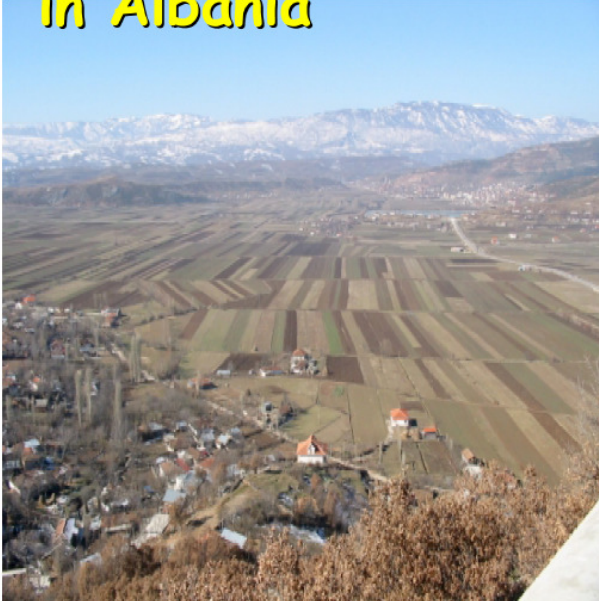


Land Fragmentation and Consolidation in Albania



Agim Shehu
Agricultural
Service Project
Tirana, Albania

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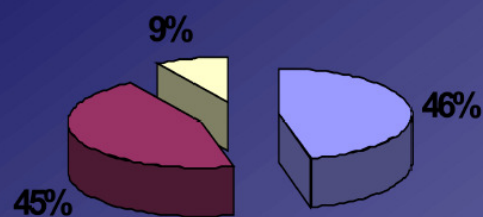
Country Profile

- More than 50 % of Albanian population are living in rural areas
- There are 387 930 farms
- ❄ Agriculture sector provides about 30 % of GDP

Structure of Gross Domestic Production

SECTOR	Years					
	1996	1997	1998	1999	2000	2001
Industry	11.7	15.5	13.8	11.4	11.4	11.7
Agriculture	54.6	30.8	31.2	30.7	28.5	28.1

Structure of Agricultural Production



Field crops
 Livestock
 Fruit orchards

Year 2002

Resource: The Directory of Statistics /MoAF Annual Statistics.

The structure of agricultural land use

Nr	Land use in agriculture	2001		2002	
		In 000/ha	%	In 000/ha	%
1	Arable land in total	578 386	100	578083	100
2	Cultivated Arable land	400 600	69.2	395400	68.3

Resource: MoAF Agricultural particular monitoring (2002)

Land Reform in Albania

There are two outstanding characteristics of the development of land relations since 1991

- ✓The first is the creation of a nation of smallholders-owners of small farms held in freehold tenure brought about by Law 7501.
- ✓The second characteristic and one that is directly related to the first is the exuberant urban development and rapid growth of land market that has taken place

Privatization of Rural Land

The land privatization process began in 1991 with the approval of Law 7501 (dated 19.07.1991), On Land

The law divided agricultural land among the inhabitants of the cooperatives and workers on the state farms according to quality and productivity of the soil and the number of people in the family registered in the civil registry in August, 1991.

Using a per capita basis, each family received equal amounts of arable and non-arable land, fruit trees, vineyards and olive trees.

Results of this privatization process

- Over 90% of agricultural land is now in private ownership
- On ex-co-operative land, 353,718 families owned 439,139 ha of land with over 90% granted via a tapi.
- On ex-state farm land, the figures are 91000 families owning 123.334 hectares of land
- On average each family owns 4-5 parcels of land, sometimes separated quite widely. A nation of family smallholding has been created.

Degree of Fragmentation

- up to 1.8 million parcels
- 4-6 parcels per Owner as an average
- Average family land surface 1.17 ha
- Average parcel size 0.55-0.2 ha
- Average farmer's distance to the parcel from 1 to 6 km

Main reasons of land fragmentation

- Content of law itself
- Demographic development of villages and population concentration in particular areas
- Land privatization during several stages
- Different interpretations of law on land
- Natural fragmentation
- Inheritance

Farm Grouping

Nr	Farm grouping	Year 1995		Year 2002	
		Number of farms	%	Number of farms	%
1	0.1-0.5 ha	152 600	36.3	92924	24.0
2	0.5-1 ha	121 600	28.9	104585	27.0
3	1-2 ha	126 200	30.1	145857	37.5
4	over 2 ha	19 600	4.7	44564	11.5
5	Total	420 000	100	387930	100

Legal Framework

Albanian CONSTITUTION: *creation and development of the property market, guaranty of private ownership, etc.*

CIVIL CODE

Regulation of Ownership, transfer, inheritance, etc

LAW ON AGRICUTURAL LAND OWNERSHIP

Rules of land administration and Use, Governmental Interventions, Rational Land-use

LAW ON LAND REGISTRATION-

The introduction of the Immovable Property System (IPRS) via Law 7843/94, On Registration of Immovable Property

Main Players in Land Consolidation...

