

## **The Bulgarian Land Consolidation Strategy 2007-2013 and the share of the Rural Development Programme within the land consolidation process**

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Our country suffers from many problems in the planning of the agricultural territories. The continuously increasing of the territories of ecological importance as well as the urbanized territories diminishing the agricultural territories is not elaborated in a unified common plan, respectively in regional plans for development and planning of the territories, and that leads to many conflicts of interests.

The small parcels and the internal fragmentation in the farms, as well as the lack of visions for rural development is common for almost the whole country. The average size of the parcels is in a range of 0.5 to 0.6 ha and shows the need for activities for consolidation of parcels. Up to now the share of the private agricultural properties is approximately 69.9%, and 76% is the size of the used agricultural areas in the farms which are estimated as bif ones - with area above 100 ha. These farms composes hardly 0.5 % of all farms in the country.

For the last ten year no unified strategy has been elaborated for the usage of surface and underground waters for irrigation and drainage. The working meetings related to the territorial planning during the last year showed that the water boards, Agency for hydro meliorations, and the Irrigation system still cannot come into synchronization. Meanwhile some new tasks occur, which Bulgaria should solve in the membership in EU- small, extremely fragmented farms will meet difficulties when applying for the direct payment schemes, and the lack of micro regional planning will be an obstacle for the ideas for synchronized participation of the government, the regions, the municipalities, NGOs, owners and the users of agricultural lands. As the tasks of the territorial planning have being neglected for a long period of time, it was realized that a national strategy for land development is needed, including the land consolidation as a complex instrument, which should be applied and developed.

The problem with the land fragmentation and the damaged rural infrastructure is one of the main tasks to be solved by the MAF. The process is going to be facilitated by preparation of proper legislation in several stages. The analyzed conditions show that at present the preconditions for application of integrated land consolidation projects financed by the state have still not appeared.

The lack of conditions for successful implementation of integrated land consolidation projects, financed by the state, does not imply that the state shall not undertake any measures for support of the process including the legal framework of land consolidation. The State through legislative and financial measures should support the land consolidation initiatives “from beneath” – starting with small and medium projects for improvement of the structure of land use and going through voluntary change to establish the legal basis for integrated land consolidation projects, financed by the investors as well as acquiring of needed financial budgets for territorial planning as a result of the execution of infrastructural projects.

In January 2007 the Ministry of Agriculture and Forestry approved politically the Strategy for Land Consolidation 207-2013, which was prepared with the support of the Dutch government

and especially the DLG- the Dutch governmental land and water service. The document draws the three main tasks, which the MAF should solve for the sake of the land relations.

The Land Consolidation Strategy should be the basic document for the legislation initiatives initially by means of a LC-regulation or LC-Ordinance by the Minister of Agriculture; including the scope of a future Land Consolidation Act and proposals for amendments (in other legislative acts) and for the programming of the process of land development on national scale. The determination of the objectives of the management of the land relations shall be executed in the context of the objectives set out in the National Strategic Plan for rural development in the period 2007-2013:

1. Development of competitive agriculture and forestry as well as based on innovations food-processing sector;
2. Preservation of the natural resources and protection of the environment in the rural areas;
3. Stimulating the opportunities for new jobs and improvement of the quality of life in the rural areas.

The second main task of the LCS is to implement land banking as an affirmed system in the practice for acquiring and temporary usage of agricultural land and consecutive arrangements with a view to improve the structure of the farms or for other state necessities (highways, protected territories, concessions, as well as energy, communications).

The third main task of the Strategy is to point out the direction of the development of the administrative capacity that should be responsible for the land consolidation and land development in the rural areas. The proper assumptions are going to originate from the needed quantity of governmental, county, municipal, private and educational staff in order the process to be facilitated in best way related to the schedule of the future LC projects. Following chosen LC scenarios, the proper number of administrators, private land surveying companies and project managers will be figured out. The way of the training and the requirements for the educational program is going to be described.

The Strategy document is not going to be static but along with the changes in the national and EU preconditions it should be deemed as an amendable one.

In the present moment an Ordinance for land consolidation, which is giving the framework of the needed technical activities in single land consolidation project is being elaborated. The ordinance is continuation of the amended Law on property and use of agricultural land, which gives the bases for voluntary land consolidation.

The definition accepted in the Strategy is: The land consolidation is being determined as a process of total territorial planning, related with re-parceling and improvement of the agriculture and spatial structure of territory, along with variety of measures of the development of the rural areas.

One of the most important topics that influence the land consolidation is the the economical aspect and the readiness for participation in the LC process.

Nevertheless, that the average owner of lands could not afford to invest in the improvement of the condition of its agricultural property, the attitude of the society to the process of LC is

positive and many initiatives for territorial planning are coming from the business and the agricultural producers.

The basic conclusion of these statistics is that the will of the private initiative is targeted towards consolidation of the plots through rent-lease relations and almost 79% of the used agricultural land participates in these relations.

