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SUPPORT TO THE PREPARATION OF A NATIONAL LAND CONSOLIDATION STRATEGY AND A LAND CONSOLIDATION PILOT PROJECT

January 2020

SDGs:



Countries:

Azerbaijan

Project Codes:

TCP/AZE/3601

FAO Contribution:

USD 362 000

Duration:

1 September 2016 – 31 August 2019

Contact Info:

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Implementing Partner

Ministry of Agriculture (MoA).

Beneficiaries

MoA departments and units dealing with land tenure issues and land consolidation, the State Committee on Property Issues of the Republic of Azerbaijan (SCPI) and its State Service for Registration of Real Estate, rural households, academia, civil society organizations, farmer organizations and communities.

Country Programming Framework (CPF) Outputs

CPF Output 4.1.3: Support to introduction of a land consolidation instrument in Azerbaijan.



BACKGROUND

One of the main goals for the Government of Azerbaijan is to reduce dependence of its economy on oil and ensure the expansion of economic development to rural areas. The agricultural sector is one of the priority areas to be developed in order to diversify the economy. As the third largest sector in Azerbaijan's economy, following the oil and construction sectors, agriculture has the highest share in employment, as well as a huge influence in terms of reducing rural poverty.

Excessive land fragmentation and small/average farm sizes represent one of the structural problems impeding development and full capitalization of the agricultural sector's potential. As a result of the land reform completed in 2004, when 869 000 rural families were each allocated an average of 1.6 ha of agricultural land, generally divided into four or five land parcels, agricultural structures are now characterized by many small and medium-sized family farms and relatively few larger corporate farms. Such severe land fragmentation in most rural areas hampers the sector's productivity and competitiveness.

MoA recognized the problem of small farm sizes and land fragmentation and, in November 2015, requested FAO technical assistance to introduce land consolidation. The aim of the project was the preparation of a national strategy for land consolidation and an increased institutional capacity to design and implement modern land consolidation projects through the direct implementation of voluntary land consolidation in the selected pilot area of Shorsulu village in Salyan Rayon.

IMPACT

The project contributed to sustainable rural and agricultural development in Azerbaijan through longer-term improvements to rural land tenure arrangements by developing a national strategy for land consolidation. Although the draft Law on Land Consolidation was not enacted, it represents the first step towards an operational National Land Consolidation Programme. The adoption of the drafted law, strategy and state programme will be cornerstones in the future legal and institutional framework for land consolidation in the country.

ACHIEVEMENT OF RESULTS

The outcome of the project - to develop a national strategy for land consolidation and increased capacity to design and implement modern land consolidation projects - was achieved and feedback from MoA was highly positive. The project delivered all three planned outputs, i.e. the preparation of the national strategy, the implementation of land consolidation activities in the selected pilot area and the development of institutional capacity to implement land consolidation projects, with the exception of the formal registration of a re-allotment plan through market transactions. This was impeded by difficulties beyond the project's scope of activities. In addition to carrying out all other activities and delivering all three outputs, the project prepared, at the request of MoA, a draft Law on Land Consolidation, and a Land Consolidation Programme. A South-South Cooperation (SSC) study visit to Turkey for a group of 15 representatives, including national experts, farmers from the pilot village, journalists and MoA employees, was also organized.

IMPLEMENTATION OF WORK PLAN

Because of the extended scope of work, the project was extended on a no-cost basis from 31 August 2018 to 31 August 2019. Activities were fully implemented within the planned budget.

Social and environmental risks, linked to inexact information regarding land ownership, limited land mobility, inadequate staff availability and a lack of cooperation with other state institutions, were managed through frequent public consultations and dialogue with the local community and the environmental impact assessment (EIA) of the prepared land re-allotment plan.

FOLLOW-UP FOR GOVERNMENT ATTENTION

It is recommended that the official consultation process of the drafted land consolidation law, strategy and state programme be initiated with the relevant governmental bodies, that their feedback be incorporated and that the documents be approved. The National Land Consolidation Strategy and Programme will serve as the framework for the implementation of land consolidation in the country. Following the adoption of the Land Consolidation Law, the finalized Re-allotment Plan should be implemented and the new ownership rights registered.

