

## **Serbia and Montenegro case study**

### **The state of land management and land consolidation in Serbia and Montenegro**

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### **Introduction**

The present state is very unsatisfactory. Today, Serbia is the most rural country in Europe. At the beginning of the 21st century in Serbia approximately 50% of the total population live in rural areas. As per the latest statistic data, approximately 20% of the population works in the agricultural sector while in developed European countries the figure is only about 5-7%.

To show that Serbia is an explicit rural country, out of a total of 6152 settlements in Serbia, 189 are city settlements and 5963 are rural (96.9%). Rural territory covers in total approximately 95-97% of the whole.

The condition in rural areas and settlements has become even worse. The differences of quality of life between urban and rural areas are becoming bigger and bigger. In rural areas the chances for employment except in agriculture are very small and it makes the population migrate with the result that there are only aged households left.

Over 70% of the farms are not bigger than 5 ha and the fragmentation process continues. Farms in Serbia mostly are not market oriented and the production is only for the owner's needs with limited production for the market.

The information about owners of real-estate is not updated. Systems of property registers in Voivodina date from 19th century, when they were introduced according to the Austro-Hungarian model. In the south of the country, in some places, a book of deeds ("tapija") existed, in which, similar to present land registers, rights over the land were prescribed. All these registers were neglected after the Second World War due to political reasons, and ceased to be maintained. The present condition of property registers is not harmonized, so that the data in the north of the country is more updated compared with the south of the country, where partially property registers do not even exist.

In Serbia there are real-estate registers as follows:

- Land Cadastre (not a property registry)
- Real-estate Cadastre
- Land Register

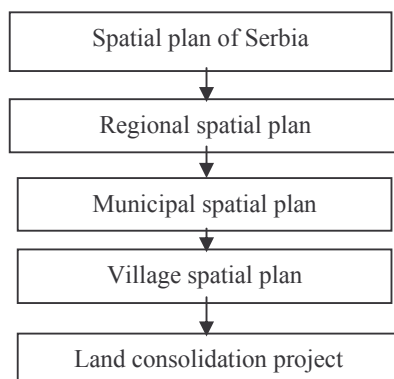
It has to be emphasized that so few cadastre plans were transferred into digital form, somewhat more than 2%. The fact that cadastre plans are not at the higher technological level, especially the cadastre plans of cities, is the main reason for the

lack of capacity to establish modern integrated information systems concerning the space in many cities, and that is why there are no possibilities for efficient space management. Furthermore, in the places where digital cadastre plans do exist, they are not used in an adequate manner.

In ex-Yugoslavia, after the Second World War everything from agricultural land, forest land to construction land, apartments, residential buildings, business premises and business buildings was confiscated on different bases and based on various laws, with the aim of establishing total state control over the real-estate property. Injustices caused after the Second World War were corrected only partially, which had a negative impact on the development of land and real estate market and overall economic development of the Republic of Serbia. Under the Law on restitution of land to the previous owners, referring to land taken from the private owners in 1953 and held in social ownership under the agricultural land fund (Official Gazette No. 18/1991), the agricultural land was returned. But this Law did not include restitution of land confiscated between 1945 and 1953 still remaining within the agricultural land fund. Around 85% of agricultural land being in the composition of agricultural land fund is the land taken by force. Practically all forests and forest land taken away, today belong to the state property within Srbijašume enterprise.

### **Legal framework in rural planning**

Up-to-date territorial development especially of rural areas has been chaotic with much illegal construction. Within the past few decades few laws were established but rural planning was unfortunately neglected.



*Fig. 1. System of territorial and urban planning in the 1980s*

From 1970-1990 considerable progress was achieved in legislation. Especially significant is the Law on planning and territorial organization enacted in 1985. This Law gave a chance for approaching the planning of villages and rural areas in a comprehensive, multidisciplinary and general manner. But there was no practical progress. Village neglect was a consequence of a political decision.