Ministry of Agriculture and Food: *Land Reform, Agricultural Policy development, Agricultural Extensions,*

Ministry of Environmental Protection

Soil Protection, Implementation environmental Measures, Landscape Measures,

Ministry of Urbanization and Construction

Spatial Development Policy, Land-use Planning Policy, etc.

Different NGOs- *Protection of Landowners, Farmers Rights, Improved Farming, etc.*

Land Consolidation Activity in Albania

In the year 2002, the World Bank and GoA has started the implementation of a Pilot Agricultural Land Consolidation Program in four pilot communes in order to

Encourage, facilitate and monitor land market transaction leading to more consolidated and efficient landholding.

The Strategy of Land Consolidation project

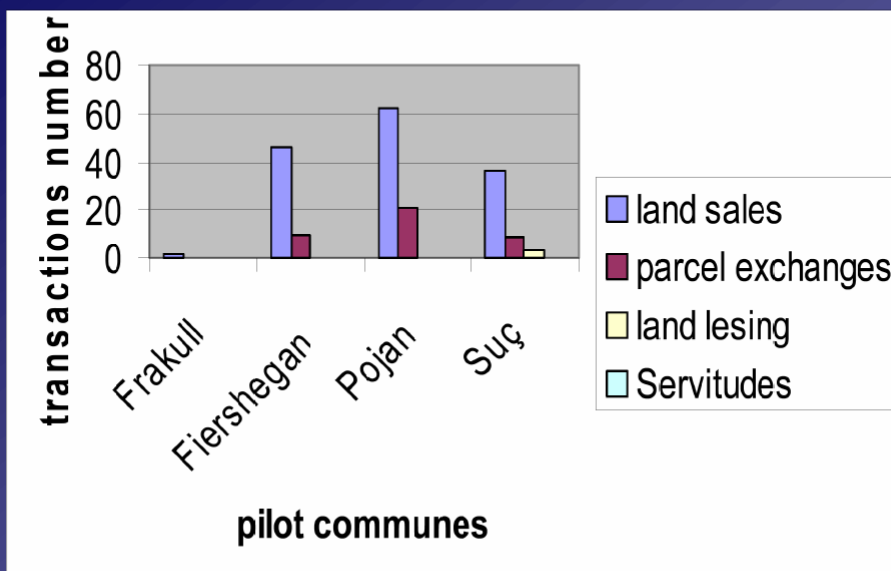
Land consolidation has to be participatory, democratic and community driven

It is founded on the principle of assisting the community to define new uses of its resources

It is focused on rural livelihood rather than on primary production of food staples

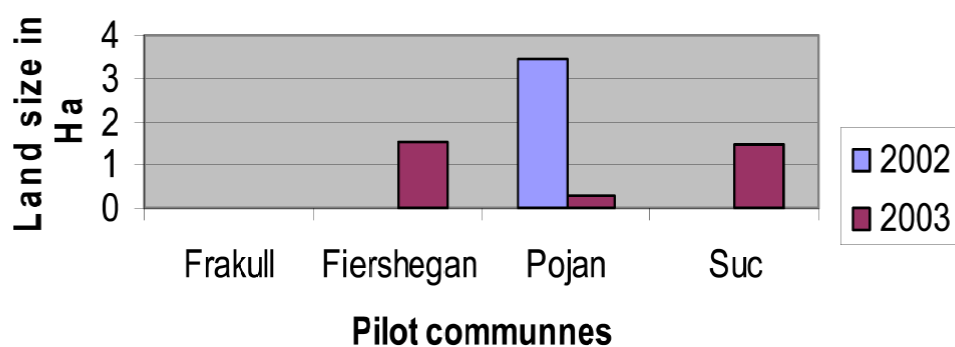
The end result is community renewal, that is, sustainable economic and political development of the whole community

Results from Pilot Project



The size of land parcels

Land size involved in exchange transactions



The number of transaction carried out during 2002-2003

Communes	Number of transaction	Land size consolidated (in Ha)		
		Initial land plots	Sold and exchange land plots	total
Fiershagan	56	21.1655	13.3177	34.4832
Pojan	83	12.0779	16.9467	29.0246
Suç	48	9.965	17.01	26.975
Frakull	2	2	1.8	3.8
TOTAL	189	53.0084	49.0744	94.2828

Main Constraints on Land Consolidation

Uncertainty on land ownership

Lack of agricultural credit and insurance system

Poverty and low incomes in rural areas

Insufficient physical and social infrastructure

Limited capabilities of individuals and families to be involved in transactions

Rural Development Studied Separately from Land Consolidation and Spatial Organisation

There is no Land Valuation System

The lack of Special Legislation and a Special Authority

Conclusions:

Although Albania is faced with political, economic and social problems, important steps have been achieved.

A legal framework for land management has been created since 1991 but it consist of too many 'reactive" laws; too many laws dealing with just one issue; laws which do not have a common philosophy

The laws relating to rural land use and management do not provide a comprehensive legal code for the regulation of rural land use.

Land Consolidation in Albania has to be seen as a long term and flexible strategy for the agricultural development in the future

The Albanian government and donors must commit time and resources and coordinate efforts to overcome these impediments and allow for security of tenure and a fully functioning land market