SUSTAINABILITY

1. Capacity development

As the main project counterpart, MoA will initiate the formal consultation process of the draft land consolidation law, programme and strategy within the Government. A follow-up project to test the procedures of the land consolidation law is already being discussed for funding under the FAO Azerbaijan Partnership programme. During the project, strategic dialogue was maintained not only with MoA, but also with the Assistant to the President of Azerbaijan on agricultural policy issues and the Land Register under SCPI. Finally, Azerbaijan will continue to take part in an international exchange of experiences with Turkish farmers and land consolidation experts and through the continued participation of national representatives in the network of land management professionals, LANDNET.



2. Gender equality

Gender issues were mainstreamed in the policy advice provided and the legal and programme documents prepared. Efforts were made to include women and men beneficiaries equally during project implementation. The project ensured the equal rights of men and women to own and exercise ownership rights in land consolidation through the registration of co-owned properties in the name of both spouses or by raising awareness of women's tenure rights before the conclusion of any land transaction. Despite this, women's participation was difficult to obtain in the pilot village, where strict gender hierarchies and power relations are particularly strong. To address this, women-dedicated round tables were held, at which issues related to community development, re-allotment planning, participation and inclusion were discussed in a more conducive atmosphere.

3. Environmental sustainability

Land consolidation projects are designed to have no negative impact on nature and the environment. Land re-allotment plans usually have a minimum footprint and impact on the landscape. If rural infrastructure is included in the project framework, an EIA is a mandatory part of the infrastructure design package.

4. Human Rights-based Approach (HRBA) – in particular Right to Food and Decent Work

The development of the re-allotment and community development plans was conducted in a participatory manner, emphasizing the need to preserve the rights of all community members, along with the principles of participation, non-discrimination, transparency and empowerment.

5. Technological sustainability

The project contributed to the development of local knowledge about the FAO approach to land consolidation and good European practices among all beneficiaries. A concept note for continued technical assistance to land consolidation was formulated to support the operationalization of the State Programme on Land Consolidation. MoA has already established a cross-departmental Working Group on Land Consolidation to coordinate implementation of the programme, in close cooperation with SCPI.

6. Economic sustainability

Land consolidation as promoted in the prepared legal and policy documents, is free of charge for landowners and with minimal administrative burdens. A set of principles is in place to ensure that all legitimate tenure rights are respected and that no participants are worse off as a result of land consolidation.



- ❑ Methodological note on land valuation in the land consolidation process. May 2018. 7 pp.
- ❑ Note on the status of project implementation and way forward. July 2018. 5 pp.
- ❑ Note on clarification of ownership and registration problems, July 2018. 6 pp.
- ❑ Shorsulu land consolidation baseline report. August 2018. 31 pp.
- ❑ Methodological note on land re-allotment planning in the land consolidation process. November 2018. 5 pp.
- ❑ Strategy Framework Paper (Part 1). January 2019. 39 pp.
- ❑ Strategy Framework Paper (Part 2). February 2019. 25 pp.
- ❑ Land Consolidation Strategy. July 2019. 16 pp.
- ❑ Land Consolidation Law. August 2019. 12 pp.
- ❑ Land Consolidation Programme and Action Plan. August 2019. 9 pp.
- ❑ Concept note for continued FAO support to the implementation of the State Programme on Land Consolidation in Azerbaijan. August 2019. 5 pp.
- ❑ FAO press release: Azerbaijan works towards consolidating fragmented land. 29 August 2019. <http://www.fao.org/europe/news/detail-news/en/c/1206387/>
- ❑ FAO works towards consolidating fragmented land in Azerbaijan. 30 August 2019. <http://unazerbaijan.org/en/fao-consolidating-land-azerbaijan/>
- ❑ Project brochure.