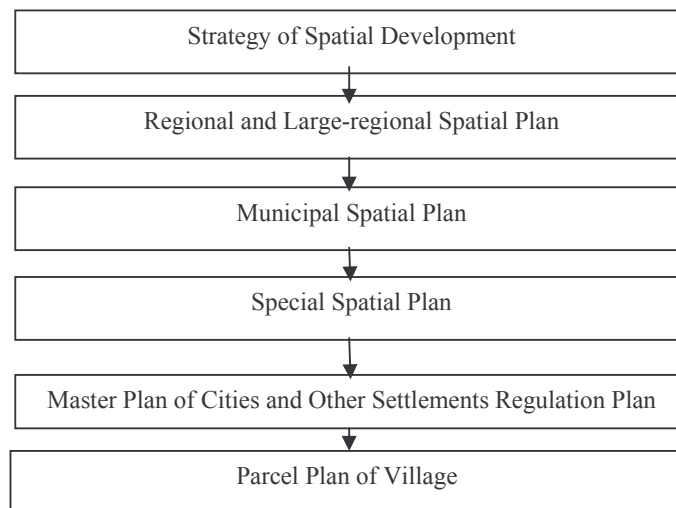
The years between 1990 and 2000 are the years in which planning was left out. The 1995 Law on territorial planning did not even give any chance for integrating village and rural area planning. This Law was a complicated one also for urban planning so that in this period of years about one million of illegal objects were constructed and unexpectedly destroyed large surfaces of agricultural land (Fig.2).



*Fig. 2. Review of illegally constructed objects at orthophotoplan in relation to the official cadastre plan*

The Law on planning and constructing passed in 2003 has other defects in addition to one previously mentioned. For example in Item 2 whereby the definitions are given there is no rural area definition by which the definitions of strategic planning in the village and rural environment domain could be explained. A village is defined in the way it was 100 years ago and very unclearly with almost non-applicable definition: A village is a settlement whose population deals mostly with agriculture..., and is not a municipal center...!!! A big advantage of this new Law is that all the territory is to be covered by plan.

The following figure shows a scheme of today's planning model and it includes the village as a planned category. Practical village and rural area planning is impossible without a Municipal terrain plan. Bringing back again these types of plans into planning system means a very positive move of the legislator.



*Fig. 3. Planning system as per current Law*

## Land consolidation

Land consolidation has been a planned action that has been taking place for many years. This activity has mostly had its principal aim to expand the properties. The first land consolidation took place through out the territory of today's Vojvodina in 1848 and under the Austro-Hungarian Laws. Working on land consolidation in central Serbia started for the first time only after the Second World War.

After 1945 for a long time land consolidation was considered a capitalistic act leading to the strengthening of private property. But in 1956 to prevent further land fragmentation land consolidation started and the leading ones were big public property farms aiming to group public property land.

In Serbia a Law that regulates works on land consolidation was enacted only in 1974. In wider areas of Serbia land consolidation started soon after but it was completely suspended in 1998. The reason for complete suspension of works on land consolidation in 1998 was that the working costs were too high and even exceeded the land price. In 200 cadastre municipalities land consolidation that was started has not been finished yet. The latest Law regulating works on land consolidation enacted in 1992 (Law on agricultural land) was never practically applied. From 1992 to 1998 when the works on land consolidation started to cease an outstanding land fragmentation arose. The reason for this fragmentation was the enforcement of Law on Land Restitution of 1992 on the basis of which the returning of confiscated land taken away from the owners 1953 was done.

In the time of intensive works on land consolidation from 1955 to 1995 land consolidation was done in the area of 710 cadastre municipals, i.e. in the area of 1,445,720 ha and that is 20% of total of agricultural land in Serbia.

Despite the fact that much was done on land consolidation the results are still bad. First of all because:

- There was no any connection whatsoever between land consolidation and terrain plans and plans of village arrangement.
- Economic and market principles were not taken care of.
- There was a limit of 10 ha for each and every private property.
- There was not any democratic participation of all actors in this process and usually that provoked discrediting the whole process.

|                |        | Central Serbia | Vojvodina |
|----------------|--------|----------------|-----------|
| Public sector  | Before | 1.09 ha        | 1.50 ha   |
|                | After  | 7.15 ha        | 10.58 ha  |
| Private sector | Before | 0.24 ha        | 0.67 ha   |
|                | After  | 0.61 ha        | 1.40 ha   |

*Fig. 4. Average parcel size before and after the land consolidation done at the time of socialism.*

## **Conclusion**

Serbia is now at a new beginning. Despite obvious advantages Serbia had compared with the other socialist countries, for the realization of the new beginning Serbia needs help from the international community especially for:

- Training programs
- Support in legislation frame creation that regulates this sector
- Support for pilot projects realization
- Financial support.

In the past, the Government of Republic of Serbia did not have an obvious plan of development in agriculture. The only serious measure, which should stop further fragmentation, was government aid for buying agriculture land so that every fourth ha bought was free of charge. But, today, that measure is canceled.

Now, a new Department for Rural Development in the Ministry of Agriculture has been formed. Also, the Draft Law on agricultural land has been finished. The Law on restitution of land that was confiscated between 1945 and 1953 is being prepared.