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Monitoring of the application of the European Charter of Local Self-Government in Poland

Committee on the Monitoring of the implementation of the European Charter of Local Self-Government and on the respect of Human Rights and the Rule of Law at local and regional levels (Monitoring Committee)

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Draft recommendation (for vote)	3
Explanatory memorandum (for information).....	6

Summary

This report follows the fourth monitoring visit carried out in Poland since this country ratified the European Charter of Local Self-Government in 1993.

It notes with satisfaction the adequate legal frameworks for local and regional self-government, the adoption of the 2024 Act on the revenues of local government units, and the reinstatement of a genuine consultation process with the national associations of subnational governments with the organisation of regular Joint Commission meetings.

However, the report raises several concerns, including the re-centralisation of competencies, extensive central regulation, and the insufficient financial capacity of local and regional authorities to recruit high-quality staff. It also highlights that the financial resources allocated to these authorities are not commensurate with their responsibilities, in addition to the lack of sufficient revenues from local taxes and charges under their control.

In light of these findings, the Congress recommends that Poland continue its efforts toward decentralisation, avoid overregulation of both on own and delegated tasks, strengthen the capacities of local and regional governments, and ensure the allocation of adequate financial resources. It further recommends enabling all tiers of government to establish local taxes. Regular monitoring of the implementation of the new Act on the revenues of local government units, along with necessary adjustments, is also encouraged. Finally, the rapporteurs recommend that Poland signs and ratifies the Additional Protocol to the European Charter of Local Self-Government on the right to participate in the affairs of a local authority (CETS No. 207).

1. L: Chamber of Local Authorities / R: Chamber of Regions.
 EPP/CCE: European People's Party Group in the Congress.
 SOC/G/PD: Group of Socialists, Greens and Progressive Democrats.
 ILDG: Independent Liberal and Democratic Group.
 ECR: European Conservatives and Reformists Group.
 NR: Members not belonging to a political group of the Congress.

DRAFT RECOMMENDATION²

1. The Congress of Local and Regional Authorities of the Council of Europe (“the Congress”) refers to:

a. Article 2, paragraph 1.b, of the Charter of the Congress of Local and Regional Authorities appended to Statutory Resolution CM/Res(2020)1 relating to the Congress, stipulating that one of the aims of the Congress is “to submit proposals to the Committee of Ministers in order to promote local and regional democracy”;

b. Article 1, paragraph 3, of the Charter of the Congress of Local and Regional Authorities appended to Statutory Resolution CM/Res(2020)1 relating to the Congress, stipulating that “The Congress shall prepare on a regular basis country-by-country reports on the situation of local and regional democracy in all member States and in States which have applied to join the Council of Europe, and shall ensure the effective implementation of the principles of the European Charter of Local Self-Government.”;

c. Chapter XVIII of the Rules and Procedures of the Congress on the organisation of monitoring procedures;

d. the Contemporary commentary by the Congress on the explanatory report to the European Charter of Local Self-Government adopted by the Statutory Forum on 7 December 2020;

e. the Sustainable Development Goals (SDG) of the United Nations 2030 Agenda for Sustainable Development, in particular Goals 11 on sustainable cities and communities and 16 on peace, justice and strong institutions;

f. the Guidelines for civil participation in political decision making, adopted by the Committee of Ministers on 27 September 2017;

g. Recommendation CM/Rec(2018)4 of the Committee of Ministers to member States on the participation of citizens in local public life, adopted on 21 March 2018;

h. Recommendation CM/Rec(2019)3 of the Committee of Ministers to member States on supervision of local authorities’ activities, adopted on 4 April 2019;

i. Congress Recommendation 431 (2019) “Local and regional democracy in Poland”;

j. the explanatory memorandum on the monitoring of the European Charter of Local Self-Government in Poland.

2. The Congress points out that:

a. Poland joined the Council of Europe on 26 November 1991. It signed the European Charter of Local Self-Government (ETS No. 122, “the Charter”) on 19 February 1993 and ratified it on 22 November 1993, with no reservations. The Charter entered into force in Poland on 1 March 1994;

b. the Committee on the Monitoring of the implementation of the European Charter of Local Self-Government and on the respect of Human Rights and the Rule of Law at local and regional levels (“the Monitoring Committee”) decided to examine the situation of local and regional democracy in Poland in the light of the Charter. It instructed Anders Knape, Sweden (L, EPP/CCE), and Andrew Boff, United Kingdom (R, ECR), with the task of preparing and submitting to the Congress a report monitoring the application of the European Charter of Local Self-Government in Poland;

c. the monitoring visits took place from 22 to 24 October 2024 and on 28 May 2025. During the visits, the Congress delegation met the representatives of various institutions at all levels of government. The detailed programmes of the visits are appended to the explanatory memorandum;

d. The co-rapporteurs wish to thank the Permanent Representation of Poland to the Council of Europe and all those whom they met during the visits.

2. Approved by the Monitoring Committee on 3 July 2025.

3. The Congress notes with satisfaction that in Poland:

- a. the constitutional and legal regulations provide adequate frameworks for democratic local and regional self-government, which is in line with the principles and requirements of the European Charter of Local Self-Government;
- b. the adoption of the 2024 Act on the revenues of local government units, adopted in consultation with subnational representatives, represents significant progress which is expected to offer more predictability and stability in local financial management;
- c. a genuine consultation process has recently been re-established with the national associations of subnational governments with the organisation of regular Joint Commission meetings, following the previous Congress recommendation;
- d. municipalities, districts and voivodeships enjoy freedom of association to defend their interests.

4. The Congress expresses its concerns on the following issues:

- a. many competences remain re-centralised;
- b. the central regulation remains too extensive, both for own and delegated tasks, limiting the autonomy of local authorities in how they perform their responsibilities;
- c. regulatory constraints and lack of financial means prevent local and regional representatives from hiring and retaining high quality staff;
- d. the financial resources attributed to local and regional authorities are not commensurate with their constitutional and legal responsibilities;
- e. there is a lack of sufficient financial resources derived from local taxes and charges of which subnational authorities have the possibility determining the rate.

5. In the light of the foregoing, the Congress requests that the Committee of Ministers invite the authorities of Poland to:

- a. continue efforts on the path to decentralisation, starting with a review of the competences that have been re-centralised, in close cooperation with local and regional representatives and their associations;
- b. avoid overregulation of both own and delegated tasks;
- c. ensure that local and regional governments have the capacity to hire and retain high quality staff;
- d. allocate sufficient financial resources to local authorities, thereby respecting the principle that resources should match functions and ensure that the transfer of delegated competences to subnational level is accompanied by concomitant finances;
- e. enable all tiers of government to establish local taxes and strengthen fiscal powers at local level in order to increase their fiscal capacity;
- f. undertake regular monitoring of the implementation of the new Act on the revenues of local government units and provide the necessary adjustments, in close co-operation with local and regional representatives and their associations;
- g. consider signing and ratifying the Additional Protocol to the European Charter of Local Self-Government on the right to participate in the affairs of a local authority (CETS No. 207).

6. The Congress calls on the Committee of Ministers and the Parliamentary Assembly of the Council of Europe to take account of this recommendation on the monitoring of the European Charter of Local Self-Government in Poland and the accompanying explanatory memorandum in their activities relating to this member State.

EXPLANATORY MEMORANDUM

Table of contents:

1.	INTRODUCTION: AIM AND SCOPE OF THE VISIT, TERMS OF REFERENCE.....	5
2.	INTERNAL AND INTERNATIONAL NORMATIVE FRAMEWORK	6
2.1	Local government system (constitutional and legislative framework, reforms).....	9
2.2	Status of the capital city	14
2.3	Legal status of the European Charter of Local Self-Government	15
2.4	Previous Congress reports and recommendations.....	15
3.	HONOURING OF OBLIGATIONS AND COMMITMENTS: ANALYSIS OF THE SITUATION OF LOCAL DEMOCRACY ON THE BASIS OF THE CHARTER (ARTICLE BY ARTICLE).....	17
3.1	Article 2 – Constitutional and legal foundation for local self-government	17
3.2	Article 3 – Concept of local self-government	18
3.3	Article 4 – Scope of local self-government.....	21
3.4	Article 5 – Protection of local authority boundaries.....	25
3.5	Article 6 – Appropriate administrative structures and resources.....	26
3.6	Article 7 – Conditions under which responsibilities at local level are exercised.....	27
3.7	Article 8 – Administrative supervision of local authorities’ activities.....	28
3.8	Article 9 – Financial resources.....	31
3.9	Article 10 – Local authorities’ right to associate.....	41
3.10	Article 11 – Legal protection of local self-government	42
4.	OTHER MATTERS RELATED TO THE FUNCTIONING OF LOCAL AND REGIONAL SELF-GOVERNMENT	43
5.	CONCLUSIONS	45
	APPENDIX – Programmes of the Congress monitoring visits to Poland	47

1. INTRODUCTION: AIM AND SCOPE OF THE VISIT, TERMS OF REFERENCE

1. Article 1, paragraph 3, of the Charter of the Congress of Local and Regional Authorities, appended to Statutory Resolution CM/Res(2020)1 relating to the Congress, stipulates that "The Congress shall prepare on a regular basis country-by-country reports on the situation of local and regional democracy in all member States and in States which have applied to join the Council of Europe, and shall ensure the effective implementation of the principles of the European Charter of Local Self-Government".

2. Poland joined the Council of Europe on 26 November 1991, signed the European Charter of Local Self-Government (ETS No. 122, "the Charter") on 19 February 1993 and ratified it on 22 November 1993. The Charter entered into force on 1 March 1994 with no reservations, which, according to Article 13 of the Charter, means that it applies to all levels of self-government in Poland, including regional authorities.³

3. Poland has not signed nor ratified the Additional Protocol to the European Charter of Local Self-Government on the right to participate in the affairs of a local authority (CETS No. 207).

4. Poland signed the European Outline Convention on Transfrontier Co-operation between Territorial Communities or Authorities (ETS No.106) on 19 January 1993 and ratified it on 19 March 1993, with entry into force on 20 June 1993, but the country has not yet signed the following Council of Europe Conventions:

- the Convention on the Participation of Foreigners in Public Life at Local Level, of 5 February 1992 (ETS No. 144);
- the Additional Protocol to the European Outline Convention on Transfrontier Co-operation between Territorial Communities or Authorities, of 9 November 1995 (ETS No.159);
- Protocol No. 2 to the European Outline Convention on Transfrontier Co-operation between Territorial Communities or Authorities concerning interterritorial co-operation, of 5 May 1998 (ETS No. 169);
- Protocol No. 3 to the European Outline Convention on Transfrontier Co-operation between Territorial Communities or Authorities concerning Euroregional Co-operation Groupings (ECGs), of 16 November 2009 (CETS No. 206).

5. The Committee on the Monitoring of the implementation of the European Charter of Local Self-Government and on the respect of Human Rights and the Rule of Law at local and regional levels (Monitoring Committee) decided to examine the situation of local and regional democracy in Poland in the light of the Charter. It entrusted Anders Knappe, Sweden (L, EPP/CCE)⁴ and Andrew Boff, United Kingdom, (R, ECR) as rapporteurs on local and regional democracy respectively with the task of preparing and submitting to the Congress a report on the implementation of the Charter in Poland. The delegation was assisted by Prof. Zoltán Szente (expert), member of the Group of Independent Experts on the European Charter of Local Self-Government (Hungary) and was accompanied by a representative of the Congress secretariat. This group of persons is referred to in the report as "the delegation".

6. The first part of monitoring visit took place from 22 to 24 October 2024. The delegation carried out a second part of the visit on 28 May 2025 and focused on the implementation of the Act on the revenues of local government units, which entered into force on 1 January 2025. During the visit, the Congress delegation met the representatives of various institutions at all levels of government. The detailed programmes of these visits are appended to the explanatory memorandum.

3. According to the Explanatory Report to the Charter, Article 13: "In principle, the requirements set forth in Part I of the Charter relate to all categories or levels of local authority in each member state. They potentially apply also to regional authorities where these exist. However, the special legal form or constitutional status of certain regions (in particular the member states of federations) may preclude their being made subject to the same requirements as local authorities. Furthermore, in one or two member states there exists a category of local authorities which, because of their small size, have only minor or consultative functions. To take account of such exceptional cases, Article 13 permits the Parties to exclude certain categories of authorities from the scope of the Charter".

4. EPP/CCE: European People's Party Group in the Congress.
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7. The co-rapporteurs wish to thank the Permanent Representation of Poland to the Council of Europe and all those whom they met during the visits.

8. According to Rule 89.3 of the Rules and Procedures of the Congress, the preliminary draft report was sent to all interlocutors met during the visit for their comments and possible adjustments or corrections (hereinafter referred to as “consultation procedure”). The present report is based on the comments received, which were considered by the co-rapporteurs before submission for approval to the Monitoring Committee.

2. INTERNAL AND INTERNATIONAL NORMATIVE FRAMEWORK

9. Poland is located in central Europe bordering seven countries: Germany to the west, Czechia and the Slovak Republic to the south, Ukraine and Belarus to the east, and Lithuania and Kaliningrad (Russian Federation) to the north. Its state territory is the ninth largest in the European continent (approx. 312,685 km²).⁵ It is the fifth most populous country in the European Union with 38,523,000 inhabitants (in 2024).⁶

Figure 1. Administrative regions of Poland



10. Poland is a constitutional democracy, a member state of the European Union since 2004. Its Constitution was adopted in 1997. The GDP per capita was USD 37 711 in 2023.⁷

11. The country has a unitary structure; its form of government is parliamentary republic.

12. The head of state is the President of the Republic who is directly elected by the voters for a five-year term and can be re-elected once. According to the 1997 Constitution, the President is the supreme representative of the country and the “guarantor of the continuity of State authority”. In doing so, the President ensures observance of the Constitution, safeguards the sovereignty and security of the State as well as the inviolability and integrity of its territory.

13. The main organ of the executive power is the government (Council of Ministers), which is a body with general scope of authority: it conducts the public affairs not reserved to other State organs or local

5. Government of Poland, [Basic information about Poland](#).

6. *Ibid.*

7. OECD (2023), [Country statistical profile: Poland 2023/1](#).

self-government and manages the State administration. The Council of Ministers is composed of the President of the Council of Ministers (Prime Minister) and the ministers. The Prime Minister is the head of government. After Parliamentary Elections, the President nominates the new Prime Minister who makes a proposal for the composition of the Council of Ministers. Then, within 14 days of the first sitting of the Sejm, the lower house of Parliament, or acceptance of the resignation of the previous Council of Ministers, the head of State appoints the Prime Minister, together with other members of government. However, within 14 days of the formation of the new government, the new Prime Minister has to submit the government programme to the Sejm together with a motion requiring a vote of confidence. The Sejm must pass such vote of confidence by an absolute majority of votes in the presence of at least half of the MPs. If the Council of Ministers has not been appointed by the President of the Republic, or has failed to obtain a vote of confidence, the Sejm, within 14 days, may itself choose a Prime Minister as well as members of the Council of Ministers as proposed by her or him, under the same conditions, which are also necessary for voting for the Council of Ministers appointed by the head of state. However, in this case, that is, if a vote of confidence has not been granted to the Council of Ministers appointed by the President of the Republic, the Head of State may shorten the term of office of the Sejm and call general elections. The Council of Ministers bears collective political responsibility to the Sejm for its activities. The mandate of the Council of Ministers is for one parliamentary term (4 years), as according to the Constitution, the Prime Minister must submit the resignation of the whole government at the first sitting of a newly elected Sejm.

14. The legislative power is exercised by the National Assembly, which is composed of the Sejm, the lower house with 460 MPs elected in multi-seat constituencies by proportional representation, and the Senate with 100 senators elected by direct universal suffrage, by secret ballot, in single-member constituencies. Members of both chambers have a four-year term. The parliamentary acts are adopted by the Sejm, while the Senate may propose amendments or reject the law. However, the lower house may override them by an absolute majority vote. The adopted bills must be signed by the President of the Republic within 21 days. However, the head of state may, before signing a bill, refer it to the Constitutional Tribunal for an adjudication upon its conformity to the Constitution, or may refer it, with reasons given, to the Sejm for its reconsideration. In the latter case, the suspensive veto of the President of the Republic may be overruled by the Sejm by a three-fifths majority vote in the presence of at least half of the MPs, then, the President must sign it within seven days and order its promulgation in the official gazette.

15. According to the Constitution, the administration of justice is implemented by the Supreme Court, the common courts, administrative courts and military courts. Judges, within the exercise of their office, must be independent and subject only to the Constitution and statutes. The system of common courts has four levels:

- district courts (319);
- regional courts (47);
- appellate courts (11);
- Supreme Court.

16. Beside common courts, administrative courts exist at regional and central (Supreme Administrative Court) levels as a separate branch of the judiciary for rendering administrative justice. Administrative courts control not only the lawfulness of local government decisions but also the legality of normative acts of territorial organs of government administration.

17. Constitutional disputes are decided by the Constitutional Tribunal. The constitutional review of legal norms, complaints concerning constitutional infringements and the activity of political parties as well as the adjudication of disputes over the authority between central organs of the state are the most important powers and duties of the Tribunal. The Constitutional Tribunal is composed of 15 judges chosen individually by the Sejm for a term of office of 9 years. Constitutional judges may not be re-elected.

18. The institutions of the European Union have often objected to the backsliding of the rule of law in Poland and initiated several related proceedings. Thus, in 2017, the European Commission launched the procedure under Article 7 of the Treaty on the European Union due to the risk of a systemic violation of the rule of law,⁸ which could ultimately result in the suspension of the concerned Member State's

8. For more details about the rule of law problems in Poland, see Wojciech Sadurski, *Poland's Constitutional Breakdown*, Oxford University Press, 2019; Maciej Bernatt and Michał Ziółkowski, *Statutory Anti-Constitutionalism*, 28 *Washington International Law*

voting rights in the EU institutions (but the procedure was discontinued on 29 May 2024), and later blocked Poland from receiving its share of the so-called Recovery Fund of the EU. The Court of Justice of the European Union also took several rulings against Poland in relation to its judicial reform and imposed a heavy fine for non-execution of a previous ruling.⁹ The European Court of Human Rights has repeatedly found violations of the European Convention on Human Rights by Poland in connection with the judicial reform for the failure to respect the right to a fair trial.