DOCUMENTS AND OUTREACH PRODUCTS

- ❑ FAO press release: Azerbaijan begins work on national land consolidation strategy. 29 September 2016. <http://www.fao.org/europe/news/detail-news/en/c/439250/>
- ❑ Criteria for selection of land consolidation pilot community and a completed scoring sheet. March 2017. 2 pp.
- ❑ Turkey-Azerbaijan farmers-to-farmers exchange visit. Report. December 2017. 3 pp.
- ❑ CDP socioeconomic assessment. May 2018. 23 pp.
- ❑ Assessment of existing legal situation and institutional frameworks for land consolidation. March 2018. 42 pp.
- ❑ Legal assessment matrix for compliance with the Voluntary Guidelines on Responsible Governance of Tenure. March 2018. 47 pp.
- ❑ Note on the adjustment of the land consolidation approach in the pilot area. April 2018. 4 pp.



ACHIEVEMENT OF RESULTS - LOGICAL FRAMEWORK

Expected Impact	The project should contribute to sustainable rural and agricultural development in Azerbaijan through the longer-term improvements of farm structures by implementing a national land consolidation programme	
Outcome	Preparation of a national strategy for land consolidation and an increased capacity to design and implement modern land consolidation projects	
	Indicator	Support to introduction of a land consolidation instrument in Azerbaijan.
	Baseline	No land consolidation programme, experiences and strategy, weak capacity to design and implement modern land consolidation.
	End Target	Land consolidation conducted in a pilot area, national strategy for land consolidation drafted, national capacity increased.
	Comments and follow-up action to be taken	A National Land Consolidation Strategy was developed but not adopted. A land consolidation plan for the pilot area was developed; however, its implementation encountered difficulties caused by unclear ownership, which prevented land market transactions. The capacity of stakeholders was built by a series of training workshops and a study tour to Turkey. Land consolidation is a new priority and activity in Azerbaijan and the project provided initial technical assistance on its introduction in the country. On request of MoA, a draft Land Consolidation Law, allowing for administrative adoption of the plan and its registration, and a State Programme on Land Consolidation with an Action Plan were prepared (not foreseen in the Project Document). Although the law was not enacted, the project is the first step towards an operational National Land Consolidation Programme. The adoption of the drafted land consolidation law, strategy and state programme will be cornerstones in the future legal and institutional framework for land consolidation in the country.

Output 1	A proposal for a national strategy for land consolidation prepared		
	Indicators	Target	Achieved
	National Strategy Document on Land Consolidation	Draft National Land Consolidation Strategy	Yes
Baseline	No Land Consolidation Strategy exists		
Comments	A draft National Land Consolidation Strategy and a draft Law on the Consolidation of Agricultural Land were prepared, and a State Programme on Land Consolidation with an Action Plan was drafted. An official consultation process of these documents should be initiated with relevant governmental bodies, feedback incorporated and the documents adopted. The approval of the National Land Consolidation Strategy and Programme will serve as the framework for the implementation of land consolidation in the country.		
Activity 1.1	Analysis of policy and legal framework for compliance with the Voluntary Guidelines on Responsible Governance of Tenure (VGGT)		
	Achieved	Yes	
	Comments	The review of the legal and institutional framework includes the Constitution and Laws of the Republic of Azerbaijan, the Decrees of the President of the Republic of Azerbaijan, Decisions of the Cabinet of Ministers of the Republic of Azerbaijan, and other sources of information. An assessment matrix for the compliance with the VGGT was prepared.	
Activity 1.2	Analysis of organizational arrangements as they relate to land consolidation		
	Achieved	Yes	
	Comments	The development of the Strategy was preceded by the development of a Strategy Framework Paper consisting of two parts: an analysis of the existing legal and institutional framework as related to land consolidation; and a discussion of options for the land consolidation instrument such as the objective for land consolidation in Azerbaijan, the land consolidation approach and approval procedure. The national legal consultant prepared a detailed analysis of the organizational arrangements for the introduction of land consolidation, including typology of land types and land rights, legal opportunities for land consolidation, land market overview and state land management.	
Activity 1.3	Analysis of key issues related to land consolidation		
	Achieved	Yes	
	Comments	Key issues related to land consolidation in the country were analysed and options for various legal and operational aspects of the process proposed (e.g. the objective of land consolidation in Azerbaijan, land consolidation approach and approval procedures). The proposed options and discussions built on lessons learned from the land consolidation pilot project in Shorsulu village.	
Activity 1.4	Proposal for a national land consolidation strategy drafted		
	Achieved	Yes	
	Comments	A draft National Land Consolidation Strategy and framework paper based on the previously conducted analysis were prepared in close cooperation with MoA. Based on these, the Strategy was prepared in consultation with the Working Group on Land Consolidation set up by MoA. In the same process, the project supported the preparation of a draft Law on the Consolidation of Agricultural Lands and a draft State Programme on Land Consolidation with an Action Plan for implementation. A series of strategy/legal workshops to discuss the preparation of the strategy and the law was held with MoA in April 2017, February 2018, November 2018, February 2019, July 2019 and August 2019 (final project workshop). The official consultation process of the draft Land Consolidation Law should be initiated with relevant governmental bodies, all feedback incorporated and the Law adopted.	

