

Land policy, Land Consolidation and Land Banking in Serbia

Zoran Knežević

Ministry of Agriculture, Trade, Forestry and Water Management

Stevan Marošan

University of Belgrade

Marija Marošan

Law Office Mujezinović in association with Clyde & Co LLP



3rd international LANDNET workshop on Land Market Development and Land Consolidation, Budapest, Hungary, 13-16 February 2012

Contents

- Land Policy
 - 1945-1990
 - 1990-2011
 - Land Consolidation
 - Background and short history
 - Legal framework
 - New Land Consolidation projects 2007-2011
 - Land Bank
 - Role
 - Legal framework
 - Organizational framework
 - Achieved results 2007-2011
 - Conclusions
-

Land Policy

□ Land policy until 1990

- Seizing of agricultural land from those who were not farmers as their profession and imposing restraints to ownership of farmers
 - Increase of agricultural land that is socially owned and consolidation of socially owned agricultural land
-

Land Policy

□ Land policy after 1990

- Abolition of restrictions regarding the maximum that was allowed to be owned
 - Providing equal conditions for all participant in the market
 - Abolition of social ownership on agricultural land (gradually)
 - Privatization of land (restitution, lease of state owned land)
 - Development of market oriented family farms
 - Protection of agricultural land from irrational use
-

Land Policy

- Organization of agricultural land
 - Consolidation of estates
 - Development of infrastructure on agricultural land
 - Sustainable use of Agricultural Land
 - Efficient Management of State Agricultural Land
-

Land Consolidation

- History
 - Beginnings in land consolidation in Serbia
 - Land Consolidation 1945–2006
 - Land Consolidation 2007–2011
 - New approach to land consolidation
 - For improvement of living and working conditions of farmers
 - Consolidation of estates
 - Development of infrastructure
 - Protection of environment
 - For large infrastructural projects
 - For providing areas for industrial/economical zone
 - Legal framework
 - Land Consolidation Strategy of Republic of Serbia
 - Law on Agricultural Land
 - Law on State Survey and Cadastre
-

Land Consolidation

- Compulsory Land Consolidation
 - Comprehensive land consolidation
 - Simple land consolidation

 - Voluntary Land Consolidation
 - 10 property owners
 - State and at least 1 more property owner
-

Land Consolidation

- Compulsory Land Consolidation
 - For improvement of living and working conditions of farmers
 - New survey
 - Improvement and consolidation of land parcels
 - Construction of new road and canal network (where there is a need for that)

 - For implementation of infrastructural projects
 - For improvement of water management
 - For providing an area for industrial/economic zone
-

Land Consolidation

Who is financing the Land Consolidation

- State
 - Province
 - Local government
 - Farmers – Land owners
-

Land Consolidation

Procedure:

- Initiative of property owners or municipality
 - More than 2/3 of property owners or owners of 51% of area in favor of land consolidation
 - Land consolidation Programme (authorized person)
 - Agricultural Directorate consents to the Programme
 - Adoption of Programme by Municipality Assembly
 - Municipality Assembly form the Committee which implements the land consolidation (and several subcommittees)
-

Land Consolidation

- Land Consolidation Project
 - Geodetical works
 - Investment works
 - Distribution of land consolidation estate
 - Appeal to decisions
-

Land Consolidation

2007-2011

Municipalities	Area (ha)	Status
Opovo (Opovo), Bačka Palanka (Nova Gajdobra), Bački Petrovac (Maglič), Knjaževac	9.344,50	completed
Bač (Selenča), Bačka Palanka (Despotovo), Bački Petrovac (Kulpin, Bački Petrovac), Kanjiža (Adorjan), Vršac (Veliko Središte, Pavliš), Irig (Jazak)	30.338,00	project is underway
Zrenjanin (Botoš), Pančevo (Banatsko Novo Selo), Opovo (Baranda, Vrbas (Kosanić), Mali Idoš (Lovćenac i Feketić), Žitište (Banatsko Karađorđevo), Ruma (Mardelos), Vršac (Vršac 1)	52.138,50	preparatory phase
Total:	91.821,00	

Land Consolidation

□ Nova Gajdobra – before LC



Total number of parcels	2203
Total number of owners	850
Area	1672ha91a76m
Total value of parcels	13.769.148vj
Average number of parcels	2,6
Average size of parcel	76a

Land Consolidation

□ Nova Gajdobra – after LC

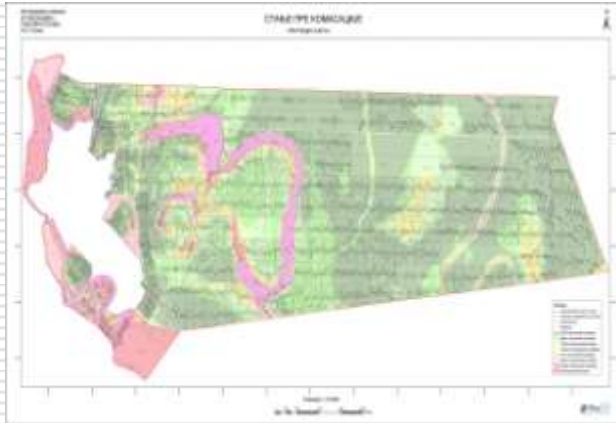


Total number of parcels	998
Total number of owners	850
Area	1672ha91a76m
Average number of parcels	1,2
Average size of parcel	1ha 68a