19. The Supreme Chamber of Control and regional audit chambers of control play a key role in controlling the financial management of local self-governments. They audit the activity of the organs of local self-governments and other communal organisational units regarding the legality, economic prudence and diligence.

20. Since the previous monitoring report, one local government and two parliamentary elections have been held in Poland. In 2019, the list formed by PiS (Law and Justice Party) and two smaller parties retained its absolute majority in the Sejm with 43.6% of the votes, and thus the former governing coalition remained in power. In 2020, PiS candidate Andrzej Duda was re-elected president of the republic for a five-year term. The last parliamentary elections were held on 15 October 2023, in which the PiS-led United Right party alliance received the most votes, 35.4% of all votes acquiring 194 seats in the Sejm. It was followed by another party alliance, named Civic Coalition with 30.7% of the votes (157 seats). Two more opposition blocs also entered the Sejm, the centre/centre-right Third Way (14.4%, 65 seats), and the Left (8.6%, 26 seats).

21. In October 2023, after the general elections, President Duda appointed the PiS-led government under the premiership of the former Prime Minister, Mr Mateusz Morawiecki, since this party affiliation obtained the most parliamentary seats. However, on 11 December 2023, the newly appointed Morawiecki government lost the vote of confidence required by the Constitution, which opened the way for the former opposition parties to form a government. The four-party coalition led by Donald Tusk, which won 53% of the parliamentary seats, was formed on 13 December 2023 after securing the vote of confidence in the Sejm.

22. On 7 April 2024, local elections were held in all 16 regions, 314 districts and 2,477 municipalities in which members of councils and mayors (mayors and city presidents) were elected. It is worth referring to the fact that a new legislation in 2022¹⁰ extended the term of office of local government bodies from four to five years with the reason that the parliamentary and local elections do not coincide in 2023. The Law and Justice Party (PiS) remained the strongest party in the national aggregate. The governing coalition gained important positions primarily in regional councils (it won a majority in 11 of the 16 regional assemblies) and in the major cities of the country. On 21 April 2024, a second round of local elections was held to elect mayors (mayors and city presidents) where no candidate obtained an absolute majority of votes in the first round.

23. The new government has pledged to restore the rule of law in Poland including by overturning the abortion ban and depoliticising the public media. Another important goal was to settle the relationship with the European Union, and to unblock EU funding by reversing the judicial reforms of the former (PiS/ United Right) Government.

24. In September 2024, the government presented its reform plans for local governments.¹¹ These included the decentralisation of a part of the state powers, as well as the creation of the financial independence of local governments. It generally targeted that in the future local revenues will be determined according to the tax base, and thus will not depend on the development of state tax revenues. To this end, on the Government's proposal, the Parliament adopted a law changing the system of local government financing (Act of 1 October 2024 on the revenues of local government units), which came into force on 1 January 2025. According to the Government's calculations, based on the

Journal (2019), 487–526. See also the European Commission's reports on the *Rule of Law Report Country – Chapter on the rule of law situation in Poland*, between 2020 and 2023.

9. In its judgment of 27 October 2021, the CJEU obliged Poland to pay one million euros per day as long as provides a remedy for the problems related to the Disciplinary Chamber operating at the Supreme Court, which violates judicial independence.

10. Act of 29 September 2022.

11. Chancellery of the Prime Minister (2024), [The Renaissance of the Local Self-Government](#)

new financing system, the revenues of municipalities will increase by PLN 24.8 billion¹² in 2025, and in the next ten years they could rise up to PLN 345 billion¹³ due to this reform.

25. However, during both visits of the Congress delegation, there was a sense of uncertainty among interlocutors about these plans, due to the ongoing conflicts in internal politics caused by the 'cohabitation' between the ruling coalition and the pro-PiS President of the Republic. In the second round of presidential elections held shortly after the second visit on 1 June 2025, the PiS candidate Karol Nawrocki was elected President of the Republic.

2.1 Local government system (constitutional and legislative framework, reforms)

26. Poland has a three-tier system of subnational government, consisting of 2,479 municipalities (*gminas*), 380 districts (*powiats*) and 16 regions (*voivodeships*) (as of 1 January 2025).¹⁴ According to Article 15 of the Constitution, the territorial division of the country must ensure the decentralisation of public power, but at the same time, it authorises the legislature to determine the actual territorial division by statute. The current territorial division of the state was introduced on 1 January 1999 replacing the two-tier administrative division¹⁵ into *voivodeships* and *gminas* which was in force since 1975.

27. The legal status of the main types of local self-governments is established by separate laws:

- Act on municipal self-government;
- Act on district self-government;
- Act on voivodeships self-government.

2.1.1. Municipalities (*gminy*)

28. Municipalities are divided into three categories: 302 urban (including 66 cities with district rights), 1,459 rural municipalities and 718 mixed municipalities (urban-rural). There are 13 cities with more than 200,000 inhabitants, five of which have more than 500,000 inhabitants, while approx. 27.6-29.2% of municipalities have fewer than 5,000 inhabitants. The most populous municipality is the capital city of Warsaw that counts more than 1.86 million inhabitants.

29. The Act of 8 March 1990 on municipal self-government regulates the basic-level local authorities. According to this law, each municipality has its own legal personality, by virtue of which it performs public tasks in its own name and on its own responsibility.

30. Although the autonomy of municipalities is protected by law, the Council of Ministers may create, merge, divide or liquidate municipalities and determine their boundaries by means of a government decree. Municipalities may independently create auxiliary units, "village councils and districts, housing estates and others" pursuant to a resolution of the municipal council in order to perform specific tasks and duties.

31. According to Article 6 of the Act on municipal self-government, municipalities have general scope of responsibilities in their own territory, including "all public matters of local importance not reserved by the laws to other entities". Notwithstanding, the Act lists the most important local government tasks aimed at satisfying local needs, such as:

- land use planning, real estate management, environment and nature protection and water management;
- communal roads, streets, bridges, squares and traffic organisation;
- water supply, sewerage, municipal sewage disposal and treatment, maintenance of cleanliness and order and sanitation, landfill and disposal of municipal waste, electricity and heat supply and gas supply;
- local public transport;
- health protection;
- social assistance, including care centres and institutions;
- communal housing;
- public education;

12. EUR 5,74 billion (exchange rate at the time of the visit: PLN 1 = EUR 0,2316 according to the European Central Bank).

13. EUR 79,9 billion

14. https://eteryt.stat.gov.pl/eTeryt/rejestr_teryt/aktualnosci/aktualnosci.aspx?contrast=default.

15. Between 1975 and 1999, 49 smaller "voivodeships" existed at intermediate level of public administration.

- culture, including municipal libraries and other cultural institutions, and the protection and care of historical monuments;
- sport and tourism, including recreational areas and sports facilities;
- open-air markets and market halls;
- communal cemeteries;
- public order and safety of citizens and fire and flood protection, including the equipping and maintenance of the municipal flood store;
- maintenance of municipal public and administrative facilities and equipment.

32. Municipalities must develop their development strategy which must be consistent with the higher-level strategies. The latest regulatory amendment provides for the possibility of waiving the development of a local development strategy, but only if the municipality's area is covered by a supra-local development strategy.

33. An act of Parliament may determine new mandatory local government tasks for municipalities, but in all such cases the financial resources necessary to fulfil them must also be provided in the form of an increase in the municipality's own revenue or a subsidy [Art. 7, para 3 of the Act on municipal self-government]. The same requirement, that is, the proportionate funding also applies in the case of state administration tasks delegated by the state to municipalities.

34. Municipalities may only carry out voluntary tasks to a limited extent, i.e. on the basis of a separate law.

35. The co-operation may be aimed at joint service delivery, in particular carrying out administrative, financial and organisational services.

36. The main decision-making body of a municipality is the municipal council elected directly by the local citizens. The municipal council, within its exclusive competence, adopts resolutions, the municipality budget, development plan, decides on local taxes and fees, cooperates with other local authorities, etc. The council supervises the activities of the head of the municipality (mayor, city president), organisational units of the municipality and auxiliary units of the municipality.

37. The municipal council adopts its decisions by a simple majority of votes in the presence of at least half of the elected councillors. It holds sessions as necessary, but at least once a quarter.

38. The council is composed of the directly elected councillors. The number of members of the council depends on the population of the respective municipality (see Table 1) as determined by the Act on municipal self-governments.

Table 1. Number of local councillors in Polish municipalities

Number of councillors	Number of inhabitants
15	up to 20,000
21	up to 50,000
23	up to 100,000
25*	up to 200,000

* 3 for every further 100,000 inhabitants, but not more than 45 councillors.

39. The municipal council may appoint permanent and *ad hoc* committees from among its members for specific tasks, determining the object of their activities and their composition. In addition, the council appoints an audit committee for controlling the execution of the local budget, and the tasks assigned by the council.

40. The mayor (*burmistrz*) or village mayor (*wójt*) is the executive body of the municipality. All mayors are directly elected in local elections, i.e. the term of their office, similarly to that of the council, is five years. The mayor executes the decisions of the municipal council, and the tasks of the municipality prescribed by law, in particular, he or she prepares draft resolutions of the municipal council, draws up

development programmes, determines how council decisions are to be implemented, manages the municipal property, implements the municipal budget, exercises the employer's rights over the heads of municipal organisational units. The mayor performs tasks with the assistance of the municipal office. The organisation and rules for the functioning of the municipal office are laid down in a decree issued by the mayor. The municipal council controls the activity of the mayor, who is obliged to submit a report on the state of the municipality to the municipal council by 31 May every year, which is debated by the council, after which the municipal council holds a vote of confidence in the mayor. According to the Act on municipal self-government, if "the mayor has not been given a vote of confidence in two consecutive years, the municipal council may adopt a resolution to hold a referendum on the recall of the mayor.

41. Municipalities belonging to the same region (*voivodeship*) may jointly maintain executive administration (see further under Article 10).

2.1.2. Districts (*powiaty*)

42. In Poland, 314 districts (*powiaty*) exist at the intermediate level. The detailed rules of the district-level self-governments are regulated by the Act of 5 June 1998 on district self-government. According to this Act, district governments are the self-governing bodies of those inhabitants who live in the districts. The rules on the organisation and operation of district governments are very similar to those of municipalities, except for the scope of mandatory tasks and sources of income.

43. In general terms, districts perform public tasks of supra-municipal character defined by acts. They are in charge of different mandatory tasks and functions, in particular in the field of:

- public education;
- health promotion and protection;
- social assistance;
- public transport and public roads;
- culture and the protection and care of historical monuments;
- sport and tourism;
- property management;
- architectural and construction administration;
- maintenance of the district's public utilities and administrative facilities;
- water management;
- environmental and nature conservation;
- public order and security of citizens;
- consumer protection.

44. Similar to municipalities, the law can also establish new mandatory tasks and duties for districts and delegate state administration tasks to them.

45. The districts also have the right to form associations with other self-government units (including the voivodeship in whose area the district's territory is located) and may even conclude agreements with government administration bodies on the performance of public tasks within the scope of government administration.

46. The major organs of the districts are the council and the management. The district council is the decision-making and controlling body of the district, whose members are elected directly by the voters of the district for a five-year term. It is noteworthy that voters can terminate the mandate of the council by referendum before its expiration. The district council elects from among its members a chairperson and one or two deputy chairpersons by an absolute majority of votes in the presence of at least half of the elected councillors by secret ballot.

47. The district council, like the representative bodies of municipalities, has exclusive powers such as adopting resolutions at the district level or decisions concerning the budget, asset management and certain human resources matters.

48. The executive body of the district government is the district board, which is composed of the chief administrative officer as its chair (*starost*), the deputy officer and the other members elected by the district council. The board performs its tasks with the assistance of the district office. The *starost* is the

district's highest representative, who leads the executive body, organises the district office's work, and supervises its subsidiary units.

49. Districts are legal persons; they may enter into private law contracts and undertake obligations in their own name. They can have their own property, which they can manage independently.

2.1.3. Cities with district rights (*miasta na prawach powiatu*)

50. The Act on district self-government grants district rights to the largest cities with more than 100,000 inhabitants as of 31 December 1998, as well as cities that had been granted district rights earlier, even if they did not meet the requirement of 100,000 inhabitants. These cities perform not only the municipal but also the district self-government tasks. In total, there are 66 cities with district rights.

51. The main legislative body of these cities is the city council, while the local executive is the mayor (or city president, *prezydent miasta*). The organisation and operation of the bodies of the cities with district rights, including their name, composition, number and their appointment and dismissal, as well as the principles of supervision, are laid down in the Act on municipal self-government.

2.1.4. Regional self-governments/Voivodeships (*województwa*)

52. The administrative status of the regions (*voivodeships*) is regulated by the Act of 5 June 1998 on voivodeship self-government. In accordance with this law, the inhabitants of the 16 voivodeships "form a regional self-governing community".

53. In principle, the regions are self-governments with general competence in their own territory. The law, similarly, to municipalities and districts declares that their scope of responsibility includes the fulfilment of public tasks of a regional character which are not reserved by law for any government administration bodies. They perform public tasks defined by law on their own behalf, dispose of provincial property, and carry out their own financial management on the basis of the budget. Their activity covers, among others:

- public education, including higher education;
- health promotion and protection;
- culture and the protection and care of monuments;
- social assistance;
- modernisation of rural areas;
- spatial development;
- environmental protection;
- public transport and public roads;
- sport and tourism;
- protection of consumer rights;
- defence;
- public safety;
- support for families and the foster care system;
- family policy;
- senior policy;
- prevention of unemployment and activation of the local labour market;
- activities in the field of telecommunications;
- protection of employee claims in the event of employer insolvency.

54. Moreover, each region adopts development strategy aiming at "nurturing Polishness and developing and shaping the national, civic and cultural consciousness of its inhabitants, as well as nurturing and developing local identity; stimulating economic activity; raising the level of competitiveness and innovation of the voivodeship's economy; preserving the value of the cultural and natural environment while taking into account the needs of future generations; [and] shaping and maintaining spatial order."

55. It is to be noted that there is no hierarchical relationship between the different levels of self-governments, and the *voivodeships* do not have any supervisory or controlling power over districts and municipalities, and they are not higher-level bodies in administrative proceedings. All the regional,

district and municipal self-governments are independent legal entities (they have their own legal personality).

56. *Voivodeships* also may conclude agreements with other local and regional self-governments in order to perform joint tasks, may form associations, including with municipalities and districts, and may provide assistance to each other. Joint services usually cover administrative, financial and organisational services on the basis of agreements concluded between the participant local authorities.

57. The main decision-making body of voivodeships is the regional assembly or *voivodeship sejmik* (*sejmik województwa*) which is made up of directly elected councillors, 30 in regions with up to 2,000,000 inhabitants and three councillors for every additional 500,000 inhabitants. The term of office of the assembly is five years from the date of the election, and it can only be dismissed before the expiry of its term of office by means of a regional referendum. The regional assembly has exclusive power such as the adoption of the statute of the voivodeship, the ordinances effective for the whole territory of the region, the rules for the management of the property of the regional government, the regional development strategy, and the annual budget of the region as well as to make the most important decisions of the financial and property management of the regional government.

58. The executive body of regional governments is the voivodeship board, which consists of the voivodeship marshal as its chairperson, a deputy marshal or two deputy marshals, and other members elected by the voivodeship assembly for a five-year term. Marshals are politically accountable to the voivodeship assembly in a manner similar to that of city mayors. The marshal's work is assisted by a regional office (Office of the Marshal).

59. The regional assembly adopts its decisions by a simple majority of votes, in the presence of at least half of all elected regional councillors.

60. The assembly elects by an absolute majority of votes from among its members a chairperson and no more than three deputy chairpersons who may not be the members of the regional executive.

2.1.5. Local government finance

61. Article 167 of the Constitution contains the principle of adequate financing of local governments stating that "[u]nits of local self-government shall be assured public funds adequate for the performance of the duties assigned to them".

62. There are three main sources of local government revenues:

- own revenues;
- general (block) grants and;
- specific (earmarked) subsidies.

63. A fourth source of local government revenues are the funds from non-repayable foreign sources, mainly from the European Union budget.

64. It is worth noting that a law transforming the system of local government funding (Act on the revenues of local government units) was adopted shortly before the first part of visit of the Monitoring delegation which entered into force on 1 January 2025. The most significant change is that the revenue from personal income tax (PIT) and corporate income tax (CIT) of local governments is now calculated on the basis of the taxpayers' income in the territory of the relevant local authority, instead of the tax revenue actually received (as earlier). This new system will be analysed under the dedicated provision of the Charter (see Article 9).

65. In terms of the Act on the revenues of local government units, the local authorities' shares in the PIT and CIT are considered their own income, although these are shared taxes which are levied and collected by the State and then distributed between the state budget and the local governments. Other sources of own revenues of municipalities are local taxes, fees, payments from municipal budget establishments, income from municipal property, inheritances, bequests and donations, financial penalties and fines, interests and loans. Districts and regions have roughly similar sources of income, with the essential difference that they do not have the right to levy taxes, and *voivodeships* do not receive income from service delivery.

66. Another major source of local government revenues is central (block) grants from state budget. This lump sum payment must be spent on the fulfilment of mandatory tasks, but it is allocated by the decision-making body (the council) of the given local authority.

67. The third major part of local government revenues is provided by specific grants. These are targeted subsidies for tasks within the scope of government administration and other tasks assigned by law or undertaken under agreements concluded with government administration bodies (delegated tasks and functions).

2.2 Status of the capital city

68. Warsaw, the country's largest city with about 1.86 million inhabitants (2024)¹⁶, is the capital of Poland. It is the most important academic, cultural, political and economic centre of the Polish state.

69. The status of Warsaw is regulated by the Act of 15 March 2002 on the organisation of the Capital City of Warsaw. According to Art. 1 para 1 of this law, Warsaw is a municipality with the administrative status of a city with district rights. Hence, it fulfils all tasks and functions that are assigned to the municipal and district self-governments. However, besides these, it has to perform specific tasks and duties resulting from the capital city character, providing the necessary conditions for the functioning of the central bodies of the state, foreign diplomatic representations and consular offices and international organisations, receiving foreign delegations and the operation of public facilities of an infrastructural nature relevant to the capital functions of the city. It should be noted that the law regards all of these as delegated state administration tasks.