Output 2	Land consolidation pilot activities in one selected pilot community implemented		
	Indicators	Target	Achieved
	Re-allotment Plan and registration of land transactions	Re-allotment Plan completed and related land transactions started	Partially
Baseline	Actual state of fragmented land ownership		
Comments	<p>A land consolidation pilot project was implemented in Shorsulu village in Salyan Rayon, including the drafting of a Re-allotment Plan in consultation with local landowners and farmers and the preparation of a draft Community Development Plan for the pilot community through a participatory and inclusive process involving local stakeholders, men, women and youth.</p> <p>The finalized Re-allotment Plan and registration of new ownership rights through an administrative procedure should be implemented when the Land Consolidation Law is adopted.</p>		
Activity 2.1	Prepare selection criteria and select a pilot community		
	Achieved	Yes	
	Comments	<p>In March 2017, after preparing a list of selection criteria, MoA carried out an extensive assessment exercise, evaluating 16 potential pilot villages and selecting Shorsulu village in Salyan Rayon as the most suitable pilot community. The 17 selection criteria were based on experiences from the implementation of similar land consolidation pilot projects in other Central and Eastern European countries including Albania (TCP/ALB/3301), Armenia (TCP/ARM/3004), Bosnia and Herzegovina (TCP/BIH/3301), Serbia (TCP/YUG/3001) and North Macedonia (TCP/MCD/3502).</p>	
Activity 2.2	Develop and implement awareness-raising campaign		
	Achieved	Yes	
	Comments	<p>A project brochure was prepared to support pilot project implementation by raising awareness among community members of the project, its expected outcomes, the benefits of land consolidation, etc.</p> <p>The following mass-media articles covering the project were published:</p> <p>https://www.azadliq.az/xeber/382040/fao-azerbaycanin-torpaqlarin-konsolidasiyasi-ucun-elave-beynelxalq-texniki-yardima-ehiyaci-var/</p> <p>http://www.fao.org/europe/news/detail-news/ru/c/1206390/</p> <p>http://www.fao.org/europe/news/detail-news/en/c/1206387/</p> <p>https://azertag.az/xeber/FAO_Azerbaycanda_parchalanmis_torpaqlari_birlesdirmek_uch_un_chalisir-1323408</p> <p>https://report.az/iqtisadiyyat-xeberleri/ask/fermerlerin-88-i-torpaq-sahelerinin-birlesdirilmesinde-maraqlidir/</p> <p>http://baku.news/13371-bakida-seminar-kecirilib.html</p> <p>https://azfood.az/2019/08/30/bakida-torpaqlarin-konsolidasiyasi-il%C9%99-bagli-layih%C9%99nin-yekun-seminari-kecirilib/</p> <p>http://qafqazinfo.az/news/detail/bakida-seminar-kecirilib-26222</p> <p>http://agro.gov.az/az/news/bakida-torpaqlarin-konsolidasiyasi-ile-bagli-layihenin-yekun-seminari-kecirilib</p> <p>https://az.trend.az/azerbaijan/society/3111412.html</p> <p>http://unazerbaijan.org/az/fao-azerbaycan-torpaqlarin-konsolidasiyasi/</p> <p>https://metbuat.az/news/1245707/fao-azerbaycanin-torpaqlarin-konsolidasiyasi-ucun-elave-beyn.html</p> <p>https://azertag.az/xeber/FAO_Azerbaycanda_torpaqlarin_konsolidasiyasi_ile_bagli_pilot_layiheye_362_min_dollar_ayirib-1140518</p> <p>https://fins.az/aqrar/939971/azerbaycanda-bu-layiheye-362-min-dollar-ayirildi.html</p> <p>http://azecology.az/2018/02/27/fao-az%C9%99rbaycanda-torpaqlarin-konsolidasiyasi-il%C9%99-bagli-pilot-layih%C9%99y%C9%99-362-min-dollar-ayirib/</p>	
Activity 2.3	Assess situation in the pilot community, prepare ownership maps, interview stakeholders, register abandoned land and assess options for land consolidation		
	Achieved	Yes	
	Comments	<p>Interviews with the 608 households formally owning agricultural land in Shorsulu were planned between July and November 2017. In total, 543 interviews (89% of all formal owners) were conducted. A project database was developed with the support of an international consultant to assist analysis of the data collected through the interviews and all interview data were entered into the system and verified between December 2017 and April 2018. In May-July 2018, the data collected through the interviews were analysed and a baseline report was prepared.</p>	

