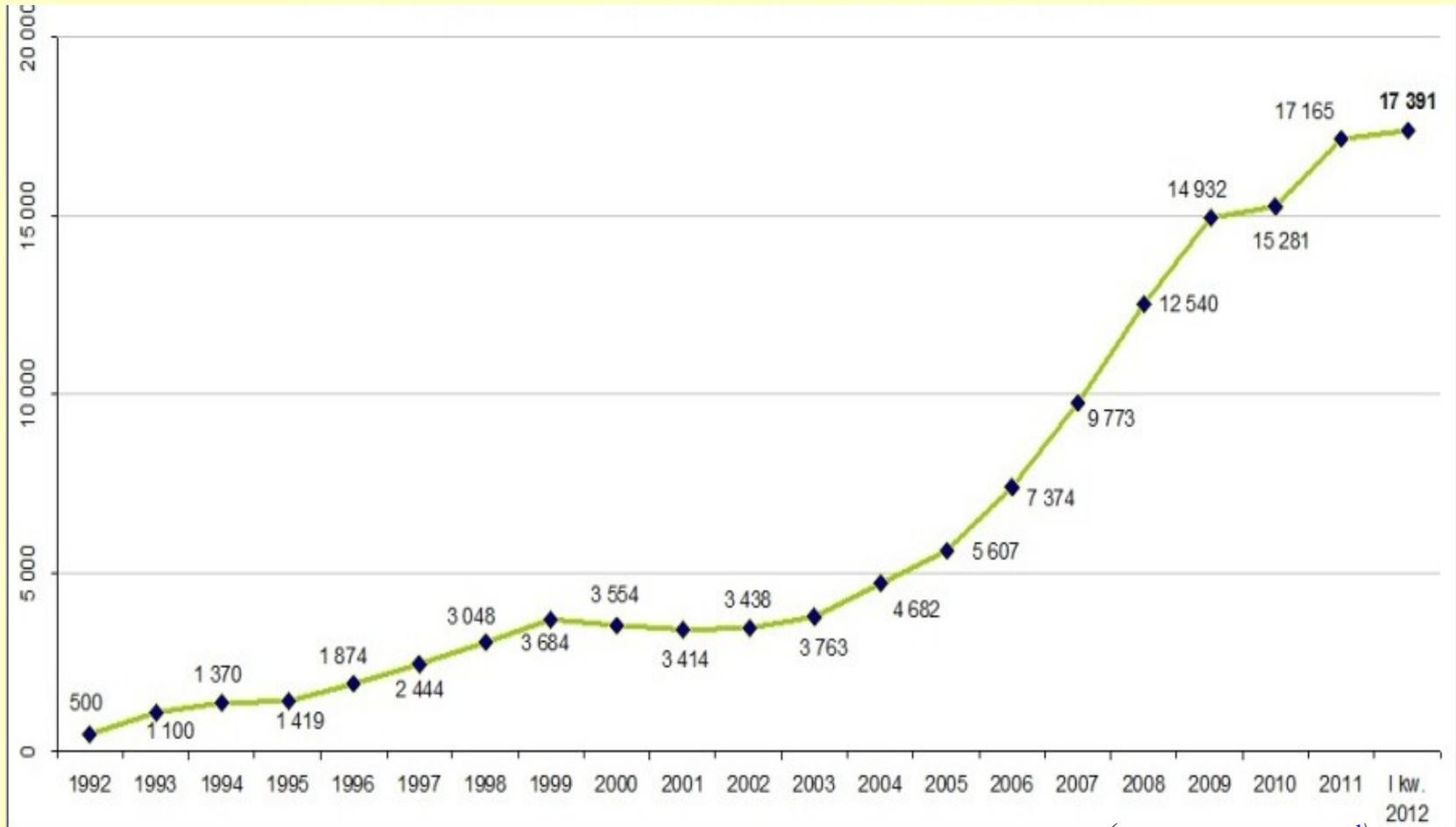


An attractive building, the ex-headquarter of the PGR farm, which was not purchased by a new, private investor