70. Warsaw has a two-tier administrative system, as the city is made up of 18 city-boroughs. While municipalities have the right to create city-boroughs by their own decision, the Act on the Capital City makes this mandatory in Warsaw. Nevertheless, it is the power of the Council of the capital city to establish, merge, divide and abolish city-boroughs by way of a resolution, following consultations with residents or on their initiative. The Council also adopts the statute of the respective city-boroughs defining their names, boundaries, tasks and functions as well as the procedural rules of operation of their bodies.

71. The scope of responsibility of the city-boroughs covers all those tasks which are delegated by the City Council of Warsaw, and which are based on an agreement with other local government units, in particular:

- maintenance and operation of the municipal housing stock;
- maintenance of educational, cultural, social welfare, recreational, sporting and tourism facilities;
- tasks connected with health protection;
- maintenance of green areas and roads of a local nature, within the scope defined by the city's statutes and other resolutions of the Warsaw City Council.

72. The main legislative body of Warsaw is the council of the Capital City of Warsaw (*Rada Miasta Stołecznego Warszawy*). It consists of 60 councillors elected by proportional representation for a five-year term. The Chair of the City Council is elected from among its members. The executive body of the Council is the President of the Capital City of Warsaw (*Prezydent Miasta Stołecznego Warszawy*), who is elected directly in local elections. The President of the Capital City of Warsaw performs the duties performed by both mayors (mayors, city presidents) and district governors. City-boroughs mayors are responsible for specific tasks resulting from the status of Warsaw as a capital city.

73. The city-boroughs of the capital city have their own elected representative body which is elected jointly with elections to the Warsaw City Council. The city-borough council is the decision-making and controlling body of capital city-boroughs. The council elects its own executive board composed of 3-5 members which is chaired by the mayor who is elected by the city-borough council (*Burmistrz Dzielnicy Miasta Stołecznego Warszawy*).

16. Statistical Office (2024), [Population of the city of Warsaw](#) (30 June 2024).

2.3 Legal status of the European Charter of Local Self-Government

74. As mentioned, Poland signed the European Charter of Local Self-Government on 19 February 1993 and ratified it on 22 November 1993 without reservations. The Charter entered into force on 1 March 1994.

75. According to Art. 9 of the 1997 Constitution, “[t]he Republic of Poland shall respect international law binding upon it”. Art. 87 para. 1 mentions ratified international agreements among the “sources of universally binding law of the Republic of Poland”. In addition, Art. 91 provides that “a ratified international agreement shall constitute part of the domestic legal order and shall be applied directly, unless its application depends on the enactment of a statute” [para. 1], and an international agreement has a “precedence over statutes if such an agreement cannot be reconciled with the provisions of such statutes” [para. 2].

76. The institutional guarantee of these constitutional provisions is the Constitutional Tribunal, which is responsible for the review of the conformity of statutes and other legal acts issued by central State organs to the ratified international agreements [Art. 188]. In case of non-conformity, the Constitutional Tribunal may repeal the respective legal norm [Art. 190 para. 4].

77. Hence, the Charter is a binding law in the Polish legal system which can be invoked before common courts and by the Constitutional Tribunal in their proceedings.

2.4 Previous Congress reports and recommendations

78. As a result of the previous monitoring process, the Congress in its Recommendation 431 (2019) expressed its satisfaction that:

- a. the principle of local self-government is expressly recognised by the Constitution;
- b. the Charter benefits from a quasi-constitutional status;
- c. local authorities enjoy freedom of association to defend their interests;
- d. the capital city has a special status.

79. The Congress expressed its concerns on the following issues:

- a. the level of autonomy of local authorities is being eroded by the re-centralisation of several competences previously transferred to them (Articles 3.1, 4.2-4.5);
- b. the numerous interferences by State authorities within the local independent functions undermine the assignment to local authorities of full and exclusive powers (Article 4.4);
- c. local authorities do not have discretion in the exercise of delegated functions, as a consequence of the detailed State regulation of delegated tasks (Article 4.5);
- d. although the Joint Committee represents an adequate legal framework for consultation, the recent tendency is to bypass this mechanism, making it ineffective (Article 4.6, 9.6);
- e. the supervision on local authorities, carried out by government representatives, is increasingly overused and cannot be considered proportional to the relevance of the interests that it is intended to protect (Article 8.3);
- f. in spite of remarkable economic growth, the financial resources that local authorities can freely dispose of are neither adequate nor commensurate with their responsibilities and the tendency towards transferring the responsibilities to local authorities without transferring adequate financial resources is increasing (Article 9.1, 9.2);
- g. local authorities lack sufficient financial resources from local taxes and charges of which they have the possibility to determine the rate (Article 9.3, 9.4);

h. lowering the scale of financial compensation to local elected representatives worsens the conditions under which responsibilities at local level are exercised;

i. an increasing number of acts of the State imposes a rigid internal organisational structure on local authorities thus limiting their ability to take account of local circumstances and administrative efficiency in organising their own administrative services;

j. local authorities' level of trust in courts for the legal protection of their autonomy is declining, thus restricting genuine enjoyment by local authorities of the right to recourse to a judicial remedy.

80. Considering the above, the Congress recommended (Recommendation 431 (2017)) that the Committee of Ministers call upon the Polish authorities to:

a. get back on the path to decentralisation and reverse the trend towards the re-allocation to the State of local and regional competences which limits the local authority's scope of action and runs contrary to the Polish constitutional democratic tradition;

b. ensure that the subsidiarity principle is applied in practice, by recognising to the local authorities full and exclusive powers and by reducing the level of interference by State authorities with municipal independent functions;

c. avoid overregulation of delegated tasks and thus allow local authorities to have more discretion in adapting their exercise to local conditions;

d. reinstate a fair consultation process with local authorities, especially by submitting all the draft bills and draft regulation to the Joint Committee and taking into consideration the remarks of the component representing local governments within the Joint Committee;

e. make sure that the supervision over the acts of local authorities is proportional to the importance of the interests that it is intended to protect;

f. allocate sufficient financial resources to local authorities, thereby respecting the principle that the resources should match the functions and ensure that the transfer of delegated competences to subnational level is accompanied by concomitant finances;

g. enable local authorities to establish local taxes and to determine their rate to increase fiscal capacity of local authorities;

h. ensure that the adoption of any measures impacting upon the conditions of office of local elected representatives, including their financial remuneration, does not negatively affect their ability to freely exercise their functions;

i. refrain from adopting numerous regulations at the central level that would unnecessarily rigidify local internal administrative structures and make them less adjustable to local conditions;

j. in order to guarantee to local authorities the right of recourse to an effective remedy and to restore their trust in the national judicial system, follow the recommendations of the Venice Commission, contained in its opinions on the judiciary in Poland;

k. consider signing and ratifying the Additional Protocol to the European Charter of Local Self-Government on the right to participate in the affairs of a local authority (CETS No. 207).

3. HONOURING OF OBLIGATIONS AND COMMITMENTS: ANALYSIS OF THE SITUATION OF LOCAL DEMOCRACY ON THE BASIS OF THE CHARTER (ARTICLE BY ARTICLE)

3.1 Article 2 – Constitutional and legal foundation for local self-government

Article 2 – Constitutional and legal foundation for local self-government

The principle of local self-government shall be recognised in domestic legislation, and where practicable in the constitution.

81. According to the Contemporary Commentary to the Charter, Article 2 requires that the Parties recognise the “principles” of local self-government. To comply with this provision, it is considered sufficient for the Party “to recognise that the core elements of local self-government in written rules, without the need for detailed regulation”. As detailed in the Contemporary Commentary, these “core elements”, which are enshrined in the preamble of the Charter are the following: a) “local authorities endowed with democratically constituted decision-making bodies”; b) “wide degree of autonomy with regard to their responsibilities”; c) “ways and means by which those responsibilities are exercised and the resources required for their fulfilment”.¹⁷

82. The Constitution of the Republic of Poland, which was adopted in 1997, states among its basic principles that the territorial system of the country must ensure the decentralisation of public power. In addition, it provides that the territorial division of the state must be determined by statute, “allowing for the social, economic and cultural ties which ensure to the territorial units the capacity to perform their public duties” (Art. 15).

83. According to Article 16 of the Constitution, the inhabitants of the units of basic territorial division form “a self-governing community”. These communities, that is local self-governments participate in the exercise of public power in a way that, in accordance with Art. 3.1 of the Charter, they are empowered to discharge a substantial part of public duties under their own responsibility.

84. Article 94 of the Constitution recognises the law-making power of local and regional authorities within the limits specified by law. Based on this authorisation, they can issue regulations for their own territory.

85. The Constitution has a specific chapter on local governments [Chapter VII] specifying the legal status of local authorities. Thus, they perform public tasks which are not reserved by law to any other public bodies. It is also laid down that the basic unit of local governments is the commune (*gmina*), while other types of regional and local self-government may be established by statute.

86. Besides the local government tasks and functions, the Constitution authorises legislature to delegate other public tasks to local authorities by statute, if the fundamental needs of the State so requires (Art. 166). Art. 167 includes also the commensurability principle declaring that local governments should be given public funds adequate for the performance of the duties assigned to them. This constitutional requirement is not limited to the funding of delegated tasks, as according to paragraph 4 of the same Article provides that any change if the scope of powers and duties of local authorities can be made only “in conjunction with appropriate alterations to their share of public revenues”.

87. Apart from the principle of adequate resources, Art. 167 of the Constitution also states that local government revenues consist of their own revenues as well as general (block) and specific grants from the State budget. Communities also have the right, within the framework of the law, to determine the amount of local taxes and charges (Art. 168).

88. The Constitution also defines the minimum requirements for indirect and direct democracy at the local level. It thus stipulates that local authorities perform their tasks and functions through their legislative and executive organs. While local governments have a wide range of freedom regarding the formation of the latter bodies, since they determine their internal organisational structure themselves – within statutory limits –, the members of their representative bodies are elected by universal, direct, equal vote conducted by secret ballot. According to the relevant constitutional rules [Art. 169 paras 2-3], a statute must define the principles and rules of local elections. As for the rules of direct democracy

17. Congress of Local and Regional Authorities (2020), [A contemporary commentary by the Congress on the Explanatory Report to the European Charter of Local Self-Government](#), CG-FORUM (2020)02-05, §22.

at the local level, the Constitution states that the representative bodies of local authorities may call a local referendum to make decisions in matters concerning the local community, including the dismissal of an organ of local self-government. The principles of and procedures for conducting such a local referendum must be specified by law.

89. Local authorities have also the right to establish associations with each other and may join international associations of local and regional communities as well as cooperate with such bodies of other states.

90. The Constitution also provides for the supervision of local governments. Art. 171 states that the "legality of actions by a local self-government shall be subject to review", and assigns this responsibility to the Prime Minister, the voivodes (regional governors) and, regarding financial matters, the regional audit chambers. The supervisory authority implies, as a last resort, the initiation of the dissolution of the representative body of a local authority by the Prime Minister "if it has flagrantly violated the Constitution or a statute". On the basis of this motion, the Sejm may dissolve the legislative body concerned.

91. Local authorities may submit complaints concerning constitutional infringements to the Constitutional Tribunal [Art. 191, para, point 3].

92. Detailed provisions for local governments are contained in statutes. In Poland, separate laws apply to each type of local government:

- the municipal governments are regulated by the Act of 8 March 1990 on municipal self-government;
- the Act of 5 June 1998 on district self-government applies to the districts;
- the detailed rules concerning regions (voivodeships) are laid down in the Act of 5 June 1998 on voivodeship self-government; while
- there is also a separate law, the Act of 15 March 2002 on the organisation of the Capital City of Warsaw.

93. Having regard to the fact that the principle of self-government and the legal status of municipal governments are recognised in the Constitution, and that there are separate laws on different types of local and regional authorities, the rapporteurs consider that Poland complies with Article 2 of the Charter.

3.2 Article 3 – Concept of local self-government

Article 3 – Concept of local self-government

1. Local self-government denotes the right and the ability of local authorities, within the limits of the law, to regulate and manage a substantial share of public affairs under their own responsibility and in the interests of the local population.
2. This right shall be exercised by councils or assemblies composed of members freely elected by secret ballot on the basis of direct, equal, universal suffrage, and which may possess executive organs responsible to them. This provision shall in no way affect recourse to assemblies of citizens, referendums or any other form of direct citizen participation where it is permitted by statute.

3.2.1 Article 3.1

94. Article 3.1 of the Charter enshrines the right and ability of local authorities, to regulate and manage a substantial share of public affairs. According to the Contemporary Commentary (§§31-33), this "substantial" share of public affairs should not be residual and local authorities should not be limited "to merely acting as agents of higher authorities." To successfully comply with this provision, local authorities should have "a range of responsibilities with the possibility of drawing up and implementing appropriated and relevant local public policies" (Contemporary Commentary, §33).

95. The Constitution of the Republic of Poland recognises local government as a "self-governing community" of residents of basic territorial units. Local authorities exercise public power on their own behalf and under their own responsibility and may act independently in accordance with the law. This

definition is repeated in all statutes regulating various types of local authorities¹⁸ in relation to their own territory. The only exception is the Act of 15 March 2022 on the system of government of the capital city of Warsaw. Nevertheless, the self-government status of the capital is indirectly recognised in this Act, insofar as it defines the legal status of Warsaw as the "municipality with the rights of a district" which is regulated by the Act on district self-government. It should also be noted that each local government is a legal entity which, in order to satisfy local needs, may enter into private law contracts and incur obligations on its own behalf.

96. In Poland, all types of local and regional governments are vested with law-making powers. In municipalities this power is vested exclusively in the municipal council [Art. 18 para 2 point 1 and Article 41 para 1 of the Act of 8 March 1990]; in districts, the district council has the exclusive competence to issue resolutions and local laws, including the district statute [Art. 12 para 1 and Article 40 para 1 of the Act of 5 June 1998]; *voivodeships* are also authorised to adopt acts of local law and strategies [Art. 18 para 1 and Article 89 para 1 of the Act of 5 June 1998].

97. According to Article 6 of the Act on municipal self-government, municipalities have general scope of responsibilities in their own territory, including "all public matters of local importance not reserved by the laws to other entities". This Act lists the competences attributed by the law to local authorities. Local authorities have notably competences on local public support, public education, public order and safety of citizens and fire and flood protection, telecommunication health protection, spatial governance and social assistance. Local authorities have considerable freedom in deciding how to perform their mandatory duties. In order to perform their tasks, for example, they may establish organisational units and municipal companies, and conclude agreements with other entities including non-governmental organisations. For the same purpose, they may co-operate with other local self-governments, and establish or join inter-municipal associations.

98. The Act on district self-government (Art. 4) details the tasks attributed to the districts. Among them, we find the support to persons with disabilities, public transport, social assistance, health promotion and protection, consumer protection, defence, counteracting unemployment, environmental and nature protection.

99. Regarding regions in Poland, their competences are also listed in the Act on voivodeship self-government (Art. 14). Regions are competent, among others in the following areas: protection of the consumer rights, modernisation of rural areas, social assistance, public education (including higher education), spatial development, public safety and tourism.

100. As another indicator to decide whether local authorities "manage a substantial share of public affairs under their own responsibility and in the interests of the local population" as the Charter requires, the local governments' share in general government expenditure can be a suitable basis. According to 2020 data, subnational governments accounted for 30.6% of total government expenditure representing 14.9% of GDP.

101. In the light of the above, the rapporteurs consider that Article 3 paragraph 1 of the Charter is fulfilled in Poland.

3.2.2 Article 3.2

102. Article 3.2 of the Charter is an indispensable element of local self-government that states local public affairs should be decided by bodies formed by democratically elected representatives. The Charter establishes the democratic requirements of the right to vote but does not opt in favour of any specific form of organisation. Member states determine themselves the electoral system according to which the local-regional representatives are elected. It only determined that elections must be done by secret ballot on the basis of universal suffrage, which must be direct, equal and free. According to the Contemporary Commentary (§40), direct democracy at the local level plays a complementary role to representative democracy and does not affect the possibility for local authorities to directly consult citizens via assemblies or referendum.

18. Art. 1 para (1) of Act 8 March 1990 on municipal self-government; Art. 1 para (1) of Act 5 June 1998 on district government; Art. 1 para (1) of Act 5 June 1998 on regional government.

103. In Poland, the representatives of regional and district councils and municipalities with more than 20,000 inhabitants are elected in multiple constituencies according to a proportional system. 5-15 representatives are elected in voivodeship constituencies, 3-10 in district constituencies, and 5-8 in municipal and Warsaw constituencies. Parties are required to acquire 5 % of all valid votes in the whole *voivodeship*, district or municipality to obtain mandates. The valid votes are transferred to seats based on the D'Hondt method. In municipalities where the population does not exceed 20,000 inhabitants, one councillor is elected in each constituency using the first-past-the-post method. While each mayor is elected directly by the local voters, the presidents of the district and regional councils are elected by the councillors among from themselves.

104. Article 169, paras 1-2 of the 1997 Constitution, elections of the “[u]nits of constitutive organs”, that is the local government councils, must be “universal, direct, equal and must be conducted by secret ballot”. The detailed election procedures are to be specified by statute.

105. It is a further requirement from Article 3.2 of the Charter that the democratically elected body of the local governments must have an executive organ responsible to it.

106. In municipalities, the mayor has a political responsibility to the municipal council. He or she has to submit a report on the state of the municipality to the municipal council every year by 31 May. After debating the report, the municipal council votes on the vote of confidence in the mayor. Such a decision may be adopted by the vote of the absolute majority of the members of the council. If the council does not vote the motion of confidence in two consecutive years, the municipal council may adopt a resolution to hold a referendum on the recall of the mayor. Local referendum on the dismissal of the mayor may also be initiated by the council on the motion of the audit committee of the municipality based on its opinion on the execution of the municipal budget. It means that the council may not remove the mayor from her/his position, but it may initiate a local referendum for this purpose. The same solution applies to the mayor of Warsaw. As far as the executive boards of the city-borough councils of the capital city of Warsaw are concerned, the Act on the organisation of the Capital City of Warsaw states that the city-borough mayor may be dismissed at the request of the mayor least of the capital city or at a quarter of the city-borough councillors by an absolute majority of votes in secret ballot. The dismissal of the mayor terminates the mandate of the entire executive board. In addition, any member of the district executive board of the district council may also be dismissed in similar procedure.

