

## Land Consolidation in Central and Eastern European Countries

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## The land reform process in Central and Eastern European countries in the 1990ties:

- It is the intention of this presentation to try to give an overview of land consolidation activities in CEEC 15 years after the political changes.
- All countries in the region have been through a remarkable process of land reform since the collaps of the communist system:
  - De-collectivization of agrarian structures
  - Restitution of private ownership rights to land
  - Privatization
- The land reforms were driven by considerations of political justice and in some countries the need for a fast allocation of agricultural land to rural house holds to avoid starvation after the collaps of collective farms.

## The result of the land reform process:

- Agrarian structures unsuitable for today's Europe in a globalizing economy.
- Land fragmentation and small average farm sizes emerged as a side effect of the land reforms in most countries in the region.
- In Moldova: Average agricultural holding size is 1,56 ha located in 3-4 land parcels (often with 10-15 km between parcels).
- In Armenia: Average agricultural holding size is 1,2 ha located in 2-4 land parcels (often with up to 10 km between parcels).
- In Kosovo: Average agricultural holding size is 2,5 ha often located in 8 or more land parcels.

## Is fragmentation of land parcels always a problem?

- A high degree of land fragmentation (of the owner structure) is not always an important problem for *use of the land*.
- Countries like the Czech Republic and Slovakia have a high degree of fragmentation of the owner structure, but both countries have among the least fragmented land use in the region (large average unit size).
- Land fragmentation IS an important problem in countries where rural households have to rely on agriculture as a main source of income.
- This is the situation in most of the countries in the region, specially in Balkan- and Caucasus countries.

## Fragmentation of land parcels:



Small and fragmented land parcel in Copanca Village, Moldova

## Recognition of the structural problems in the agrarian sectors (fragmentation and small farm sizes):

- Over the last 5-10 years an increasing recognition of the problems among political decision makers and experts in the region.
- Second wave of land reform in CEEC:
  - Land consolidation
  - Land funds / Land banks
  - Improved land management schemes
- Inspiration from Western European countries (some with a more than 200 year old land consolidation tradition).

**Status of land consolidation activities in the region:**

- Most of the countries have had the first experiences with land consolidation over the last decade.
- The variation between the countries is considerable.
- Five of twenty countries already have on-going National Land Consolidation Programmes co-funded by EU under the Rural Development programmes (Czech Rep., Lithuania, Poland, Slovakia and Slovenia).
- Four of the countries have not yet had any practical experience with land consolidation.
- Most of the countries are somewhere in-between.
- In a few of the countries land consolidation is not a political priority. The Government relies on the land market to solve the problems.

**Status of land consolidation activities in the region:**

	Land consolidation pilot projects under implementation	Land consolidation pilot projects already implemented	National land consolidation strategy under preparation or already prepared	Land consolidation legislation developed	On-going national land consolidation programme
Albania		X			
Armenia	X		X		
Bosnia & Her.					
Bulgaria		X	X		
Croatia	X		X		
Czech Rep.				X	X
Estonia		X			
Georgia					
Hungary		X	X		
Kosovo	X			(X)	
Latvia		X			
Lithuania		X	X	X	X
Macedonia					
Moldova	X		X		
Poland			X	X	X
Romania	X		X		
Serbia	X		X	(X)	
Slovakia				X	X
Slovenia				X	X
Ukraine					

**Beginning with pilot projects:**

- Most of the countries (12) are at the moment preparing or implementing land consolidation pilot projects or have already done so.
- Most of these countries have already prepared or are in the process of preparing a National Land Consolidation Strategy.



The first land consolidation agreement signed in Armenia (November 2005)

**Land consolidation legislation:**

- All five countries with on-going land consolidation programmes have developed special land consolidation legislation.
- In Lithuania two pilot projects gave input to the legislation.
- On-going projects in Croatia, Kosovo, Armenia, Serbia and Romania are also expected to give input to land consolidation legislation based on field experiences.
- Special land consolidation legislation is not needed in order to implement pilot projects (will follow normal transaction procedures).

