



SERVICE FRANCE DOMAINE
120 rue de Bercy
75572 PARIS CEDEX 12
télédoc 758

PROPERTY MANAGEMENT POLICY OF THE FRENCH STATE

Property management is a pilot project in the process of State reform

In response to comments from Parliament and the report submitted on 6 July 2005 by Georges Tron, MP for the Essonne district, the government has decided to inject greater momentum into the property management policy of the French State and its Property Department.

As a result, the government has introduced an action plan with four main thrusts: legislative amendments with a reform of selling procedures and a new legal regime for local authority assets; budgetary amendments with the creation of a special appropriation account; changes to administrative procedures with the creation of France Domaine; and the introduction of financial performance targets for property sales, among other things.

France Domaine is spearheading the drive to make property management policy more professional and rational

France Domaine represents the State as a property owner. Organised as a department of the Ministry of the Economy, Finance and Industry, it has reported to the Public Accounting General Directorate (direction générale de la comptabilité publique) since 1 January 2007. Working with the property departments of government ministries, France Domaine will ensure that the State's property assets are efficiently managed.

Ministries have drawn up multi-year plans for their property strategy under the coordination of France Domaine. Each ministry has set out its approach to modernisation based on a review of the way its properties are used. This review has already been carried for central government departments in the Paris metropolitan area and will be extended to decentralised departments in the rest of France.

These efforts have made it possible to exceed the target set in 2003 of selling State property to the value of €1.5 billion in three years. Annual sales amounted to €170 million in 2004, €34 million in 2005 and more than €780 million in 2006, compared with less than €100 million on average over the previous decade.

The 2007 target of €500 million is consistent with this dynamic process. It concerns properties located in Paris and its metropolitan area but also elsewhere in France and abroad.

With the proceeds from these sales, ministries are able to upgrade their properties and house their personnel in better designed premises. This not only improves working conditions but also facilitates access for the general public.

A transparent selling procedure

In accordance with law and to obtain the maximum value, State property assets are sold through a wide-ranging, transparent bidding process, once local authorities have had an opportunity to take up their priority entitlement.

Sales are announced in both the mainstream and the specialised press. In some cases, a sale is prepared with the aid of property industry professionals and the terms and conditions are posted on a special website at www.minefi.gouv.fr/cessions/. As a rule, France Domaine is able to answer queries from anyone interested in its sale programmes. To that end, its central and local contact details are published on the website.

A commission chaired by a general inspector of finance (senior finance ministry official) assisted by law officers is responsible for monitoring the procedure to ensure that it is transparent, lawful and of a high standard and that the public purse is safeguarded.