107. The political responsibility of the executive board of the district self-government to the district council is by large similar to that of the mayor of the municipalities. Thus, the district administration must submit to the council a report on the state of the district self-government every year by 31 May. After debating the annual report, council holds a vote of confidence on the executive board. The council may express its confidence by an absolute majority of the votes of all members of the council. If the council does not accept this decision, it may, after 14 days dismiss the executive board by a majority of at least 3/5 of the councillors. Besides this mechanism, the district council may dismiss the chief administrative officer for any other reason by a majority of at least 3/5 of the votes of its members.

108. In the regional self-governments, the executive board is responsible to the regional council and has to submit a report on the state of the *voivodeship* to the regional assembly every year by 31 May. After the debate on the report on the state of the *voivodeship* is completed, the *voivodeship* assembly votes to give the *voivodeship* board a vote of confidence. A resolution on giving the *voivodeship* board a vote of confidence is adopted by the *voivodeship* assembly by an absolute majority of the elected representatives of the assembly.

109. According to Article 3, paragraph 2, of the Charter, its provisions relating to the elected representative body of local authorities cannot be interpreted as preventing in any way the forms of direct citizen participation defined by law.

110. In this regard, it can be noted that the Act on municipal self-government states that the referendum is essentially a form of popular vote (in addition to elections), through which local inhabitants make decisions. The detailed rules and procedure for holding a municipal referendum are laid down by a separate law.¹⁹ However, the existing regulation recognises several forms of direct popular participation in the municipalities. Thus, a local referendum may be held on the creation, merger, division and abolition of a municipality and the establishment of its boundaries on the initiative of the local inhabitants.

19. Act of 15 September 2000 on local referendum.

Another specific type of local referendum is the popular vote on the dismissal of the mayor, which can be initiated by the municipal council in cases determined by law.

111. Another form of direct citizens' participation is the legal opportunity to create a so-called "municipal youth council" on the respective local or regional council's own initiative, or upon request of stakeholders such as non-governmental organisations or student councils. The municipal youth council has a consultative, advisory and initiative character in regarding matters affecting local youth people. Youth councils may be established by each local or regional authority, and their legal status is also similar in municipalities, districts and voivodeships. It is worth mentioning here as well that each local or regional authority, on its own initiative or at the request of the communities concerned, may create a council of seniors in order to "foster intergenerational solidarity and create conditions to stimulate civic activity of older persons" in the community.

112. In the light of the above, the rapporteurs consider that Article 3.2 is respected in Poland.

3.3 Article 4 – Scope of local self-government

Article 4 – Scope of local self-government

1. The basic powers and responsibilities of local authorities shall be prescribed by the constitution or by statute. However, this provision shall not prevent the attribution to local authorities of powers and responsibilities for specific purposes in accordance with the law.
2. Local authorities shall, within the limits of the law, have full discretion to exercise their initiative with regard to any matter which is not excluded from their competence nor assigned to any other authority.
3. Public responsibilities shall generally be exercised, in preference, by those authorities who are closest to the citizen. Allocation of responsibility to another authority should weigh up the extent and nature of the task and requirements of efficiency and economy.
4. Powers given to local authorities shall normally be full and exclusive. They may not be undermined or limited by another, central or regional, authority except as provided for by the law.
5. Where powers are delegated to them by a central or regional authority, local authorities shall, insofar as possible, be allowed discretion in adapting their exercise to local conditions.
6. Local authorities shall be consulted, insofar as possible, in due time and in an appropriate way in the planning and decision-making processes for all matters which concern them directly.

3.3.1 Article 4.1

113. This provision of the Charter states that the regulation of the "basic powers and responsibilities" should be prescribed by the Constitution or by statute, as a matter a legal certainty and protection of local self-government (see also Contemporary Commentary, §49).

114. As it was stated above, the acts on local, district, and regional self-governments specify the tasks and duties of self-governments separately. Article 16 para 2 of the Constitution states that "[l]ocal self-government shall participate in the exercise of public power. The substantial part of public duties which local self-government is empowered to discharge by statute shall be done in its own name and under its own responsibility". An act of Parliament may assign a new mandatory task to local governments.

115. In Polish system, the basic powers and responsibilities of local authorities are prescribed by the constitution and the legislation, allowing the predictability and legal certainty required by the Charter.

116. Therefore, the rapporteurs consider that Article 4.1 is respected in Poland.

3.3.2 Article 4.2

117. Article 4.2 of the same Charter provision requires that local governments can initiate the performance of a task at their own discretion, which is not assigned to the exclusive competence of another public authority.

118. Art. 163 of the Constitution states that "local self-government shall perform public tasks not reserved by the Constitution or statutes to the organs of other public authorities. In addition to that, the Acts on municipal and regional self-government, along with listing the most important mandatory tasks, define a general scope of tasks for local governments. The Act on the municipal self-government states

that “[t]he scope of action of the municipality shall include all public matters of local importance not reserved by the laws to other entities” [Art. 6 para 1] while the Act on voivodeship self-government contains a similar provision: “[t]he scope of action of the voivodeship self-government includes the execution of public tasks of a voivodeship character, not reserved by laws for government administration bodies” [Art. 2 para 1]. District governments, on the other hand, can only perform tasks that are specifically defined for them by law.

119. During the monitoring visit, in connection with the requirements under review, some interlocutors criticised that in recent years, in some cases, specific tasks have been assigned directly to organisational units of the given local authority (e.g. to the labour offices of the *voivodeships*). This practice limits the autonomy of local governments, which should decide themselves how and through which of their bodies they perform their compulsory tasks. However, local elected representatives that the delegation met during the visit highlighted that their own local government does not carry out voluntarily undertaken tasks, but primarily due to financial reasons (lack of resources), even though they have the right to do so.

120. In the light of the above, the rapporteurs conclude that Article 4.2 of the Charter is respected.

3.3.3 Article 4.3

121. Article 4.3 of the Charter introduces the subsidiarity principle, which states that public responsibilities should be performed “in preference, by those authorities who are closest to the citizen”. The Contemporary Commentary of the Charter highlights (§61) that the subsidiarity principle has a dual rationale, which is to increase the transparency and democratic basis of decision-making and to increase the efficiency of governmental action “since local bodies are the best suited to fulfil certain tasks”.

122. The interlocutors of the Congress delegation did not object to the degree of decentralisation, but almost all of them criticised the insufficient funding of mandatory tasks (for more details, see the assessment of Art. 9 of the Charter below). An additional problem arose that in previous years, extensive and detailed central regulation limited the autonomy of local governments in the performance of mandatory tasks. This was especially typical of delegated tasks, which is a form of centralisation.

123. The previous monitoring report from 2019 found that several former local and regional government tasks had been centralised or re-centralised, for example in environmental protection, water management, public education or family benefits. This has been justified by the usual explanation of all centralisation tendencies, that is, that the provision of public services of a uniform standard can be ensured more efficiently in this way. Although the national authorities intend to improve and strengthen decentralisation, and it can be accepted that reversing the previous regulatory centralisation is a time-consuming task, the delegation's interlocutors argued that the central rules previously made are still in effect, the rules that were passed before are still in force, limiting the freedom of action of local governments. The continuation of this practice is shown by the example of the previously centralised function of water management, which was mentioned by several local elected representatives during the monitoring visit, and which, despite local government claims, has not been decentralised.

124. There has also been an opposite trend, i.e. the determination of new local government tasks, such as the care of immigrants and refugees, or the provision of certain social benefits, but these either do not represent true decentralisation (i.e. they are delegated state administration tasks), or new mandatory tasks for which the government has not provided additional financial resources (such as for taking care of refugees from Ukraine).

125. It should be noted that according to the Ministry of Interior and Administration, a work has started on a draft legislation which would include proposals made by local self-government representatives concerning their autonomy, and which intends to improve the quality of public services and implementation of the constitutional principle of subsidiarity as regards the tasks and competences lost over the last years. During the second visit, the delegation did not see any progress in this regard; the officials of the Ministry of Interior and Administration still reported only preparatory work for government decisions, but no practical steps had yet been taken.

126. While the rapporteurs acknowledge the intention of national authorities to reverse the process of centralisation of the competences, the previous regulations are still prevailing. Hence, the rapporteurs consider that Article 4.3 of the Charter is only partially fulfilled in Poland.

3.3.4 Article 4.4

127. In terms of this Article of the Charter, as a major rule, local government competences should be full and exclusive, unless otherwise provided by law. A clear repartition of the areas of competences avoids ambiguity and overlapping to responsibilities. The Contemporary Commentary points out (§70) that when there is a lack of clarity in the distribution of competences among the different levels of governments, it blurs the responsibility and “leads to a power shift to the benefit of higher-level authorities, especially central government”.

128. Local representatives and officials of the local government associations, with whom the delegation met, complained that the performance of local tasks is made significantly more difficult by the extensive central regulation. Whether this is justified by the requirement of a uniform standard of public services or by the nature of the delegated tasks, excessive regulation can make the principle of full and exclusive powers empty or insignificant, even if the performance of a task is not formally shared between local government and state administrative bodies. For instance, it was reported to the delegation that during the previous legislature, the Ministry of Sport directly intervened on decisions impacting sport halls in small municipalities.

129. Whereas the delegation received an indication that the tasks of education and social welfare, which are self-government functions, are incomplete and non-exclusive, which blurs the responsibility on these competences, government representatives reported that the Parliament has recently adopted a number of deregulation laws, which have significantly affected the conditions for the provision of services by local governments.

130. In the light of the above, the rapporteurs consider that Article 4.4 of the Charter is partially respected in Poland.

3.3.5 Article 4.5

131. Article 4.5 of the Charter introduces the notion of delegation of powers between different levels of governments. As highlighted in the Contemporary Commentary (§73), the proximity to the population of local public services is a fundamental necessity, and local authorities have a vital role to play in the provision of these services. The delegation of tasks should also be specifically examined, as it may lead to central interventionism which has for effect to “undermine the autonomy of local authorities”, the main objective of this provision being “to prevent them from becoming mere “executive” agents of higher-level authorities” (Contemporary Commentary, §74).

132. Polish Constitution authorises legislature to delegate other public tasks to local authorities by statute, if the fundamental needs of the State so requires (Art. 166). Local authorities perform several such delegated tasks, such as the operation of water utilities, the preparation and conduct of general elections, providing free legal aid, keeping registries. Tasks of government administration may also be performed by the municipality on the basis of an agreement with the relevant organs of state administration. In addition, municipalities may also take over the performance of other tasks from districts or regions on the basis of agreement. Even in the latter cases, the municipality must receive funding in the amount necessary to perform these tasks.

133. The conclusions established in the previous point are also true for this provision. The delegation of state administration tasks to local authorities is a well-established method in a number of Council of Europe member states in order to ensure that the government administration does not have to create parallel local or regional bodies for performing its own functions, but the benefit is that local governments can adapt these tasks to local conditions and needs.

134. According to local interlocutors met by the delegation, the level of central regulation has not changed significantly so far. During the monitoring visit and in the replies to questionnaires sent to the rapporteurs, some local elected representatives regretted that some delegated tasks represent additional financial burden for them. Here again, as it was mentioned during the previous monitoring

exercise, the Supreme Audit Office (NIK) proposed to transform these delegated tasks into local governments' own tasks.

135. In the light of the above, similarly to the conclusions of the previous report the rapporteurs consider that the requirements of Article 4.5 are partially complied in Poland.

3.3.6 Article 4.6

136. Article 4.6 of the Charter is one of the key principles of the text, which requires that local authorities shall be consulted, insofar as possible, in due time and in an appropriate manner in the planning and decision-making processes on all matters directly concerning them.

137. In Poland, the most important forum for consultation between the central government and local authorities is the Joint Commission of the Government and Local Government (*Komisja Wspólna Rządu i Samorządu Terytorialnego*). The Joint Commission was established by the Act of 6 May 2005 on the Joint Commission of the Government and Local Government and on the representatives of the Republic of Poland in the Committee of the Regions of the European Union. As part of its tasks, the Commission issues opinions on draft legislation, programmes and other government documents concerning local government. The Commission consists of 15 representatives of the central government and 15 representatives of key national associations of local governments. The local authorities are represented in the Joint Commission by representatives of the following national associations: Union of Polish Metropolises, Union of Polish Towns, Association of Rural Municipalities of the Republic of Poland, Association of Polish Cities, Association of Polish Districts, Association of Polish Provinces, and representatives of the Association of Polish Local Governments and the National Association of Local Government Organisations. The Commission consists of 11 specialised teams supported by experts.

138. During their visits, the rapporteurs repeatedly came across the opinion that the Joint Commission was marginalised until 2023 and that its operation had no effect on government decision-making. One of the objections was that often only fully prepared bills were put on the Commission's agenda, when it was already too late to influence its content. Another criticism was that the Joint Commission does not usually discuss the directions of government policy and does not make proposals for new legislation. Further problems were caused by the previous government's practice that some bills were submitted to the Parliament by individual Members of Parliament, and in this way, they were not discussed in the Joint Commission. Another method used to bypass the stage of consultation of regulations important from the point of view of local government was the parliamentary practice of submitting significant amendments at a late stage of legislative process, the content of which could not be commented on.

139. During the first visit, the delegation found that subnational government associations hoped that consultations would be more frequent and meaningful in the future. During the second visit, however, the representatives of the local government associations were much more pessimistic, saying that consultations with the central government had not provided satisfactory answers on a number of important issues and that significant differences of opinion were complicating central-local government relations. Among these issues, they cited the serious under-planning of public education costs by the government, criticised the way in which the cost of services provided by local governments is calculated in general, and expressed the need to change the indicators on which the funding needs of local authorities are based.

140. However, it should be noted, that the rapporteurs have not received any information that local authorities do not have the opportunity to discuss government measures and policies and, contrary to previous years, they may put forward their own proposals.

141. The rapporteurs draw attention to the fact that in the course of correcting the previous centralisation tendencies, i.e. the decentralisation of powers and duties, or the transformation of some delegated state administration tasks into local government ones, consultations with local governments will be of particular importance

142. Therefore, the rapporteurs conclude that Article 4.6 of the Charter is respected in Poland.

3.4 Article 5 – Protection of local authority boundaries

Article 5 – Protection of local authority boundaries

Changes in local authority boundaries shall not be made without prior consultation of the local communities concerned, possibly by means of a referendum where this is permitted by statute.

143. Article 5 of the Charter introduces “procedural rules for changes in local authority boundaries” (see also Contemporary Commentary, §90). This provision of the Charter does not prohibit any mergers but make sure that changes in local boundaries are processed with consultation of local communities. The Contemporary Commentary of the Charter specifies (§92) that “the term “local communities” should be interpreted “in a way that also includes citizens and local civil society in general”.

144. According to Art. 4 para 1 of the Act of municipal self-government, the Council of Ministers may create, merge, divide and abolish municipalities and determine their boundaries by regulation. In addition, it may give a municipality or locality the status of a city and determine its boundaries, determine and change the names of municipalities and the seats of their authorities. Such an ordinance may also be issued at the request of the municipal council concerned. However, any such decision has several preconditions. Thus, such kind of change can't be carried out, if the tax revenue per capita of the municipality within the amended boundaries or of the newly established municipality would be too low or would be smaller than the smallest municipality in Poland. Beyond this, any change of boundaries of municipalities may be carried out “in such a way as to ensure that the territory of the municipality is as homogeneous as possible in terms of settlement and spatial layout, taking into account social, economic and cultural ties and ensuring the ability to perform public tasks”, while, in case of the granting of city status to a municipality or locality, the determination of its boundaries and their change may be carried out “in a manner that takes into account the social and technical infrastructure and the urban layout and character of development”. Then, the minister responsible for public administration, currently the Minister of the Interior and Administration, has to obtain the opinion of the concerned municipality councils, which must be preceded by consultations with the local inhabitants, and in the case if the boundary changes of the municipality affect the boundaries of districts or *voivodeships*, the opinion of the relevant district councils or *voivodeship* assemblies must also be obtained. The law does not specify how the opinion of the affected population must be sought, so it can be done through a public hearing or a local referendum.

145. The creation, merger, division and abolition of a municipality and the determination of the boundaries of a municipality about itself may also be initiated by a municipal council, if it has previously asked for the opinion of the affected population on the initiative. It is also important condition that the initiative of the municipal council must be properly justified, and the Council of Ministers may only approve such a request (that is, it may issue an ordinance to that effect) if it has previously asked for the opinion of all the local government councils (assemblies) and inhabitants affected by the status or border change, as well as the position of the provincial governor concerned.

146. In addition to the Council of Ministers and a municipal council, the local population, within reasonable limits, can also take the initiative to hold a local referendum on the creation, merger, division and abolition of a municipality and the establishment of its boundaries.

147. As these rules do not allow the boundaries of municipalities to be changed without first consulting the municipal council or local population concerned, the rapporteurs consider that Article 5 of the Charter is respected in Poland.

3.5 Article 6 – Appropriate administrative structures and resources

Article 6 – Appropriate administrative structures and resources for the tasks of local authorities

1. Without prejudice to more general statutory provisions, local authorities shall be able to determine their own internal administrative structures in order to adapt them to local needs and ensure effective management.
2. The conditions of service of local government employees shall be such as to permit the recruitment of high-quality staff on the basis of merit and competence; to this end adequate training opportunities, remuneration and career prospects shall be provided.

3.5.1 Article 6.1

148. Article 6.1 of the Charter provides that local authorities shall have the power to decide on their internal local organisation. As highlighted by the Contemporary Commentary (§96), this provision at safeguarding “local autonomy by allowing local authorities to establish internal administrative structures and arrangements that enable them to meet the various needs of local residents and provide a full range of public services”.

149. The main bodies of local governments are determined by separate laws of each type of local government, which typically contain provisions relating to the main decision-making body (council) and the executive board. This regulatory practice corresponds to European trends and basically interferes with the organisational order of local governments only to the extent necessary to ensure democratic functioning. The only claim that came to the attention of the rapporteurs stems from the lack of regulation that, while the Act on voivodeship self-government assigns a number of tasks to the Marshal of Mazovian Voivodeship, it does not clearly define its legal status.

150. In the light of all the elements received by rapporteurs during the visit and with the replies to the questionnaires, the rapporteurs consider that local authorities have the power to decide on their internal local organisation, with notably the possibility for them to create independent bodies to deliver local services.