Phase	Duration (ND)
Preparatory works	289
Planning and implementation of land consolidation project	502
Final works	41
Total	832

Land Consolidation

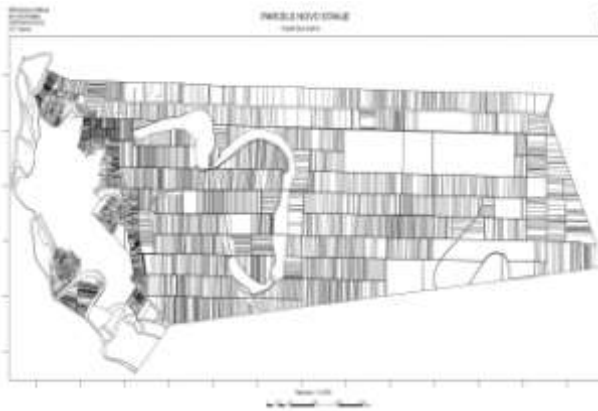
□ Opovo – before LC



Total number of parcels	9382
Total number of owners	2700
Area	4515ha63a21m
Total value of parcels	36.970.782vj
Average number of parcels	3,5
Average size of parcel	48a 13m

Land Consolidation

□ Opovo – after LC



Total number of parcels	3890
Total number of owners	2700
Area	4515ha63a21m
Average number of parcels	1,44
Average size of parcel	1ha 16a

Land Bank

- What is the role of Land Bank
 - Land Market Development
 - Efficient Management of State Owned Agricultural Land
 - Lease of State Land
 - Land Consolidation
 - Use of state owned land for infrastructural works
 - Exchange of state owned land in the process of consolidation of privately and state owned land
 - Improvement of Living and Working Conditions in Rural Areas/Rural Development
 - Increase of areas of land used by farmers
 - Land Consolidation
 - Improvement of Infrastructure
-

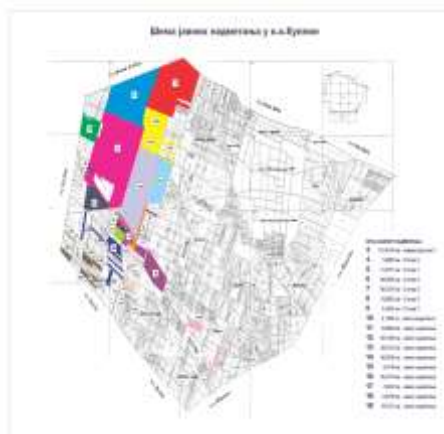
Land Bank

- Legal framework
 - Law on Agricultural Land
 - Instructions on The Lease of State Owned Agricultural Land
 - Law on Restitution of Property to Churches and Religious Communities
 - Law on Restitution of Property and Compensation
 - Law on Expropriation
 - Law on Public Ownership
-

Land Bank

- Provides possibility for everyone to lease state owned agricultural land under same conditions (market conditions), enlarge their estate and become more competitive on the market
 - Funds obtained through lease are used for protection and organization of all land in Republic of Serbia
 - Regional development (distribution of funds 40%, 30% to Province and 30% to Republic)
 - Protection of small farmers
 - Restriction on leasing more than 100 ha
 - If there are no interested person, in second round the area of leased land is not limited
 - Existing infrastructure
 - Owners of the existing infrastructure can lease the land without public auction
-

Land Bank



□ Leasing procedure

- Programme
 - Public invitation
 - Public auction
 - Decision
 - Appeal
 - Contract
 - Implementation of contract
-

Land Bank

□ Organizational framework

- Ministry of Agriculture, Trade, Forestry and Water Management – Directorate for Agricultural Land
 - Autonomous Provinces
 - Local government
-

Land Bank

□ Results

- Development of agricultural land lease market
 - 290,000 ha under lease
 - 7.000 lessees
 - 62% of the lessees are farmers-natural persons
 - Investments development
 - Profit of 40-50 million Euros per year
 - Land consolidation of 30,000 ha
 - Organization of road network of 2,200 km
 - Irrigation (project has been initiated for 20,000 ha)
 - Drainage
 - Improvement of land quality (50,000 ha)
 - Construction of infrastructure
 - Providing land for construction of 22.5 km of highway
-

Conclusions

- Harmonize the laws regulating the legal regime and status of agricultural and forest land (Law on public ownership, Law on agricultural land, Law on forests)
 - Keep Directorate for agricultural land authorized to manage agricultural land in state ownership
 - Keep with Land Consolidation project in Serbia
 - Land Consolidation has to be part of rural development project
 - Land Consolidation project must be better planned
 - Once the restitution is finalised, the state owned land should be used for enlargement of estate in Land Consolidation procedure
-

Thank you for your attention
