

**NOTIFICATION PURSUANT TO ARTICLE III.3 OF THE
GENERAL AGREEMENT ON TRADE IN SERVICES**

The following notification has been received from the delegation of Poland.

1. Member notifying:

Poland

2. Notification under:

Article III, paragraph 3, of the General Agreement on Trade in Services.

3. Date of entry into force:

1 January 1998

Duration

Indefinite

4. Agency responsible for implementation and enforcement of the measures:

Ministry of Interior and Administration

5. Description of the measures:

Measure

- (i) mode of supply covered by the measure: (3) commercial presence; (4) presence of natural persons;
- (ii) effect on trade in services: a liberalization measure;
- (iii) impact of the measure on commitments in the Member's schedule:

The Act on acquisition of real estate by foreigners of 24 March 1920, amended by the applicable provisions of the Act on Banking Law of 29 August 1997, regulates the case of acquisition of a real estate by foreigners without the requirement of getting the permission of the Minister of Interior and Administration. According to the aforementioned Act, the permission of the Minister of Interior and Administration is not required in case of the

./.

acquisition or entering into possession of shares by a foreigner in a commercial company with its seat within the territory of the Republic of Poland being the owner or perpetual usufructuary of a real estate if as a result of the acquisition or possession of shares, the company will not become a controlled company or a company is the owner or perpetual usufructuary of a real estate where the permission was not required or the company stocks were quoted in public exchange transactions.

The above-mentioned amendment formulates two other cases when the foreigner is not required to obtain a permission from the Minister of Interior and Administration:

- Purchase of real estate through take-over by a foreigner who is a bank and at the same time a mortgage creditor, by assuming the ownership title of this real estate as a result of an ineffective auction in the execution proceedings,
- Purchase or a take-over by a bank, a legal person having its seat in Poland and controlled by foreigners - of stocks or shares in a company being the owner or perpetual usufructuary of real estate, in connection with the vindication of claims by this bank stemming from the performed banking operations.

These above two cases do not apply to the real estates lying in the border zone and to the agriculture lands exceeding 1 ha.

The characterised changes of Polish Law have a positive influence on the condition of providing services by foreign companies and service providers in Poland. They abandon some restrictions regarding the conditions of getting permission for acquisition of real estate and at the same they enable foreign actors a free access to the service market in Poland.

6. Members specifically affected, if any:

None

7. The texts are available from:

Dzienniki Ustaw: Nr 54/1996 pozycja 245 z dnia 11 maja 1996r.,
 Nr 140/1997 pozycja 939 z dnia 21 listopada 1997 r.,
 Nr 106/1998 pozycja 668 z dnia 17 sierpnia 1998 r.,

(Polish Official Journals: No 54/1996 item 245 of 11 May 1996,
 No 140/1997 item 939 of 21 November 1997,
 No 106/1998 item 668 of 17 August 1998.)