151. Therefore, the rapporteurs conclude that Article 6.1 of the Charter is complied with in Poland.

3.5.2 Article 6.2

152. Article 6.2 of the Charter deals with an important aspect of local administration. To deal with their tasks, local authorities need to have dedicated and competent human resources, for which they should be able to determine their conditions of service. According to the Contemporary Commentary (§106), “local authority employees should at least be entitled to training opportunities, remuneration and career opportunities similar to employees at other levels of government”.

153. During the monitoring visit, the rapporteurs found that local authorities have difficulties in recruiting and employing appropriate administrative staff. The rapporteurs heard that the cities as employer are unable to compete with private sector in the labour market. Through the Act of 21 November 2008 on local government employees and other legal norms, the basic labour relations of local authorities are centrally regulated including the possible positions, recruitment rules and salary grades. The remuneration of the employees of local authorities is specified according to the different positions in a separate legal act.

154. In such circumstances, some local authorities have complained that they have insufficient staff compared to the large volume of tasks and cases handled. New employees typically receive only the minimum statutory wage. A significant challenge lies in the slow salary growth for long-serving employees, making it difficult to attract experienced specialists. It was highlighted that retaining specialised workforce remains a substantial challenge, primarily due to financial constraints.

155. Nevertheless, the rapporteurs note that local authorities have some flexibility in employing people and offering them training and professional development.

156. Based on these findings, the rapporteurs consider that Article 6.2 of the Charter is partially respected in Poland.

3.6 Article 7 – Conditions under which responsibilities at local level are exercised

Article 7 – Conditions under which responsibilities at local level are exercised

1. The conditions of office of local elected representatives shall provide for free exercise of their functions.
2. They shall allow for appropriate financial compensation for expenses incurred in the exercise of the office in question as well as, where appropriate, compensation for loss of earnings or remuneration for work done and corresponding social welfare protection.
3. Any functions and activities which are deemed incompatible with the holding of local elective office shall be determined by statute or fundamental legal principles.

3.6.1 Article 7.1

157. According to the Contemporary Commentary (§107), Article 7.1 of the Charter targets to ensure that “citizens are free to serve as elected representatives and are not prevented from holding political office owing to financial or material considerations”. Citizens should not be deterred from standing for election at local level.

158. Municipal councillors are full members of the municipal council. They are elected by local voters on the basis of universal, equal, direct and secret suffrage. Their term of office is five years. According to the Act on municipal self-government, they are obliged to exercise their rights for “the welfare of the municipal self-governing community. They have to maintain a permanent relationship with the residents and their organisations, but they are not bound by instructions of the voters, and they may not be recalled (i.e. they have a free mandate).

159. The detailed rules of this Act provides the councillor with all the rights that ensure that he or she can participate in the decision-making of the council. Thus, in the exercise of her/his mandate, a councillor has the right to obtain information and materials necessary for fulfilling his or her duty and to inspect the activities of the municipal office, as well as companies with municipal shareholding, and other municipal organisational units. The local representatives may address interpellations and questions to the mayor on matters concerning the municipality. As members of the council, they may participate in the council meetings and in its decision-making. In addition, in connection with the exercise of her/his mandate, a councillor enjoys the legal protection provided for public servants.

160. According to the acts on district and regional self-governments, the members of the district councils and the *voivodeship* assemblies enjoy similar rights.

161. Representatives and officials of local authorities can be particularly exposed to hate speech, facing threats, insults, and personal attacks. Some local interlocutors highlighted that hate speech represents a potential risk, because as in many polarised societies, it is often fuelled by political divides and social tensions, sometimes exacerbated by misinformation or deliberate manipulation. Anonymity on social media was also identified as a factor of impunity, leaving room for hate speech against elected representatives. However, local government representatives and other officials whom the rapporteurs met informed them that such insults are not common in their municipality or community. Some of them stressed the fact that Polish law prohibits incitement to hatred and provides avenues for legal recourse in the event of such attacks.

162. During the monitoring visit, the delegation did not hear about specific issues on the free exercise of their functions raised by sub-nationally elected representatives.

163. Based on all these elements, it can be concluded that the relevant laws ensure the requirements that are included in Article 7.1 of the Charter.

3.6.2 Article 7.2

164. This provision of the Charter deals with the financial aspect of the office of local elected representatives. The term “appropriate financial compensation” encompasses 4 different elements: “appropriate compensation for expenses incurred in the exercise of the office”, compensation for loss of earnings incurred by the local representative (where applicable), remuneration for work done and social welfare protection (see Contemporary Commentary, §114).

165. In Polish legal system, the Constitution and the acts on municipal self-government, district self-government, and voivodeship self-government contain detailed provisions on the remuneration and reimbursement of the members of local (district and regional) councils. In this regard, all laws are based on the principle expressed in the Act on municipal self-government, namely that “The councillor is entitled to a subsistence allowance and to reimbursement of business travel expenses in accordance with the rules laid down by the municipal council” (Art. 25 para 2).

166. The Acts on the self-government system provide that the monthly amount of the allowance to which a councillor is entitled must not exceed 2.4-times the base amount specified in the Budget Act for persons holding managerial positions in the State sector (which updated every year), in accordance with the provisions of the Act on determining the remuneration in the State budget sector. Decisions concerning the councillor allowances are made by the respective self-government authorities. For councillors in municipal and district councils, the maximum amount of the allowance is determined by means of Regulations of the Council of Ministers depending on the local population.

167. During the monitoring visit and in the written replies, the rapporteurs did not encounter any objections in this respect.

168. Therefore, the rapporteurs conclude that Article 7.2 of the Charter is complied with in Poland.

3.6.3 Article 7.3

169. Article 7.3 of the Charter refers to the compatibility on holding a representative position at local level and having other activities, either public or private. The restrictions should be limited and determined by the national legislation (see Contemporary Commentary, §119).

170. Conflicts of interest of members of municipal, district and regional councils, as well as their executive bodies, such as mayors and city presidents, starosts and voivodeship marshals, are regulated in detail by the laws applicable to each level of self-government. One of the main directions of regulation is that those who have been elected as a councillor, may not perform any employment relationship in the office or may not have a leading position in an organisational unit of the municipality in which they have obtained a mandate. Then, councillors and the members of the executive boards may not undertake any other activities or receive donations that may undermine the confidence of voters in the performance of their mandate.

171. In Poland, the incompatibility rules for the holding of local elective office are carefully codified by law. In addition to that, during the monitoring visit, the rapporteurs did not hear about specific complaints on this matter.

172. Therefore, the rapporteurs conclude that Article 7.3 of the Charter is respected in Poland.

3.7 Article 8 – Administrative supervision of local authorities’ activities

Article 8 – Administrative supervision of local authorities’ activities

1. Any administrative supervision of local authorities may only be exercised according to such procedures and in such cases as are provided for by the constitution or by statute.
2. Any administrative supervision of the activities of the local authorities shall normally aim only at ensuring compliance with the law and with constitutional principles. Administrative supervision may however be exercised with regard to expediency by higher-level authorities in respect of tasks the execution of which is delegated to local authorities.
3. Administrative supervision of local authorities shall be exercised in such a way as to ensure that the intervention of the controlling authority is kept in proportion to the importance of the interests which it is intended to protect.

3.7.1 Article 8.1

173. The Contemporary Commentary highlights (§123) that this provision of the Charter deals with the “administrative supervision” of the activities of local authorities. According to Article 8.1, any form of administrative supervision must have a legal basis (statute or constitutional provision), meaning that

higher levels of governments cannot intervene outside of a certain legal frame. In case of intervention, these authorities should strictly follow the regulated procedures (time, manner, competences, etc.) (Contemporary Commentary, §128). In 2019, the Committee of Ministers of the Council of Europe outlined key principles and guidelines for supervision of local authorities' activities.²⁰

174. Article 171, sections 1-3 of the Constitution defines the content of administrative control over local governments, as well as the supervisory bodies, while the detailed rules are partly set out in the Act of 8 March 1990 on municipal self-government and partly in the Act of 7 October 1992 on Regional Chambers of Audit. Thus, it can be established that the current regulation meets the requirements of the Charter. According to Article 171 of the Constitution, the actions of local governments are subject to legal control which is exercised by the Prime Minister and the regional governor (*voivode*), and regarding financial matters regional audit chambers. The regional governors represent the Council of Ministers in the regions (*voivodeships*) and are appointed and dismissed by the Prime Minister at the proposal of the minister in charge of public administration. The entity authorised to control the activities of local government bodies is also the Supreme Audit Office, which is an independent constitutional body responsible for controlling public spending. The Regional Chambers of Audit are territorial bodies of the Supreme Audit Office.

175. Taking into consideration that the supervision procedures have a legal basis, the rapporteurs consider that Article 8.1 of the Charter is respected in Poland.

3.7.2 Article 8.2

176. Article 8.2 of the Charter seeks that supervision of local authorities should normally aim at ensuring that local authorities comply with laws and regulations. Administrative supervision may be checks in legality or expediency. The Contemporary Commentary defines the checks on legality is a manner to determine if local authorities "complied with the applicable laws and regulations" (see §131). The Charter limits the checks on opportunity to the tasks delegated by higher-level authorities (Contemporary Commentary, §134).

177. Pursuant to Article 171 para 1 of the Constitution, the supervision of local governments extends to the control of the legality of local government acts. Legal supervision covers all local government resolutions and regulations, however, there are some specific issues to which special rules apply. Thus, the Act on municipal local self-government states that the draft statute of a municipality with a population of more than 300,000 inhabitants are subject to agreement with the Prime Minister at the request of the minister responsible for public administration. In case of disputes, the Council of Minister decides. The statute of a municipality determines the organisation of the municipality. Special procedural rules also apply to the supervision of the draft association agreement between local authorities by the regional governor. Nevertheless, the regional governor, who is the representative of the central government in the regions, exercises continuous control over the legality of local government decisions, while the Prime Minister only has powers in special cases.

178. For the exercise of legal control, supervisory authorities have the right to request information and data from municipalities, concerning their organisation and functioning. If the regional governor considers a local government resolution or regulation to be illegal, he or she may declare it invalid or suspend the implementation of the decision when initiating a procedure for this purpose. The supervisory decision has to contain its factual and legal grounds. However, the municipality concerned may file a complaint with the administrative court against the supervisory decision declaring the invalidity. It is to be added that in case of an insignificant breach of law, the regional governor may indicate the unlawfulness to the municipality, instead of declaring the invalidity of the objected decision.

179. According to the Act on municipal self-government, the supervisory authorities may interfere in municipal activities only in cases specified by laws. In this context, they can request information and data from local governments regarding their organisation, operation and finances. If the supervisory authority – no later than 30 days after receiving the municipal act – establishes the illegality of a municipal resolution or regulation, the relevant act cannot be implemented (after 30 days, however, the supervisory authority can no longer suspend the local government's resolution or regulation, but for this purpose can only appeal to the administrative court). Against such a decision, the municipality

²⁰ Recommendation CM/Rec(2019)3 of the Committee of Ministers to member States on supervision of local authorities' activities (adopted by the Committee of Ministers on 4 April 2019 at the 1343rd meeting of the Ministers' Deputies).

concerned can appeal to the administrative court, which will make a decision within 30 days. In case of appeal, the Supreme Administrative Court decides, also within 30 days.

180. It should be noted that in the case of the most serious violations of the law, the Prime Minister has supervisory powers. Thus, if a municipal council repeatedly violates the Constitution or laws, he or she may propose to the Sejm the dissolution of the relevant municipal council. If the lower house of Parliament votes for this, the Prime Minister, on the motion of the minister responsible for public administration, appoints a commissioner to perform its function until the new representative body of the municipality is elected. In the event that the head of the commune continuously breaches the Constitution or the laws, the regional governor calls for the head of commune to rectify the lawfulness, and if the summons is unsuccessful, the governor may initiate with the Prime Minister the dismissal of the head of commune, and to appoint an official to fulfil his or her tasks and functions until the new head of commune is elected. Finally, if there is “no hope for rapid improvement and prolonged ineffectiveness in the performance of public tasks by the municipal authorities”, the Prime Minister “may suspend the council and the mayor and establish a board of trustees until the election of the new municipal leadership, but not more than for two years”.

181. The Act on municipal Self-Government also allows that if the municipal council fails to perform its statutory duty to enact legislation, the governor of the voivodeship (Polish: *Voivode*), after an ineffective request, may, in cases specified by law, replace the omitted local law by issuing a substitute order. However, it should be noted that the municipality concerned and the person whose legal interest or rights are affected by the substitute order may lodge a complaint with the court.

182. Although these are very strict measures, it is important to emphasise that they can only be applied in principle in the event of serious and repeated illegality of the operation of the municipality or municipal official concerned, and only as a last resort.

183. In financial matters, the regional audit chambers exercise supervisory powers over the activities of local governments such as adopting the budget and its amendments, the multiannual financial forecast and its amendments, incurring liabilities classified as public debt, and control the financial management of local government units and public procurement. In the case of incurring a new debt obligation, the local government has a statutory obligation to obtain the opinion of the competent regional audit chamber on the possibility of repayment or redemption in the case of a security issue.

184. The rapporteurs encountered certain criticisms of the supervision of local governments. The vagueness of the concept of “financial matters” was highlighted leading to an uncertainty that there is no strictly defined boundary between the supervisory powers of the *voivodeship* governor (*voivode*) and the regional chamber of auditors. It was mentioned as another problem that according to some experience, supervisory proceedings conducted by the *voivode* are often conducted without ensuring the participation of the local government concerned.

185. However, the possible problems of the implementation of the relevant rules do not mean that the legal content of the administrative supervision over local authorities would exceed the legality control defined by the Charter.

186. Therefore, the rapporteurs consider that the requirements of Article 8.2 are complied with in Poland.

3.7.3 Article 8.3

187. Article 8.3 of the Charter establishes the principle of proportionality in the administrative supervision of local authorities' action. As further explained in the Contemporary Commentary (§137), the intervention of the higher-level authorities should be “proportionate to the importance of the interests it intends to protect”.

188. During the monitoring visit, the rapporteurs did not hear about disproportionate use of administrative supervision on local authorities.

189. Based on the experience during the visit to Poland and the review of the documents received, the rapporteurs did not find that either the administrative or the financial control would have led to excessive intervention of the supervisory authorities that exceeded its original purpose.

190. Therefore, the rapporteurs consider that Article 8.3 of the Charter is respected in Poland.

3.8 Article 9 – Financial resources

Article 9 – Financial resources of local authorities

1. Local authorities shall be entitled, within national economic policy, to adequate financial resources of their own, of which they may dispose freely within the framework of their powers.
2. Local authorities' financial resources shall be commensurate with the responsibilities provided for by the constitution and the law.
3. Part at least of the financial resources of local authorities shall derive from local taxes and charges of which, within the limits of statute, they have the power to determine the rate.
4. The financial systems on which resources available to local authorities are based shall be of a sufficiently diversified and buoyant nature to enable them to keep pace as far as practically possible with the real evolution of the cost of carrying out their tasks.
5. The protection of financially weaker local authorities calls for the institution of financial equalisation procedures or equivalent measures which are designed to correct the effects of the unequal distribution of potential sources of finance and of the financial burden they must support. Such procedures or measures shall not diminish the discretion local authorities may exercise within their own sphere of responsibility.
6. Local authorities shall be consulted, in an appropriate manner, on the way in which redistributed resources are to be allocated to them.
7. As far as possible, grants to local authorities shall not be earmarked for the financing of specific projects. The provision of grants shall not remove the basic freedom of local authorities to exercise policy discretion within their own jurisdiction.
8. For the purpose of borrowing for capital investment, local authorities shall have access to the national capital market within the limits of the law.

3.8.1 Article 9.1

191. Article 9.1 of the Charter establishes two principles. The first principle is that local authorities should have their “own” and adequate financial resources. The second principle establishes that they should be “free to decide how to spend their resources” (see also Contemporary Commentary, §141).

192. Article 167, paragraph 1 of the Polish Constitution contains the principle of adequate financing of local governments, stating that “[u]nits of local self-government shall be assured public funds adequate for the performance of the duties assigned to them”. This guarantee is extended by the Act on municipal self-government also to the finance of delegated tasks providing that municipalities must receive funding in the amount necessary to perform those tasks [Art. 8 para. 3]. The Act on district self-government formulates this requirement in case the law establishes a new mandatory task for the district government [Art. 56 para. 2]. The same provision is included also in the Act on voivodeship self-government: “[t]he delegation of new tasks to the voivodeship by law requires that the necessary funding for their implementation be provided in the form of increased revenues” [Art. 67 para. 3].

193. As highlighted in the Contemporary Commentary (§141), “[e]ven if the principle of adequate finance has been legally recognised in domestic law, its implementation is crucial”. In this regard, it was a general opinion of the representatives of local governments and local government associations that they do not have sufficient financial resources commensurate with their tasks. For this reason, several local authorities have turned to court in recent years because, for example, they had to partially finance the performance of delegated state administration tasks from their own revenues.

194. It is important to note that shortly before the first part of the monitoring visit in October 2024, a law transforming the system of local government funding (Act on the revenues of local government units) was adopted and entered into force on 1 January 2025. Therefore, the financial management of local governments is being examined based on the new law.

195. There are three main sources of local government revenues (see Tables 2 and 3):

- own revenues;
- general (block) grants and;
- specific (earmarked) subsidies.

196. In fact, there is a fourth source of local government revenues, namely the funds from non-repayable foreign sources, mainly from the European Union budget.

197. In terms of the Act on the revenues of local government units, the local authorities' share in the personal income tax (PIT) and corporate income tax (CIT) are considered their own income, although these are shared taxes which are levied and collected by the State and then distributed between the state budget and the local governments. Other sources of own revenues of municipalities are local taxes, fees, payments from municipal budget establishments, income from municipal property, inheritances, bequests and donations, financial penalties and fines, interests and loans. Districts and regions have roughly similar sources of income, with the essential difference that they do not have the right to levy taxes, and *voivodeships* do not receive income from service delivery.

198. The various types of local governments share in different extent from personal income as follows:

- municipalities – 7.0%;
- cities with district rights – 8.6%;
- districts – 2.0%;
- voivodeships – 0.35%;

from the total revenue of personal income taxpayers residing in the area of a given local government unit.