Activity 2.4	Implement participatory assessments of community development needs and elaborate community development plans	
	Achieved	Yes
	Comments	<p>A Community Development Plan, analysing current needs and constraints, was prepared in close collaboration with stakeholders in the community. The focus was on the need to improve agricultural infrastructure in the village and to irrigate the part of the village that was not part of the irrigation scheme. In addition, the need for a better passage over the main canal was identified; this was constructed with FAO support through the project. Four community workshops were held to raise awareness of the benefits of land consolidation and to involve the various members of the local community in the preparation of a draft Re-allotment Plan (the proposed ownership structure in the village after land consolidation), as well as a draft Community Development Plan, including the need for improvement of the agricultural infrastructure in the village.</p> <p>The FAO project team with representatives of MoA and local and regional government made a final visit to Shorsulu at the end of August 2019 to discuss the outcomes of the pilot project with the local council, community members and stakeholders.</p>
Activity 2.5	Prepare draft re-allotment plan	
	Achieved	Yes
	Comments	<p>Re-allotment planning (and land valuation as its integral part) was launched in April 2018. In order to provide methodological guidance to the process a Note on land re-allotment planning in the land consolidation process was prepared. In addition, a note on land valuation in land consolidation was prepared (see Documents Produced during the Project).</p> <p>The first draft Re-allotment Plan was presented for comments and remarks of community members at the workshop held on 28 February 2019.</p>
Activity 2.6	Implement EIAs of draft land re-allotment plans	
	Achieved	Yes
	Comments	<p>Depending on the level of detail, three general types of assessment are distinguished: a pre-screening, EIA screening and a full EIA. Land consolidation projects without rehabilitation or constructions of drainage and irrigation systems do not usually entail negative impacts on the environment. As this was the case in Shorsulu, a simple EIA screening was carried out. The screening showed that the draft Re-allotment Plan does not envisage changes in physical boundaries of blocks, or any works that could have an adverse impact on the environment.</p>
Activity 2.7	Prepare final re-allotment plans	
	Achieved	Yes
	Comments	<p>Comments and suggestions of landowners were taken into consideration and a final draft re-allotment plan was prepared. The total number of landowners involved in the re-allotment planning was around 245 (around 40% of the total 607 landowners). The previous total number of parcels was 1 446 and is now 1 263. Thus, around 1 076 ha of a total of 2 206 ha participated. Around 20% of 245 landowners changed the location of parcels within the same block.</p>
Activity 2.8	Register land consolidation transactions	
	Achieved	No
	Comments	<p>During baseline analysis in Shorsulu (reported in the baseline report) numerous constraints related to land administration and land market functioning were found. The magnitude of problems would not allow implementation of the Re-allotment Plan based on bilateral market transactions. In consultation with MoA, it was decided to simulate a majority-based type of land consolidation project in the pilot as a more suitable option to address the situation in Shorsulu.</p> <p>Because of the lack of a legal framework, it was not possible to formally register the Plan during the project. Nevertheless, testing a majority-based approach was a useful exercise in terms of practical knowledge and accumulation of ground-based evidence. The pilot project made it possible to develop a functional land consolidation methodology tailored to the existing land tenure situation in the country, which fed into the development of the Land Consolidation Strategy, Law and State Programme.</p> <p>The implementation of the Re-allotment Plan would require the adoption of the Law on Land Consolidation, which would contain provisions for the administrative adoption of the plan.</p>

