

Bulgaria case study

Land consolidation and territorial organization in Bulgaria

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With this paper we would like to present you the status of current activities in the field of land consolidation and territory organization in Bulgaria; our experience from pilot land consolidation projects; some existing problems and the priorities of the country for the near future.

At present Bulgaria is in a unique situation with the accession of the country to the European Union and the integration to the Common Agricultural Policy as well as European Policy for Rural Development.

According to this, the issues about the land consolidation and territorial organization become very important. In this relation we would like to direct your attention to the process of land reform in Bulgaria. It was divided into two stages:

The first stage of land reform

- the process of restitution of agricultural land was completed in 2001;
- at the end of 2002 the woodlands and forests had been restituted;
- the land parcels register (agricultural land register) and a computerised information system for graphical display and register of agricultural land and forestry regions have been established.

For dealing with the problems of land fragmentation and for stimulating the agriculture, **the second phase of land reform** was really necessary.

- Legislation was adopted allowing for different possibilities to consolidate land such as renting or leasing of agricultural land in government property and exchange of land;
- Creating a legal basis defining the land ownership bodies and extending the competence and staff of the MAF;
- The increased number of transactions and the slowly rising prices indicate that the land market is gradually developing - also from fairly low levels.

For proper land administration and successful implementation of the second phase, MAF is working out the territory balance on the base of digital land tenure data base for total 4746 TBSs. The Land balance will be prepared and published annually on the base of the following indicators:

1. Territory distribution: agricultural, forests, settlements, water streams and water areas, extraction of mineral resources, transport needs and others.
2. Ownership distribution: state, municipality, private, social organizations, religious organizations, not identified ownership and others.

3. Distribution of agriculture land: arable land; pastures and common land; vineyards, orchards, paddy fields and others.

After the process of analyzing of the land reform activities and the data from abovementioned balances, MAF identified some significant problems in the agriculture:

- ✓ Land fragmentation ➔ land consolidation should start
- ✓ Poor land administration
- ✓ The land market is still not developed
 - Agricultural land mortgage is not developed
- ✓ Insufficient financial support
 - low market prices of agricultural products
 - low demand of agricultural products

For dealing with these problems the Government has to create conditions to facilitate the use of agricultural land and to simplify the land use procedures. Land consolidation is one of the instruments for establishment of optimal environment in land administration and usage. It will affect the whole agriculture and others sectors of economy.

Because of considerable role of land consolidation for the country, MAF decided to start this process with the implementation of pilot land consolidation projects within some pilot areas. This can be considered as a first step for working out of regulations and norms about future draft Law on land consolidation. Preliminary issues identified were:

- the aims of pilot projects
- the rules for the design of land consolidation plans
- the criteria for definition of TBSs
- the stages of Pilot Projects.

Two pilot land consolidation projects, covering five TBSs allocated in different geographical regions with specific agricultural characteristics, were started:

1. **“Land Consolidation by Agreement in Bulgaria”** - TBSs of Lomtzi (region Turgovishte) and Golesh (region Silistra)
2. **“Consultation Services for Implementation of Pilot Land Consolidation Project of Agricultural Land”** - TBSs of Abrit (region Dobrich), Hurletz (region Vraca) and Botevo (region Jambol)

The key stakeholders in the projects are:

State Institutions: (MAF, Ministry of Justice, Cadastre Agency)

Owners

Project Executors

- First Project – Cadastre International, The Netherlands
- Second Project – Financed by WB; Executor CMS Bruno Morel, France and “Geokonsult” LTD, Bulgaria

Pilot project “Land Consolidation by Agreement in Bulgaria”

The owners in the pilot areas were investigated about their wishes for participating in the process and the approach of land consolidation in April and June 2003. Owners

filled in investigation forms in which indicated two wishes for consolidation of their properties.

- In Lomtzi, 68% of owners were investigated; 86% of them wanted to participate in the project.
- In Golesh 32% from owners were investigated; 94% of them wanted to participate in the project.

At this moment the pilot project for land consolidation in Golesh is at the stage of approving the land consolidation plan and registration of ownership. We have to mention that after the first draft plan owners with 1 property are 94% of all participants in the project; owners with 2 properties are 6%; there are no owners with 3 or more than 3 properties. The average size of property before the first draft plan is 1,53 ha; afterwards it is 2,66 ha. These data demonstrate the proper approach and methodology in the process.

In spite of high percentage of participators in the public investigation in Lomzi, the project in this pilot area was discontinued. The reasons for that are:

- A lot of rent contracts – not interesting/ not understanding the need for land consolidation
- Insufficient State Land Fund which was used as a buffer in the design
- One of land owners possesses more than 120 ha. He wanted to consolidate his land into the most attractive “massive”. The other owners did not agree.
- Different soil characteristics of the land

In this situation the Central Working Group, managing the pilot project decided to try to partially consolidate (only in several massives). After the implementation of owners wishes, the SLF consisted of a lot of undersized plots. MAF, as a managing body of SLF wasn't satisfied with this condition. The CWG decided to discontinue the project in this pilot area.

Pilot project “Consultation Services for Implementation of Pilot Land Consolidation Project of Agricultural Land”

The implementation of this project was contracted in September 2003, between Cadastre Agency and Consortium CMS Bruno Morel, France/“Geokonsult” LTD, Bulgaria. The project has financed by WB. The beneficent of financial resources is MAF.

- In Hurtlez, 59% of owners were investigated, with a total area of properties of 1 810 ha, which is 58% of the area for land consolidation.
- In Botevo, 68% of owners were investigated, with a total area of properties of 1 840 ha, which is 65% of the area for land consolidation.
- In Abrit, 80% of owners were investigated, with a total area of properties of 629 ha, which is 84% from the area for land consolidation.

At this moment this pilot project for land consolidation is at the stage of public hearing on first draft plans and analyzing the results.

Due to the need for a legal basis for the successful timely finalization of the pilot projects for land consolidation, implemented under the agreements with the Netherlands and the World Bank, MAF initiated an amendment of the Ownership and Use of Agricultural Land Act, in order to introduce an easy procedure for changing the map of restored ownership by means of consolidation of land properties.

The main priorities of MAF are:

- Working up of regulations about the future Law on Land Consolidation. These regulations will arrange all ways of land consolidation and taking into account the experienced of other countries.
- Establishment of a Body which will maintain the agricultural land. It will support consolidation of parcels; will implement effective agricultural land management; improve national and international interest in investments amongst other tasks.
- In the field of Territorial Organization and integration into CAP one of main properties of MAF is the establishment and application of the Land Parcel Identification System as a part of the Integrated Administration and Control System (IACS).