199. The share in corporate income tax is as follows:

- municipalities – 1.6%;
- cities with district rights – 2.2%;
- districts – 1.7%;
- voivodeships – 2.3%;

from the total revenue of corporate income taxpayers with their registered office within the area of a given local government unit.

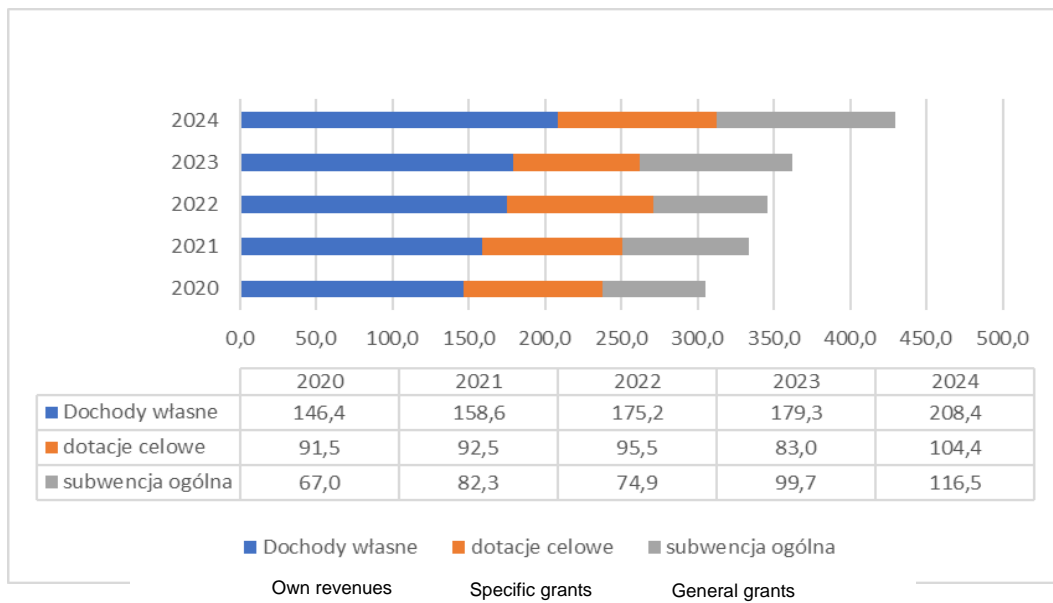
200. Another major source of local government revenues is central (block) grants from state budget. This lump sum payment must be spent on the fulfilment of mandatory tasks, but it is allocated by the decision-making body (the council) of the given local authority.

201. Even though in recent years several global trends have adversely affected local government finances, such as the COVID-19 pandemic, the Russian invasion of Ukraine and a refugee crisis, the increase in energy prices, and high inflation, according to data from the Ministry of Finance, local authorities' financial situation did not deteriorate significantly. This is shown by the fact that the local government debt rose from PLN 89.8 billion²¹ in 2020 to PLN 102.7 billion²² in 2023, that is, it did not increase dramatically, their revenues and expenditures increased roughly in parallel, and that by 2021 "the local government units had (...) disposable funds at the level of PLN 50 billion²³".

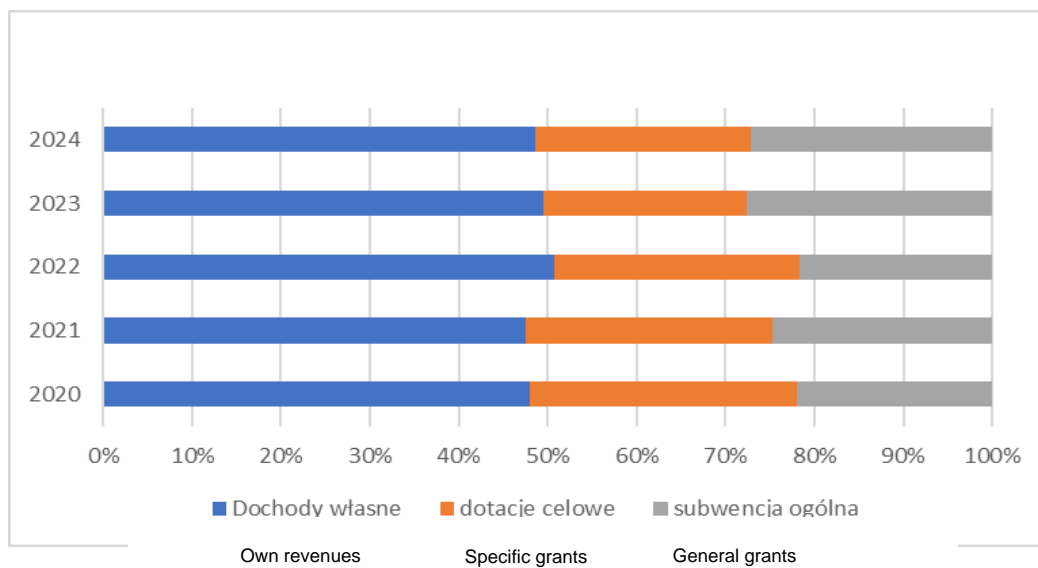
21. EUR 20,8 billion (exchange rate at the time of the visit: PLN 1 = EUR 0,2316 according to the European Central Bank).

22. EUR 23,6 billion.

23. EUR 11,6 billion.

Table 2. Local government revenues in 2020-2024 (in billion PLN)²⁴

Source: Ministry of Finance

Table 3. Structure of local government revenues in 2020-2024 (in %)²⁵

Source: Ministry of Finance

24. According to the data sent by the Ministry of Finance November 2024: for 2020-2023 - executed, for 2024 – planned.

25. According to the data sent by the Ministry of Finance November 2024: for 2020-2023 - executed, for 2024 – planned.

Table 4. Net revenues of local government units in 2018-2024, as percentage of GDP

GDP = 100	2018	2019	2020	2021	2022	2023	2024
Net revenues	11,6	11,9	12,8	12,4	11,0	10,5	11,7
Own revenues	5,7	5,6	5,6	5,7	5,4	4,9	5,7
PIT	2,4	2,4	2,3	2,3	2,2	1,5	2,2
CIT	0,5	0,5	0,5	0,5	0,5	0,6	0,7
Local taxes	1,3	1,3	1,3	1,3	1,2	1,2	1,2
Other own revenues	1,5	1,5	1,5	1,6	1,6	1,6	1,5
Net general subsidies	2,5	2,6	2,7	3,0	2,3	2,8	3,2
Grants and similar payments	3,4	3,7	4,5	3,7	3,3	2,8	2,9
Delegated tasks	2,0	2,3	2,7	2,4	1,4	0,8	0,9
From other local governments	0,1	0,1	0,1	0,1	0,1	0,1	0,1
Projects co-financed from the UE funds	0,7	0,8	0,8	0,6	0,5	0,5	0,3
Other grants and payments	0,5	0,5	0,9	0,7	1,3	1,4	1,5

Source: Supreme Audit Office

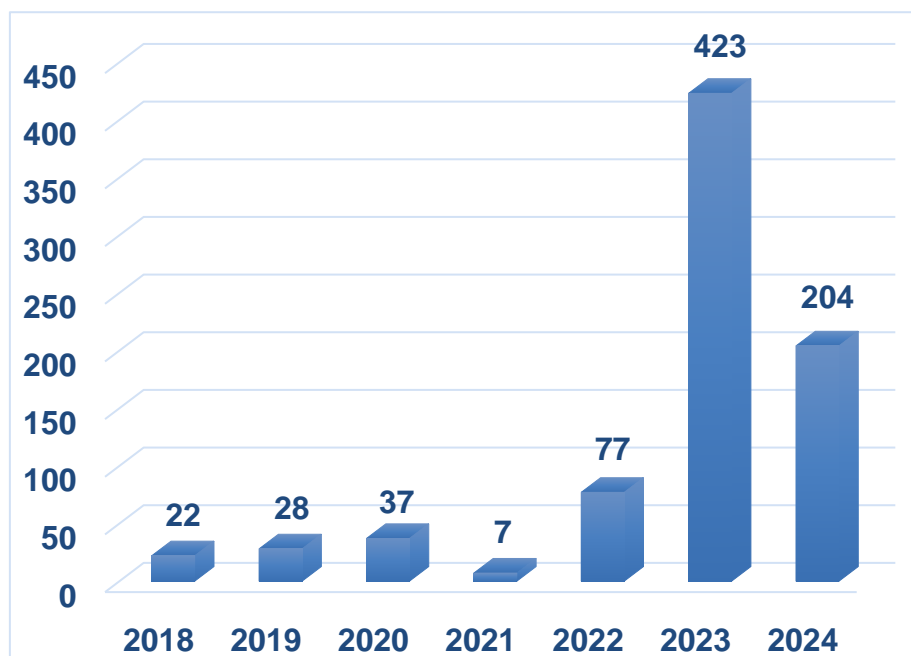
202. The total revenues of local authorities increased between 2019 and 2022, expressed in constant 2018 prices, while in 2022-2023 stagnated. The stagnation of revenues was disadvantageous for local governments because they were given several new mandatory tasks in the meantime, such as payment obligation of refugee aid or coal subsidy. Furthermore, since the last monitoring report, the share of central grants among local government revenues has increased, thus own revenues in 2023 were lower in real terms than in 2018. The main reason for the decline of local revenues was the reduction of the personal income tax in 2022. According to the data provided by the Supreme Audit Office, in 61 of the 66 cities with district rights, the real incomes from personal income tax in 2022 were lower than in 2018. It was a negative tendency that the decrease of own revenues was replaced by transfers from the state budget in order to compensate them for the loss of PIT revenues. Moreover, additional local government funding was distributed during the fiscal year, sometimes in the last months of the year. During the monitoring visit some interlocutors mentioned that these supplementary subsidies were distributed on the basis of a decision by the Prime Minister without detailed justification, which even allowed political considerations to be taken into account. Central transfers have been allocated in a similar way for some specific funds, such as the Road Development Fund.

203. All these created uncertainties for local governments when planning their budgets, as they could not know in advance whether they would receive additional support during the year. In any case, these changes adversely affected those local authorities whose revenues were largely derived from the PIT share, because the compensation was often less than the loss from the PIT revenue decrease.

204. The Act of 1 October 2024 on the revenues of local government units adopted in autumn 2024 introduced significant changes in local government finance. During the monitoring visit, the general experience of the delegation was that all interlocutors and stakeholders consider the new system of local government revenues to be an important milestone. The main goals of the reform have been strengthening and stabilising finances of local authorities by increasing their own revenues as well as their financial predictability.

205. The most significant change is that the revenue from PIT and CIT of local governments is now calculated on the basis of the taxpayers' income in the territory of the relevant local authority, instead of the tax revenue actually received (in the former year). This means that the effects of changes affecting tax revenues (e.g. tax reliefs or exemptions) will not have a negative impact on the share of local governments, which can stabilise the revenue side of local budgets. The correction was necessary because by 2024 a number of municipalities suffered from operating deficits (see Table 5).

Table 5. Number of units with operating deficit



Source: Supreme Audit Office

206. Furthermore, the new financial system aims at ensuring better allocation of funds, making the system more flexible, and increasing the influence of the national associations of local authorities on the distribution of funds for local self-governments.

207. As previously explained, according to interlocutors met by the delegation, supplementary subsidies were previously distributed on the basis of own individual decision, this element of the system of funding of local authorities has also been maintained. It means that one of the sources of local government funding is a reserve, the distribution of which is based on flexible criteria for allocating subsidies for co-financing tasks of particular social or economic importance for local authorities, for tasks in the field of education, while "20% of the reserve fund are intended to finance tasks that cannot be predicted before the start of the budget year (...) managed by the Ministry of Finance".²⁶

208. The transformation of the revenue structure of local governments, according to the government's forecast, will provide almost PLN 25 billion²⁷ more revenue in 2025 than if the previous system had continued, and the rate of revenue growth in the next decade will be more than PLN 345 billion^{28,29}. In this regard, it is worth noting that there were national authorities promise to significantly increase the resources of local governments in the past. During the previous term, in 2022, the so-called Polish Deal (*Polski Ład*) programme, a wide-ranging tax reduction of PLN 17 billion³⁰. Since a significant part of this was the exemption from personal income tax, the PIT income decreased, which adversely affected the revenues of local governments.

26. Ministry of Finance (2024), *Changes in the revenue system of local government units – new act in force from 2025*, Warszawa październik 2024 r. 14.

27. EUR 5,8 billion (exchange rate at the time of the visit: PLN 1 = EUR 0,2316 according to the European Central Bank).

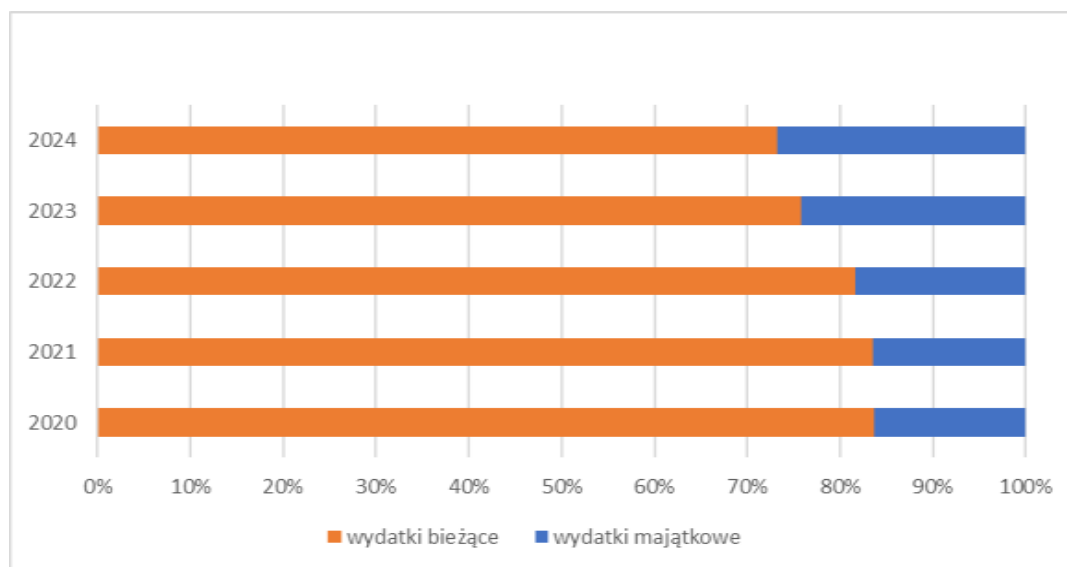
28. EUR 79,9 billion.

29. *Ibid.* 17.

30. EUR 3,9 billion.

209. Among local government spending, education expenditures have the greatest weight (33.0% in 2024), while expenditure on transport and communications is the second most important budget item (16.6% of total local government expenditure). Of course, the structure of expenditures may differ in the various types of local government due to differences in their responsibilities. In the Radom District visited by the delegation, for example, the largest expenditure categories include district road construction, education, social assistance, and healthcare (see Table 6).

Table 6. Structure of local government expenditure in 2020-2024³¹



- current expenditure
- capital expenditure

Source: Ministry of Finance

210. The 2011 Public Finance Act established budget balance rules for local authorities which means that income and current expenditure must be balanced in local budget.

211. Notwithstanding that, both the central government and local authorities expect predictable and stable financing from the 2024 Act on the revenues of local government units. At the same time, it was also a frequently expressed opinion during the monitoring visit that "the effects of the new legislation cannot yet be determined".

212. The rapporteurs found that, since the new law has been in force for less than five months until the second visit of the delegation, and only data for the first quarter of this year is available, the real impact of the new funding system cannot yet be assessed and that there is considerable uncertainty among municipalities. Representatives of associations of local authorities estimated that, for example, the majority of district councils could be adversely affected by the changes. However, according to officials from the Ministry of Finance, no municipality could be worse off than under the previous local government financial system. Then, according to the data provided by the Supreme Audit Office, in the first quarter of 2025, local government revenues were almost 24% higher than the previous year, of which own revenues nearly doubled, at the expense of reduced subsidies from the state budget.

213. Overall, in view of the relatively high share of local government expenditure in GDP, the increasing amount of the net local government revenues (see Table 2) and the additional subsidies committed by the government, the rapporteurs consider that Article 9.1 of the Charter is complied with in Poland.

31. According to the data sent by the Ministry of Finance November 2024: for 2020-2023 - executed, for 2024 – planned.

3.8.2 Article 9.2

214. This provision of the Charter establishes the principle of commensurability, which means that the finances of local authorities should be sufficient and commensurate with their tasks. According to the Contemporary Commentary (§150), the commensurability principle that “any new task assigned or transferred to local authorities must be accompanied by the corresponding funding or source of income to cover the extra expenditure”.

215. Art. 8 para. 3 of Act on municipal self-government guarantees that municipalities are receiving necessary funding to perform the tasks delegated to them. The Act on district self-government formulates this requirement in case the law establishes a new mandatory task for the district government [Art. 56 para 3]. The same provision is included also in the Act on voivodeship self-government: “[t]he delegation of new tasks to the voivodeship by law requires that the necessary funding for their implementation be provided in the form of increased revenues” [Art. 67 para. 3].

216. During the discussions held by the delegation with the representatives of local, district and regional self-governments, there was a widely shared opinion that the central subsidies allocated to the local authorities for the mandatory tasks, as well as the delegated government administration tasks, do not cover the actual costs of performing them. As a result, the local government budget of the municipality of Radom, for example, shows a deficit of PLN 315 million³². Several interviewed local elected representatives objected that the municipalities often need their own resources to carry out the delegated state administration tasks. Others complained that local authorities, especially in the country’s border areas, do not receive sufficient financial support to care for the Ukrainian refugees, while it places a disproportionately large burden on them, especially on their health, social and educational institutions, and, due to the financial support to be paid to the refugees, on their budget.

217. The written answers of the Ministry of Finance to the questionnaire of the rapporteurs indicate that nationally uniform criteria are used when estimating the costs of state subsidies for these tasks. However, this “standardisation” of cost calculation does not seem to be a fully satisfactory solution, which is also supported by the slow indebtedness of the local government sector.

218. Therefore, according to the rapporteurs, the requirements of Article 9.2 of the Charter are partially implemented.

3.8.3 Article 9.3

219. Article 9.3 of the Charter deals with the tax-levying power as an integral part of the financial autonomy of local authorities. As detailed in the Contemporary Commentary (§153), there should be “true” taxes that may be levied by local authorities and “charges” may be levied by them too, in order to compensate a use of local facilities or the delivery of services (such as rubbish collection).