**FAO land consolidation activities and projects:**

FAO has played a very important role in supporting land consolidation activities in the region over the last 6-7 years through:

- Initiation of an international network of experts
- Publication of guidelines, manuals and training materials
- On-going land consolidation projects in Armenia, Lithuania, Serbia (and Hungary)

FAO has initiated a series of conferences and workshops on land consolidation related issues:

- 2002 Munich Symposium
- 2002 Rome Workshop
- 2002 Prague Regional Workshop
- 2004 Tonder Workshop
- 2005 Prague Regional Workshop
- 2006 Prague Regional Workshop

**Lithuania:**

From the first pilot to full scale programme in less than six years

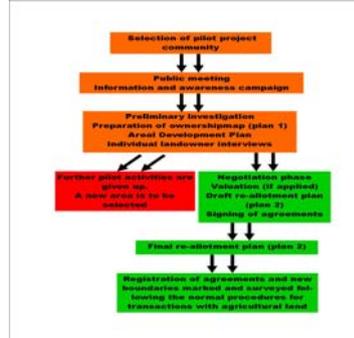
- 2000-2002 - Land consolidation pilot project in Dotnuva area
- 2002-2004 - project with three simultaneous pilot communities (implementation of measures for local rural development + input to land consolidation legislation)
- 2004 - Legal framework adopted by Parliament
- 2005 - Land consolidation included in Rural Development programme 2004-06
- Summer 2006 – The first 14 land consolidation projects are started under the National Land Consolidation programme.
- 2006 – 2007 – Training and Capacity building.

**Land consolidation pilot projects:**

- Pilot projects lay the foundation for a future full scale programme.
- Among the objectives of pilot projects are to:
  - Establish and test approaches to be used in future projects
  - Build capacity on land consolidation issues
  - Serve as a successful model for other communities
- It is strongly recommended to use a voluntary approach (at least for pilots).
- To implement a successful pilot project is difficult even with a completely voluntary and participatory approach.

**Proposed flow for land consolidation pilot projects:**

Based on project experiences from Lithuania, Armenia and Moldova



**Example from land consolidation pilot project in Lithuania 2002-04 (Akadamija project):**



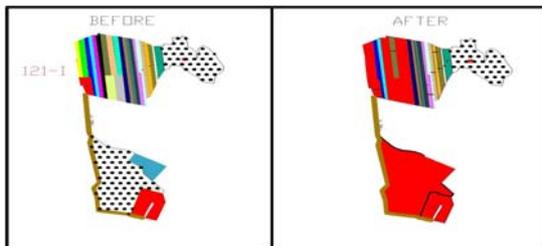
Land owned by one of the participants before the project

**Example from land consolidation pilot project in Lithuania 2002-04 (Akadamija project):**



Land owned by one of the participants after the project

**Example from land consolidation pilot project in Nor Erzinka village, Armenia (FAO project):**



Small part of the owner structure in the pilot community before and after the project. More than 100 voluntary participants.

**Land consolidation – An integrated part of rural development:**



Bravica Village, Moldova (February 2005)

Land consolidation must be seen in a broader rural development context. Re-parcelling alone does not solve the basic structural problems.

**Perspectives:**

• **The experiences with land consolidation in recent years in Central and Eastern European Countries demonstrate that land consolidation can be an effective and active instrument to:**

- Address problems with land fragmentation and small farm sizes
- Implement infrastructure-, nature- and environmental projects
- Implement local measures for rural development (community area development plans)

• **EU member- and candidate countries have access to funding for land consolidation from EU rural development funds.**

• **The rest of the countries have no such possibility and are forced to try to fund land consolidation activities through donor funded projects.**

**Happy landowners – the best indicator for success**



**Thank you very much!**

Puskelnai, Lithuania (August 2003)