Output 3	Institutional capacity-development programme for implementing land consolidation projects implemented		
	Indicators	Target	Achieved
	Guidance notes, training and workshops	Increased capacity to design and implement land consolidation projects	Yes
Baseline	Lack of capacity for the implementation of land consolidation projects		
Comments	Initial capacity to implement land consolidation projects in the field and to manage a future state programme was built for selected staff of MoA, SCPI and rayonal (Salyan) and local government (Shorsulu).		
Activity 3.1	Prepare project training programme and conduct training and supervision		
	Achieved	Yes	
	Comments	<p>Two key training seminars were conducted during the project. The first, in April 2017, covered the following topics: Introduction to land consolidation; Public awareness-raising on land consolidation; Situation analysis and needs assessment; Preparation of digital maps for land consolidation projects using GIS software; and Solving land registration problems and the role of land administration as an integrated part of the land consolidation process. The second training seminar, in February 2018, covered the following topics: Community development planning; The draft and final Re-allotment Plan; GIS and data management in land consolidation projects; Land valuation in land consolidation; Leaving no one behind in community development and land consolidation; and Land consolidation in Turkey.</p> <p>In addition to training seminars, national and local consultants participated in a series of legal workshops, which tackled both legal and technical aspects in a land consolidation process and effectively contributed to building the technical capacity of the stakeholders. The national consultants were constantly supervised and backstopped during project implementation.</p>	
Activity 3.2	Study tour		
	Achieved	Yes	
	Comments	<p>An SSC initiative was integrated into the project. The initiative envisaged the organization of two exchange visits (study tours) for non-state actors from Azerbaijan to Turkey and from Turkey to Azerbaijan in order to demonstrate and share experiences in the field of land consolidation.</p> <p>From 4 to 8 December 2017, 15 persons from Azerbaijan undertook a visit to Turkey. Participants visited ongoing and already implemented land consolidation projects and were received by state and non-state actors involved in land consolidation processes in Turkey (e.g. State Hydraulic Works under the Ministry of Forestry and Water Affairs, the General Directorate of Agrarian Reform under the Ministry of Food, Agriculture and Livestock and the General Directorate of Land Registry and Cadastre and the Union of Water Users Associations).</p> <p>The reciprocal visit of five Turkish experts (with hands-on experience in land consolidation) took place from 25 February to 2 March 2018, simultaneously with a project-backstopping mission. The Turkish experts contributed to the training seminar (by presenting the Turkish land consolidation programme and experiences), the Community Workshop in Shorsulu (by encouraging people to participate in land consolidation and explaining the benefits of it) and the Strategy Workshop (by engaging in policy dialogue with MoA). The SSC initiative had a highly positive impact on the project and promotion of land consolidation in Azerbaijan. Both visits were widely covered by regional and national media outlets.</p>	

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