220. Article 168 of the Constitution sets that “[t]o the extent established by statute, units of local self-government shall have the right to set the level of local taxes and charges.”

221. Local taxes have been established and regulated by separate acts. Their collection is mandatory for local governments. However, municipalities may spend these tax revenues to perform their mandatory tasks according to their own decision. In addition, they have the right to determine the amount of the local tax within the framework established by act. Local taxes are the real estate tax and tax on means of transport³³, agricultural tax³⁴, forest tax³⁵, but incomes from inheritances and donations tax and civil law transactions tax are also considered as “tax revenues”. Municipalities do not have to levy local taxes themselves, as those are established and imposed by act. However, they have the right to determine the amount of local taxes as well as exemptions within the limits set by law. Local authorities may establish fees in their own area such as market fee, advertising fee, dog ownership fee, local fee and health resort fee.

32. EUR 72,9 billion (exchange rate at the time of the visit: PLN 1 = EUR 0,2316 according to the European Central Bank).

33. Act of 12 January 1991.

34. Act of 15 November 1984.

35. Act of 30 October 2002.

222. It should be noted that the local government share from personal income tax and corporate income tax is much more significant than local tax revenues, but they are not local, but nationally levied, shared taxes.

223. It should also be noted that district and regional self-governments do not have the right to levy taxes.

224. Therefore, the rapporteurs consider that Article 9.3 of the Charter is respected as far as municipalities are concerned, but it is not respected for district and voivodeship self-governments.

3.8.4 Article 9.4

225. The requirement contained in Article 9, paragraph 4 of the Charter goes beyond the principle of providing resources proportionate to the tasks for local authorities, as it also requires that local governments have diversified and buoyant financial resources. The Contemporary Commentary of the Charter (§161) details the principle of diversification of income sources which is essential to maintain the autonomy of local authorities and adapt to any fluctuation in economic cycles.

226. Precisely because the effects of the new Act of 1 October 2024, which will significantly change the system of local government incomes, are not known at the moment, it is not possible to reasonably judge whether this requirement will be enforced in the future.

227. Until 2023, the rapporteurs encountered a number of criticisms that related to the unpredictability of revenues and, as a result, the instability of the local government budget. This was particularly the case due to the changes in central taxes in recent years, which adversely affected local government revenues from PIT and CIT. Although local authorities received PLN 8 billion³⁶ in 2021 on account of supplementing the general subsidy in order to prepare for tax changes entering into force as of 1 January 2022, PLN 4 billion³⁷ on account of the subsidy for financial support of commune investments in water mains, water supply and sewage systems, and additional revenues from shares in PIT revenues of almost PLN 13.7 billion³⁸ as support for the implementation of own tasks, especially in the area of energy, due to increased operating costs in 2022, and an additional PLN 14.3 billion³⁹ from the supplement to the general subsidy as further support for local self-governments in the implementation of public tasks in 2023, these revenues could not be calculated in advance, they flowed in afterwards and often did not fully compensate for the decrease in revenues from PIT and CIT. In addition, the amount of supplementary subsidies, often called “Janosikowe” (the colloquial name of a compensatory subvention transferred to local government units characterised by a worse financial situation than the national average) was calculated according to the data from two years earlier, and thus the effect of inflation was not taken into account.

228. In connection with the new financing system that entered into force in 2025, according to the promises of the central government, the proportion of central grants will decrease, which should be offset by the increase in income from the PIT and CIT share. According to the government's forecast, the new system will significantly increase local government revenues from PIT and CIT from the current level of PLN 102.3 billion⁴⁰ to PLN 201.6 billion⁴¹. It would mean that the ratio between local government revenue from the PIT and CIT and the central subsidies will change from the previous 48/52 % to 80/20 %. This would indeed represent a significant change and would significantly increase the autonomy of the financial management of local governments, since in principle they decide independently on the use of revenues from shared taxes.⁴² However, on the basis of the text of the Act of 1 October 2024, it is not clear how this goal will be achieved. According to the plans, financial equalisation, which by its nature is central support, will play a greater role in those municipalities with low income from PIT and CIT, and “there will also be a significant increase in funds for the development

36. EUR 1.8 billion (exchange rate at the time of the visit: PLN 1 = EUR 0,2316 according to the European Central Bank).

37. EUR 0.9 billion.

38. EUR 3.2 billion.

39. EUR 3,3 billion.

40. EUR 23,7 billion.

41. EUR 46,7 billion.

42. However, when local authorities received additional funds from the share of revenues from personal income tax in 2022, they were obliged to spend them for tasks aimed at mitigating the climate crisis (i.e. tasks in the field of improving energy efficiency, development of renewable energy sources, reduction of heat or energy purchase costs borne by consumers, etc.).

needs of local self-government units – from the level of PLN 3.5 billion⁴³ to PLN 8.6 billion⁴⁴, i.e. by 245%”.⁴⁵

229. Moreover, according to Art. 11 and 12 of the Act, the forecast of the Minister of Finance on the national average wage (in case of the PIT) and the annual GDP (for the CIT) has a fundamental influence on the calculation of the municipalities’ share in PIT and CIT revenues. As Art. 13 para 3 states, “the amounts of annual income of local government units from their share in personal income tax and corporate income tax are determined by the minister responsible for public finances” which makes the calculation less objective and foreseeable.

230. All things considered, if the government’s forecasts prove to be correct and the increase in local government financial resources it has foreseen is realised, local finances will become more robust to adapt to economic fluctuations. In the meantime, the rapporteurs have not observed evolutions in local taxation powers since the previous monitoring exercise, which were considered as limited. This reduces local authorities’ ability to respond to increased costs associated with the implementation of their tasks.

231. In the light of the above, the rapporteurs consider that Article 9.4 is partially complied with in Poland.

3.8.5 Article 9.5

232. This provision of the Charter introduces a rule for the protection of financially weaker local authorities.

233. The new Act on local revenues assigns an important role to the new method of financial equalisation because the tax strength of the various municipalities, districts and regions is extremely different which would lead to even greater regional discrepancies. The PIT and CIT shares of the various local government units are very different under the new financial system, as the new formula of calculating local governments’ share is based on the forecast of the national average wage level and GDP by the Minister of Finance (Arts. 11-12), and “[t]he amounts of annual income of local government units from their share in personal income tax and corporate income tax are determined by the minister responsible for public finances” (Art. 13 para 3).

234. One of the main features of the new equalisation system is that it takes into account not only the regional discrepancies, but also the differences in spending needs of the various local authorities. For this purpose, compensatory, educational, developmental, ecological, and complementary needs are estimated based on a so-called “wealth indicator”. The value of this indicator is calculated for each category of local government units, and, within the relevant category, individually for each local authority by dividing the sum of its basic tax revenues it by the number of its residents. Although several objective criteria are used when calculating the cost requirements of the various needs, the minister responsible for the given area has considerable influence in the distribution of central subsidies. So, for example, “[t]he minister responsible for public finances shall specify, by way of a regulation, for individual categories of local government units the expenditure areas, including the expenditure areas (...), and the values of their weights, the determinants influencing the expenditure needs in a given expenditure area”, etc.

235. Although there is a lack of available data, the rapporteurs’ opinion is that the advantage of the new system may be that it takes into account the financial capacity of the various local authorities as well as their spending more than before.

236. In the light of the above, the rapporteurs consider that Article 9.5 of the Charter is respected in Poland.

3.8.6 Article 9.6

237. Article 9.6 of the Charter deals with the required consultation on how to redistribute financial resources that are allocated to local authorities. On this specific aspect, local authorities should be

43. EUR 0,8 billion.

44. EUR 2,0 billion.

45. From the Ministry of Finance's response to the rapporteurs' written questions.

specifically consulted “in an appropriate manner”, which means that sufficient time should be allocated to the consultation process (see Contemporary Commentary, §174).

238. In the course of the monitoring visit, there was much criticism of the previous mechanism of consultation, notably to avoid direct consultation with local government associations, such as submitting governmental proposals in the form of individual MPs bills. During the discussions with the representatives of the national associations of subnational authorities, the prevailing opinion was that since the change of government in 2023, the style of central-local relations has changed in a positive direction, the national authorities “listen” to the demands of the local governments, and therefore the rapporteurs are optimistic about the future of consultations.

239. While in the period between 2019-2023 the requirements set out in Article 9.6 of the Charter were not properly complied with, during the visits, the rapporteurs observed clear improvements with notably the organisation of frequent Joint Commission meetings.

240. In the light of the above, the rapporteurs consider that Art. 9.6 of the Charter is respected in Poland.

3.8.7 Article 9.7

241. Article 9, paragraph 7 of the Charter prefers general or block grant as form of central subsidies, because either as a lump sum or paid in instalments, it leaves the local authorities independent in how they spend it.

242. In Poland, Art. 167 of the Constitution states that local government revenues consist of their own revenues as well as general (block) and specific grants from the State budget.

243. During the monitoring process, the rapporteurs identified several types of specific grants that are provided by the state budget for specific purposes, but they did not receive information about their actual proportion within all state subsidies. The received statistics treat general and specific grants uniformly. These grants are targeted subsidies for tasks within the scope of government administration and other tasks assigned by law or undertaken under agreements concluded with government administration bodies (delegated tasks and functions), removing direct threats to public safety or order, the effects of floods or landslides or the effects of other natural disasters, financing or co-financing of own tasks, or the implementation of tasks arising from international agreements.

244. Since the last monitoring report, several different funds have been established for financing specific objectives and local government investments, such as Government Local Investment Fund (for counteracting the socio-economic impact of COVID-19 pandemic), Strategic Investment Programme (for supporting local government investments), Fund for the Development of Bus Transport, Government Road Development Fund or Social and council housing programme. As it has been seen before, in some cases even the use of PIT and CIT revenues is tied to specific targets, that is, according to all indications, no sharp distinction is made between general and earmarked grants.

245. During the monitoring visit, the rapporteurs did not hear any specific complaints about this.

246. Therefore, the rapporteurs consider that Article 9.7 of the Charter is respected in Poland.

3.8.8 Article 9.8

247. This provision establishes the access for local authorities to national capital markets as essential for investments on projects, when their “ordinary” resources are not sufficient (see Contemporary Commentary, §182).

248. Local authorities may take up loans and credits for their capital spending. These financial instruments are commonly used to fund infrastructure projects, public services, and development initiatives that cannot be covered entirely by current budget revenues. This right is guaranteed by the Public Finance Act also setting conditions, limits and procedures for local government borrowing. During the consultation procedure, the Ministry of Finance specified that the limitations on the debt of local government units are regulated by two fiscal rules arising from the Public Finance Act. The first concerns

the balancing the current side of the local government budget (Article 242 of the Act), which states that the planned current expenditures of local government cannot exceed planned current revenues augmented by the budget surplus from previous years and the surplus of funds in the current account resulting from settlements of the securities issued, bank and non-bank loans from previous years. At the end of the budget year, executed current expenditures of local government cannot exceed executed current revenues augmented by the budget surplus from previous years and the mentioned above surplus of funds in the current account. Current deficit is allowed only in budget execution in the amount relating to the implementation of current expenditure with the participation of EU and EFTA funds, if these funds were not transferred in a given budget year. The second rule specifies the maximum permissible limit for the repayment of local government liabilities (Article 243 of the Act). In the budget year and in each year following the budget year, the ratio of the repayment of liabilities together with debt service charges to the budget current revenues generally may not exceed the arithmetic mean from the ratio of its current revenues augmented by revenues from the sales of assets and reduced by current expenditures calculated for the last three or seven years to budget current revenues. Local governments are required to report their financial situation, including debt levels, to the Ministry of Finance and the regional chamber of audit.

249. It means that the right of local governments to take up loans for investments is recognised by law, within reasonable limits. Consequently, the rapporteurs consider that Article 9.8 of the Charter is respected in Poland.

3.9 Article 10 – Local authorities’ right to associate

Article 10 – Local authorities’ right to associate

1. Local authorities shall be entitled, in exercising their powers, to co-operate and, within the framework of the law, to form consortia with other local authorities in order to carry out tasks of common interest.
2. The entitlement of local authorities to belong to an association for the protection and promotion of their common interests and to belong to an international association of local authorities shall be recognised in each State.
3. Local authorities shall be entitled, under such conditions as may be provided for by the law, to co-operate with their counterparts in other States.

3.9.1 Article 10.1

250. Article 10.1 details the right for local authorities to co-operate with other local authorities to deliver local services or exercise local responsibilities.

251. Article 172 para 1 of the Constitution recognises the local authorities’ right to associate. This includes the right of association established for the purpose of performing joint tasks with other municipalities. The detailed rules are contained in the Act on municipal self-government. Accordingly, compulsory tasks of local authorities may be carried out by means of cooperation between local self-government units. By this way, municipalities and inter-municipal associations “may provide assistance to each other or to other local government units, including financial assistance” (Art. 10 para 1-2). Joint services can be provided in different fields of administrative, financial and other services, such as culture or public transport.

252. Joint services may be provided by local government offices or another organisational unit of municipality, an inter-municipal association. Due to the different functions, the various types of local governments typically create associations for different purposes, so for example, in the services of public transport, environmental protection, local and regional developments, or strategic planning.

253. The decision on the establishment of inter-municipal associations falls within the competence of the municipal council. Inter-municipal associations may be established by agreement between municipalities concerned.

254. Similar rules also apply to district and regional governments, which are contained in the laws applicable to them.

255. Based on all this, the rapporteurs consider that Article 10, paragraph 1 of the Charter is respected in the country.

3.9.2 Article 10.2

256. Article 10.2 refers to the right for local authorities to belong to “a national association for the protection and promotion of their common interests” and “an international association of local authorities” (see also Contemporary Commentary, §195).

257. In Poland, local authorities can form and join associations “to promote the idea of local self-government and to defend common interests” (Article 84 of the Act on municipal self-government). Similar regulations exist for district and regional levels.

258. At the moment, there are no less than nine national associations of local authorities. These are:

- Association of Polish Cities (*Związek Miast Polskich*);
- Association of Polish Rural Communes (*Związek Gmin Wiejskich Rzeczypospolitej Polskiej*);
- Association of Polish Districts (*Związek Powiatów Polskich*);
- Association of Polish Regions (*Związek Województw Rzeczypospolitej Polskiej*);
- Union of Polish Metropolises (*Unia Metropolii Polskich*);
- Association of Polish Communes and Cities (*Związek Gmin i Miast Polskich*);
- Union of Polish Small Towns (*Unia Miasteczek Polskich*);
- Association of Polish Towns (*Związek Miasteczek Polskich*);
- Union of Polish Local Governments (*Związek Samorządów Polskich*).

259. The reason for this fragmentation is that their organisation is based on settlement types and subnational levels, i.e. similar local and regional governments are grouped into separate associations.

260. Regarding the participation in international associations, Article 84a of the Act on municipal self-government specifically refers to the right for local authorities to join international associations of local and regional authorities.

261. In the light of the above, the rapporteurs conclude that Article 10.2 of the Charter is respected in Poland.

3.9.3 Article 10.3

262. Article 10.3 deals with the possibility of co-operation of local authorities with their counterparts in other States.

263. Regarding this specific provision of the Charter, it is important to mention that Poland has signed and ratified the European Outline Convention on Cross-border Co-operation between Territorial Communities or Authorities (CETS No.106).

264. During the monitoring visit and written replies, no issues have been raised by the interlocutors on this subject.

265. Therefore, the rapporteurs conclude that Article 10.3 of the Charter is complied with in Poland.

3.10 Article 11 – Legal protection of local self-government

Article 11 – Legal protection of local self-government

Local authorities shall have the right of recourse to a judicial remedy in order to secure free exercise of their powers and respect for such principles of local self-government as are enshrined in the constitution or domestic legislation.

266. Article 11 of the Charter is a key article in the architecture of the Charter, as according to this provision, local authorities should be entitled to invoke the principles of local self-governments in the courts and defend themselves against their local autonomy (see Contemporary Commentary, §206).

267. Article 165, paragraph 2 of the Constitution declares that “[t]he self-governing nature of units of local self-government shall be protected by the courts”. Local authorities have several options to request

judicial protection to protect their rights. They can appeal to the administrative court against the decisions of the supervisory authorities (declaring the suspension or invalidity of local government acts). In addition, they may turn to ordinary court for protecting their property rights, or, if the central government does not provide them with sufficient financial support to perform their mandated or delegated tasks. Finally, local authorities may lodge a complaint before the Constitutional Tribunal if they dispute the constitutionality of a legal norm affecting them.

268. In recent years, several local authorities (including municipalities and regional governments) have brought legal claims against the State for the reimbursement of their own funds spent on tasks outsourced by the central government in the field of government administration. Although these litigations are costly and time-consuming, the legal remedy for local authorities required by the Charter is available in Poland.

269. Overall, the Polish legal system provides adequate judicial protection for local governments. However, it is important to note that in recent years, many conflicts have arisen regarding the legitimacy of the composition of the Constitutional Tribunal⁴⁶ and the Supreme Court, and the judicial independence has also been severely criticised. These conflicts may adversely affect the right of the municipalities as defined in this article of the Charter, which some interlocutors indicated to the rapporteurs.

270. However, the rapporteurs want to emphasise that they have been informed that some procedures can be extremely lengthy (up to nine years, for example). According to the rapporteurs, this reduces the effectiveness of legal remedies aimed at protecting local autonomy.

271. In the light of the above, the rapporteurs consider that this requirement of the Charter is currently only partially respected in Poland.

4 OTHER MATTERS RELATED TO THE FUNCTIONING OF LOCAL AND REGIONAL SELF-GOVERNMENT

4.1 The impact of Russian Federation' war of aggression against Ukraine

272. In February 2022, the full-scale invasion of Ukraine by Russian Federation profoundly affected local and regional authorities across Europe, particularly in frontline states like Poland. From the first days of the conflict, local governments had to respond to unprecedented humanitarian consequences. In cities like Radom and its surrounding district, authorities mobilised rapidly to provide shelter, services, and dignity to tens of thousands of refugees—primarily women and children fleeing violence and instability.

273. In July 2022, the Congress conducted a mission to Poland to learn from the experiences of cities and regions.⁴⁷ This visit led to the adoption of Resolution 487 (2022) and Recommendation 481 (2022) "Reception of women and children refugees in Europe's cities and regions".