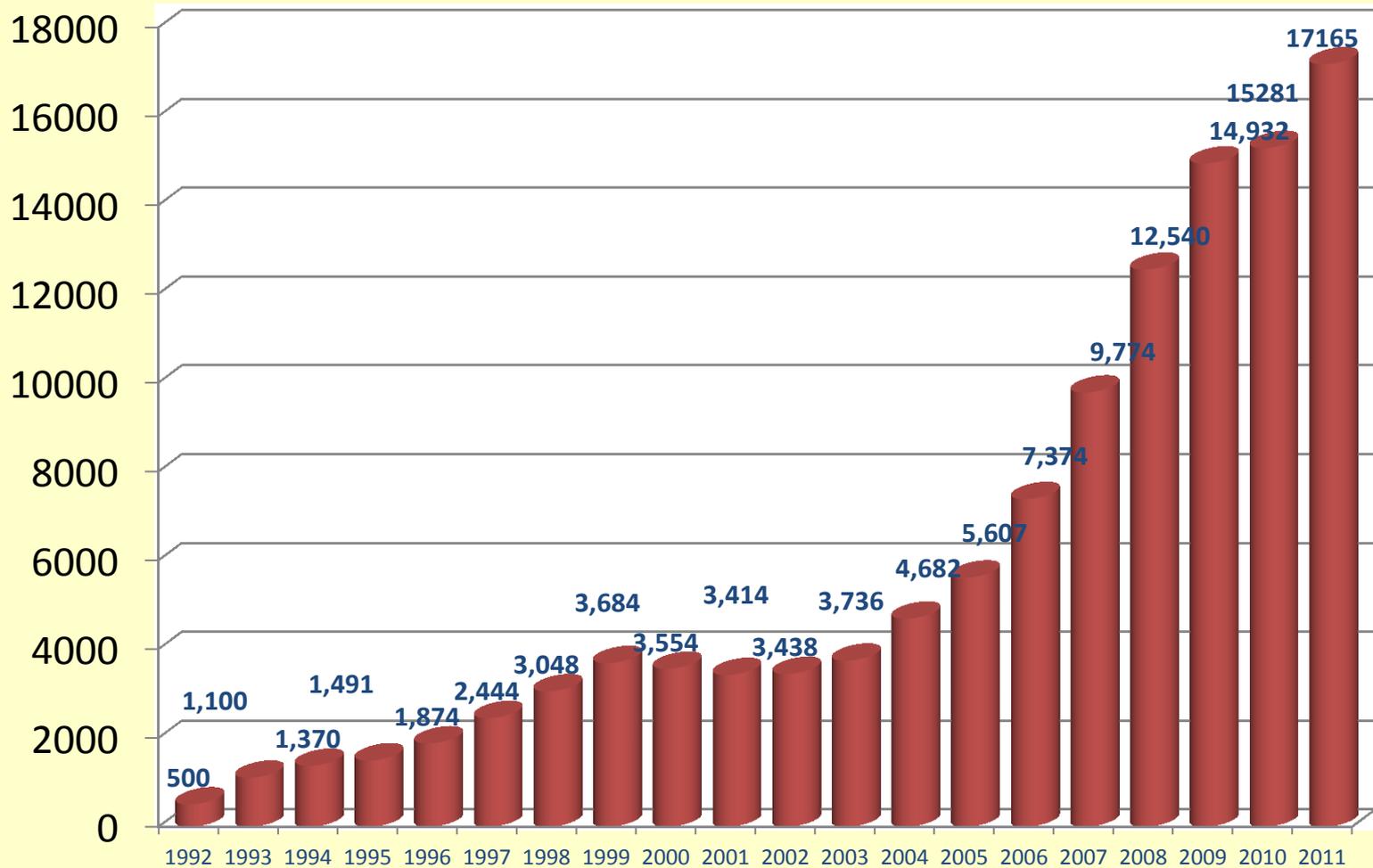
Land prices in the turnover, following sources from the Agency for Agricultural Real Estates

The value of arable lands is successively growing.



(source www.anr.gov.pl)

Land prices in the turnover, following sources from the Agency for Agricultural Real Estates (1992-2011)



Concluding remarks

❑ Modification in the field of property transformations concerning arable lands in Poland **comparing to many other post-communist countries** are considerably different, since **individual, private farms have been dominating in Poland for centuries.**

❑ In the process of liquidation of the PGR farms and taking over of the lands by the AWRSP, **the PGR farms did not have the opportunity to be privatised, regardless their effective or ineffective operations.**

❑ Transformations in the field of lands of the ex-PGR farms, **comparing to individual farms, did not cover large areas. The possibility to purchase these lands by individual farmers improved the structure of their farms.** At the same time, large private farms were created, but, in the majority of cases, the buildings belonging to the ex-PGR farms were not of interest to the new owners, who did not purchase them.

Concluding remarks

❑ **Regulations concerning spatial planning do not contain** any statements in the field of **revitalisation of the ex-PGR farms in village landscapes**. Technical conditions of remained buildings are getting worse and disturb the rural landscape. At the same time, the agriculture plays one of the most important roles in the natural environment. Besides, about 6 million hectares of arable lands are covered by the Natura 2000 Programme.

❑ In the process of taking over lands of the ex-PG farms, when their **price of selling** from the AWRSP, **at the beginning** of activity, was reaching **500 zlotys per 1 hectare** (in the years 1992-1993), **the lands for public investments were not planned**. They were sold for very low prices. The analysis of the future strategic demands in the field of public investments was not performed (this concerns, for example, express ways around cities, new roads, widening of existing roads, new streets). When real demands appeared in this field, those lands **were purchased by the State for considerably higher prices**

Concluding remarks

❑ The multi-year **State policy** in the field of arable lands and the agriculture **was directed onto the agricultural production**; however, such element as **complex settlement of arable areas and modifications of the rural space**, was missing. Land consolidation works also aim at improvements of the structure of arable fields by means of improvement of the size, configuration and location of land parcels with respect to the settlement areas.

❑ **In the Polish rural landscape the uncontrolled suburbanisation and spatial disorder are dominating.** Since **spatial planning** of the rural areas is not the complex task (at least within one village, if not within the entire municipality), it **meets the demands of small groups of individuals and it does not create an ordered space.** The spatial order of rural areas is the public good and such instruments, which could ensure its sustainable development, should be created.

Concluding remarks

❑ **The Integrated Real Estate Information does not exist.** It could be used by the purchaser in order to check the current register status and legal conditions of the property, or where the purchaser could decide whether the planned transaction would meet the expectations, or to check the records in the property register (types of parcels, levels of management, records in the spatial management plans etc.). **Such a system is at the stage of the development of the required legal act and its implementation will be probably commenced in 2012.**

❑ **All aid means, existing in the frames of the Common agricultural Policy of the European Union had and still have the highly positive impacts on all transformations.**

Concluding remarks

□the instruments of the regional policy, directed onto the improvement of the territorial coherence, turned to be ineffective and they are not capable to considerably **change economic structures, which have been historically developed.**

□the development of rural areas, is met depending on their locations and historically developed structures, according to various scenarios. **There is no one recipe for the development and transformations of those areas, even if they are located in the same region.**

Thank you for your attention



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