274. Due to placement of thousands of refugees across Poland and the intention to provide them with easy and fast access to various forms of assistance, a substantial part of the tasks oriented to assisting the Ukrainian refugees has been executed by territorial self-government units as part of delegated government administration tasks. Based on art. 12 of the Act of 12 March 2022 on assistance to Ukrainian citizens in connection with the armed conflict on the territory of that country, the Department of Security, Crisis Management and Protection provides free accommodation and meals for refugees from Ukraine. Local governments were responsible for paying benefits for providing accommodation and meals to Ukrainian citizens staying in the territory of the Republic of Poland in accordance with Art. 13 of the Act on assistance to Ukrainian citizens.

275. Schools opened preparatory classes for Ukrainian students, supplied free textbooks, meals, and school kits, and employed intercultural assistants to support communication between children, parents,

46. For more details, see Miroslaw Granat, Constitutionality of law without a constitutional court in the Polish setting, in Miroslaw Granat (ed.), *Constitutionality of Law without a Constitutional Court*, Routledge, 2024. 29-47.

47. Congress of Local and Regional Authorities (2022), Website, [Women and children refugees - Congress delegation collects experiences from Polish cities](#).

and teachers. These efforts were complemented by extracurricular activities aimed at social integration. For instance, between 2022 and 2024, nearly 800 Ukrainian children were enrolled in city of Radom.

276. The rapporteurs acknowledge that subnational authorities emerged not only as first responders but as pillars of resilience and solidarity in this unprecedented crisis.

4.2 Protection of the environment

277. Among their respective spheres of competences, the different levels of governments in Poland have competences regarding the protection of environment. Many interlocutors identified this issue as one of the main challenges for local authorities.

278. Several representatives of local governments referred to the need for the preparation for climate change and the local government efforts to deal with its consequences, including local and regional development projects for achieving climate-related goals such as thermal modernisation and adapting buildings to climate change requirements. For instance, Radom District mentioned several crisis situations having occurred in their district, such as a fire at a plastics storage facility in the town of Pionki, flooding of farms, strong winds and numerous power grid failures, and a tornado.

279. The need for climate adaptation should not be neglected when, for example, new infrastructure investments are considered, designed and achieved. A local leader met by the delegation called energy transformation the biggest challenge for his own municipality, and others also reported on the transition to renewable energy sources as a strategic development goal. In this regard, it can be noted that the central government has several programmes (such as “Clean Air” Programme) in which local governments can also participate, and there are separate funds (e.g. National Fund for Environmental Protection and Water Management) that they can apply for.

4.3 Participation in local affairs

4.3.1 Youth participation in local affairs

280. Youth participation in local affairs is a key pillar of democratic governance and a priority for the Congress of Local and Regional Authorities. It also contributes to building inclusive societies where younger generations have a voice in shaping their communities’ future and taking an active part in the decision-making processes at local level.

281. In Poland, several initiatives demonstrate the commitment to involve youth in local and regional decision-making processes. During the monitoring visit, the rapporteurs met with different interlocutors at subnational levels who are implementing youth participation in their respective sphere of competences.

282. One example is the Youth Sejmik of the Mazovian Voivodeship (MSWM), established under the Act on Voivodeship Self-Government. Composed of 51 student councillors elected from across the region, the MSWM serves as a consultative and advisory body to the regional authorities. It provides opinions on youth-related draft resolutions, contributes to strategic planning, monitors youth policy implementation, and initiates civic education activities.

283. Another example, at the municipal level, the city of Radom established a Youth City Council in 2019. Young councillors are elected by their peers and advise the local government on youth matters and help ensure that the voices of young residents are heard. This council operates alongside other participatory bodies such as the Seniors Council, the Municipal Sports Council, and various advisory teams, all aimed at enhancing inclusive governance and tailoring local policies to diverse social needs.

4.3.2 Signature of the Additional Protocol to the European Charter of Local Self-Government on the right to participate in the affairs of a local authority (CETS No. 207)

284. Poland has not signed or ratified the Additional Protocol to the Charter on the right to participate in the affairs of a local authority (CETS No. 207). The objective of this text is to bring within the scope of the Charter the right of any person to participate in the affairs of a local authority.

285. In Poland, the three acts regulating the operation of municipal, district and regional self-government, provide the basis for organising local government social consultations and citizen budgets, as well as establishing youth councils and senior councils.⁴⁸

286. In addition to the specific youth participation detailed earlier, it was reported to the Congress delegation that local authorities are entitled to ensure the participation of citizens in local affairs. For example, in the city of Radom, three existing participatory tools are implemented: civic participatory budget, social consultations and civic initiatives, offering room for citizens to propose draft resolutions to local authorities. In Poland, the obligation to create a participatory budget for cities with district rights was introduced by the Act of 11 January 2018 amending certain laws to increase citizen participation in the process of electing, functioning and overseeing certain public authorities.

287. Considering all the existing participatory mechanism in Poland, the rapporteurs encourage the country to sign and ratify the Additional Protocol to the European Charter of Local Self-Government on the right to participate in the affairs of a local authority (CETS No. 207).

4.4 Other challenges identified by local interlocutors

288. During their meetings and through their written answers to the rapporteurs' questions, the interlocutors of the Congress delegation reported on a number of challenges that the Polish local authorities have to face, in addition to those discussed so far.

289. Some interlocutors referred to the new ideas for EU cohesion policy as a major challenge. More exactly, they considered the possibility of greater centralisation of cohesion policy funds as a threat to local authorities, emphasising that regions have proven to be able to manage these funds effectively as they are closer to the population and familiar with the challenges faced by different areas.

290. The regional discrepancies between the various regions and territories of the country, should also be managed. For instance, it is a great challenge to ensure the socio-economic cohesion of Mazovian Voivodeship by bridging the gap between the area of the Warsaw metropolis and the rest of the *voivodeship*, since, as the representatives of this region pointed out, despite the rapid overcoming of the development gap to the most developed regions of the European Union, there are still large disparities (measured by GDP per capita) between the strongly urbanised Warsaw capital region and the Mazovian Voivodeship.

291. Municipalities and regions that are in disadvantageous situation in economic, demographical or infrastructural terms, have to counteract the negative effects of the 'brain drain', characterised by a dynamic outflow of young and highly qualified people.

292. Demographic problems are related to this phenomenon: the aging population deeply affecting the local labour market and significantly burdening the social and health care system. Another problem is the permanent depopulation of the regions in detrimental situation.

293. Finally, the crisis management has brought about another challenge to local authorities in recent years, in particular risks and threats related to the imminent armed conflict, hybrid war and humanitarian crisis on the Polish-Belarusian border, the COVID-19 pandemic or natural disasters.

5. CONCLUSIONS

294. In Poland, the constitutional and legal status of local governments meets the requirements of the Charter. The Polish self-government system is three-tiered: municipalities exist at the basic level, while democratically elected district and regional self-governments operate at the territorial level.

295. Local authorities take care of a significant part of local and regional public affairs. They have also been assigned a number of state administration tasks in recent years. However, this cannot be considered as decentralisation, since the central government determines the way tasks are carried out, so the advantages of knowing local circumstances and operating at the level closest to the population, which is the essence of subsidiarity, are not realised.

48. A. Gąsiorowska (2024), Country Report: Poland, The Significance of Citizen Participation in Politics and Society, page 4.

296. In addition, between 2019 and 2023, a wave of centralisation was also observed, primarily at the expense of the regions. The current government has not restored the previous arrangements, even though the local authorities at all levels want that. Consideration should therefore be given to whether public tasks centralised over the past five years could be performed effectively within the local government framework. This should be considered especially with regard to environmental issues, water management, and social benefits. In the course of further decentralisation, with the involvement of different types of local government, each administrative task should also be classified according to the level at which it can be performed most effectively (thus, for example, exempting the regional level from technical administrative tasks).

297. The institutional framework for consultations between central and local government is established and seems to be adequate despite a fragmented system of representation of local governments' interests. It is important to continue in this way and to make sure that Joint Commission meetings are regularly organised to deal with issues on all matters which concern local authorities.

298. The system of local government finance changed significantly on 1 January 2025. According to the government's forecast, all municipalities should have additional resources compared to the previous system, and their incomes and thus their financial management will be more predictable and stable. The previous mechanism of financial equalisation is also being thoroughly transformed, so that the financing and unique needs of individual local authorities will be better taken into account. Exempting local governments from negative consequences resulting from possible changes in personal income tax and corporate income tax is important progress. Nevertheless, it would be advisable to move away from the systems of providing additional subsidies allocated occasionally by the central government and based on individual considerations. Instead, the appropriate tool for meeting special development needs is the allocation of specific grants according to predetermined, objective criteria known to the local governments concerned.

299. The effects of the new financing system to increase local government revenues cannot yet be assessed, but the intention to make local authorities less dependent on general tax revenues and to put financial needs on a more objective basis is welcome, and there are signs (e.g. first quarter 2025 data) that local governments may indeed receive additional resources. However, it is important that no local authorities lose income (e.g. certain regions or types of local government).

300. It should also be noted that local governments are also at risk from the internal political tensions that may continue after the 2025 presidential elections, which could make reforms aimed at further decentralisation of tasks and public services, deregulation, and the increase and diversification of local resources more difficult.

APPENDIX – Programmes of the Congress monitoring visits to Poland

PROGRAMME

CONGRESS MONITORING VISIT TO POLAND – FIRST PART

Warsaw and Radom

22-24 October 2024

FINAL PROGRAMME

Congress delegation:

Rapporteurs:

Mr Anders KNAPE

Rapporteur on Local Democracy
Chamber of Local Authorities, EPP/CCE⁴⁹
Member of the Municipal Assembly (Karlstad)
(Sweden)

Mr Andrew BOFF

Rapporteur on Regional Democracy
Chamber of Regions, ECR⁴⁹
Chair, London Assembly (London)
(United Kingdom)

Congress Secretariat:

Mr Guillaume LOISEAU

Co-Secretary to the Monitoring Committee

Expert:

Prof. Zoltán SZENTE

Member of the Group of Independent Experts on the European
Charter of Local Self-Government (Hungary)

Interpreters:

Ms Magda Ewa FITAS

Ms Aleksandra Anna SOBCZAK

The working language of the meetings will be Polish. Interpretation from and into English will be provided by the Congress.

Tuesday, 22 October 2024
Warsaw

⁴⁹ EPP/CCE: European People's Party Group in the Congress
SOC/G/PD: Socialists, Greens and Progressive Democrats Group
ILDG: Independent Liberal and Democratic Group
ECR: European Conservatives and Reformists Group
NR: Member not belonging to any political group in the Congress

JOINT MEETING WITH MEMBERS OF THE NATIONAL DELEGATION OF POLAND TO THE CONGRESS AND THE INDEPENDENT EXPERT

Mr Marcin GOLASZEWSKI, Municipal councillor, Lodz

Ms Monika AUGUSTYNIAK, Full member of the Group of Independent Experts on the European Charter of Local Self-Government

MINISTRY OF FINANCE

Ms Zdzisława WASAŻNIK, Deputy Director, Local Government Finances Department

Mr Janusz KOT, Expert, Local Government Finances Department

Ms Anita GRABOWSKA, Chief specialist, Local Government Finances Department

Ms Anna PIETRZAK, Counsellor, Taxes and Fees constituting revenue of Local Government Units Department

JOINT MEETING WITH SENATE AND SEJM

SENATE

Mr Wadim TYSZKIEWICZ, Senator, Deputy Chairman of the Committee for the Self Government and Public Administration

Mr Bartosz BĘGOWSKI, Chancellery of the Senate, Office for International Cooperation, Protocol, Secretary of the Senate Delegation to PACE

SEJM

Ms Krystyna SKOWROŃSKA, Member of Parliament, Deputy Chairperson of the Public Finance Committee

Mr Rafał KASPRZYK, Member of Parliament, Deputy Chairperson of the Public Finance Committee

MEETING WITH THE NATIONAL ASSOCIATIONS OF LOCAL, DISTRICT AND REGIONAL AUTHORITIES

- **ASSOCIATION OF POLISH CITIES**

Mr Arkadiusz CHECINSKI, Member of the Board, Mayor of Sosnowiec

- **ASSOCIATION OF RURAL COMMUNES OF POLAND**

Mr Stanisław JASTRZEBSKI, President of the Association, Mayor of Długosiodło

Ms Bogumiła LEWANDOWSKA-SIWEK, Vice-President of the Association, Mayor of Baranów

Ms Ewa KARCZEWSKA, Deputy Mayor of Długosiodło

- **ASSOCIATION OF POLISH DISTRICTS**

Mr Grzegorz KUBALSKI, Director of the Office of the Association

- **UNION OF THE VOIVODESHIPS OF POLAND**

Ms Janina Ewa ORZELOWSKA, Member of the Board of Masovian Voivodeship

Ms Magdalena GOLAN, Coordinator at the Association

- **UNION OF POLISH METROPOLITAN AREAS**

Mr Marcin KRUPA, Mayor of Katowice

- **UNION OF POLISH SMALL TOWNS**

Mr Tomasz GROMALA, Mayor of Lipnica Murowana,

Ms Katarzyna PACZYNSKA, Secretary of the Polish Delegation to the Congress

Wednesday, 23 October 2024
Warsaw

SUPREME AUDIT OFFICE (NIK)

Mr Marian BANAŚ, President

Mr Michał JĘDRZEJCZYK, Vice-President

Mr Jarosław MELNAROWICZ, Director General

Mr Grzegorz HABER, Acting Director of the Department of Strategy, Advisor to the President, Member of the NIK Council

Mr Wojciech ZAMBRZYCKI, Acting Deputy Director of Regional Branch in Białystok

Mr Mariusz LENKIEWICZ, Director of Regional Branch in Olsztyn

Mr Marcin TOMALAK, Economic Advisor, Department of Budget & Finance

Mr Marcin MARJAŃSKI, Press Officer

Ms Małgorzata PUSZKIEWICZ, Senior Public Audit Expert, Department of Strategy

CITY OF WARSAW

Ms Ewa MALINOWSKA-GRUPIŃSKA, Chair of the City Council

Mr Marcin FIJALKOWSKI, Secretary of the City of Warsaw

MASOVIAN VOIVODESHIP

Mr Adam STRUZIK, Marshal

Ms Aleksandra HANZEL, Deputy Director for Economy and International Cooperation

Mr Jakub ZAJDEL, International co-operation, Office of the Marshal

MINISTRY OF INTERIOR AND ADMINISTRATION

Mr Tomasz SZYMAŃSKI, Secretary of State in the Ministry of Interior and Administration

Mr Paweł SWANIEWICZ, Head of the National Institute for Local Governments

COMMISSIONER FOR HUMAN RIGHTS

Ms Anna BIAŁEK, Deputy Director of the Department of Constitutional, International and European Law

Mr Łukasz KOSIEDOWSKI, Deputy Director of the Department of Administrative and Commercial Law

Thursday, 24 October 2024
Radom

CITY OF RADOM

Ms Katarzyna KALINOWSKA, Deputy Mayor

RADOM DISTRICT

Mr Waldemar TRELKA, Starosta of Radom District

Mr Krzysztof MURAWSKI, Deputy Starosta of Radom District

Mr Zdzisław MROCZKOWSKI, Chair of the District Council

Mr Marcin GENCA, Director of the Promotion and Development Department of the Radom District Office
Press Spokesperson of the Radom District Head

CONGRESS MONITORING VISIT TO POLAND – SECOND PART

Warsaw
(28 May 2025)

FINAL PROGRAMME

Congress delegation:

Rapporteurs:

Mr Anders KNAPE

Rapporteur on Local Democracy
Chamber of Local Authorities, EPP/CCE⁵⁰
Member of the Municipal Assembly (Karlstad)
(Sweden)

Mr Andrew BOFF

Rapporteur on Regional Democracy
Chamber of Regions, ECR⁵⁰
Chair, London Assembly (London)
(United Kingdom)

Congress Secretariat:

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Expert:

Prof. Zoltán SZENTE

Member of the Group of Independent Experts on the European
Charter of Local Self-Government (Hungary)

Interpreters:

Ms Magda Ewa FITAS

Mr Rafal ROGOWSKI

The working language of the meetings was Polish. Interpretation from and into English was provided by the Congress.

⁵⁰ EPP/CCE: European People's Party Group in the Congress
SOC/G/PD: Socialists, Greens and Progressive Democrats Group
ILDG: Independent Liberal and Democratic Group
ECR: European Conservatives and Reformists Group
NR: Member not belonging to any political group in the Congress

Wednesday, 28 May 2025
Warsaw

NATIONAL ASSOCIATIONS OF LOCAL, DISTRICT AND REGIONAL AUTHORITIES

- **ASSOCIATION OF POLISH CITIES**

Mr Andrzej PORAWSKI, Executive Director, Association of Polish Cities

Mr Marek WOJCIK, Advisor to the Board of the Association of Polish Cities, Secretary of the Self-government site of the Joint Commission of the Government and Local Self-Government

- **ASSOCIATION OF POLISH REGIONS**

Mr Marek MIESZTALSKI, Treasurer of Mazovia Region

- **ASSOCIATION OF POLISH DISTRICTS**

Mr Grzegorz KUBALSKI, Deputy Director, Association of Polish Districts

- **ASSOCIATION OF RURAL COMMUNES OF POLAND**

Mr Stanislaw JASTRZEBSKI, Chairman of the Board, Association of Rural Municipalities

- **UNION OF POLISH SMALL TOWNS**

Mr Pawel BANASIK, member of the Board, Union of Polish Small Towns, Mayor of Lipno

Ms Katarzyna PACZYNSKA, Secretary of the Polish Delegation to the Congress

MINISTRY OF INTERIOR AND ADMINISTRATION

Mr Maciej DUSZCZYK, Undersecretary of State

Mr Paweł SWIANIEWICZ, Head of the National Institute for Local Governments

MINISTRY OF FINANCE

Mr Marek WIEWIÓRA, Director of the Local Government Finances Department

Mr Mirosław STAŃCZYK, Deputy Director

Mr Dariusz WIĄCEK, Chief specialist

Ms Anita GRABOWSKA, Chief specialist

SUPREME AUDIT OFFICE (NIK)

Mr Michał JĘDRZEJCZYK, Vice-President