In the NER, there is already land consolidation, and it is a consolidation based on the usage. Regardless of the large differences in the sizes of the two most common type farms, the biggest problem of these farms is also their geographic fragmentation. This has been a result of the will of the society, the ownership to be restituted in such a way.

The elaboration of a flexible mechanism for implementation of exchange transactions shall be a basic task of the future Implementation Programme for land consolidation, while at the same time being provided for in the future land consolidation legislation. Since the transactions in the process of massive land consolidation are a considerable number, the experience of the EU Member States having a similar territory to that of our country, shows the need for an annual turnover between 30 000 and 50 000 ha, while at the same time the mechanisms should imply less bureaucratic barriers.

Wherein only the reparceling of a small area is being applied as a consolidation measure, it is possible that the usage of topographic maps and other specialized maps is being ignored, however upon solving of complex tasks, including those for territorial planning, the usage of the topography is obligatory. The division of the rural areas into favorable and unfavorable areas by the regulation of the EU is going to be used for the purposes of the land consolidation. The problem with the migration and the co-ownership would be the main one in the juridical implementation of the voluntary projects.

The role of the administrative capacity and the programming in the LC process is also a very important topic. There is a significant lacking behind in the renewing of the topographic maps because of different organizational–financial problems. Upon elaboration of a schedule for implementation of the land consolidation activities of a complex character in the Implementation Programme for land consolidation, it is recommended that the Cadastral Agency synchronize its activities on renewing of the topographic maps with the land consolidation activities. It is also possible that the renewing of the topographic maps be part of the activity on complex land consolidation planning of a certain territory.

The experience by the pilot activities in the LC and the implementation of the Chapter V of the LOAL (the land law) showed that it is necessary that the administrative capacity be strengthened for the implementation of the process, as well as on governmental and municipal level, and on the level of the private companies implementing the projects.

This year it is imminent that an Agency for land consolidation and land relations will be established, which will give much more flexible precondition for realotment of lands, preparation of land consolidation projects and preparation of procedures for land banking.

The following tools will be introduced in the period 2007-2013:

- LC tool 1: Voluntary agricultural-oriented Land Consolidation [with changing of the ownership];
- LC tool 2: Legal agricultural-oriented Land Consolidation [with changing of the ownership];

- LC tool 3: (more integrated, broader) Land Development to facilitate the implementation of large infrastructural projects.

Virtual examples of these tools are as follows:

#### Tool 1:

This kind of project consists of a piece of rural area of around 300 ha in a village. There exists one bigger farm of 100 ha and many small family farms. These small farms have an average area of 4 ha per farm, varying from 0,5 ha to 10 ha per farm. These small farms have on average 5 small parcels per farm, situated on different locations in the project area.

The mayor and the farmer representatives have come together to apply for assistance in starting and implementing a small voluntary land exchange project. Their main problem is the fragmentation of the family farms and the long time they need to drive to all their parcels.

The big farm of 100 ha is interested to purchase some mini-farms of 0,5- 1 ha, of course only if these mini farmers wish to sell, but also only if these parcels will be situated/exchanged adjacent to the big farm. They agree on these objectives and apply for a small project at MAF.

#### Tool 2:

This kind of project is comparable with tool 1, same village, and same farmers as in case 1, but some family farmers of the neighboring village wish to join the project, total project area 500 ha. They have the above mentioned (case 1) problems with the parcelation, but also wish to pave one unpaved rural road, which assesses many farms.

Additionally, they wish to improve/enlarge a couple of ditches, where the discharge water from many farms is logging. They discuss with the mayors and decide to apply at MAF for assistance to start and implement a LC project, including Rural Development subsidy for improving the road and the ditches.

#### Tool 3:

A virtual example of this kind of project is the following case: Between two big cities in the southern part of Bulgaria the Ministry of Transport has planned to build in the short term a new 4-lane highway, as part of a future international connection. The representatives of the Ministry visit the mayors of that area and explain their plans and time path. The mayors have on forehand contacted the most important local farmer representatives.

The trace of the highway will cut many farms in two inefficient pieces and the distances to reach the parcels at the other side of the new highway will be substantially longer. They don't want to stop farming, they don't want to purchase their lands. They propose the Ministry of Transport to start and pay an accompanying LC project to exchange and swap the lands of the farmers, on their individual choice at the one side or at the other side of the new trace.

The Ministry does not have to expropriate all relevant farms and achieves the kind cooperation of that area and these farmers. The table gives the clue for the continuation, financing and the first years in the land consolidation projects in 2013. EU Regulation 1698/2005 gives the opportunity to insert into the Rural Development Program the measure „Improving and developing infrastructure, related to the development and adaptation of



Bulgaria follows closely the tendencies in the rest of the EU countries and endeavours to apply the novelties and to avoid the mistakes which have already occurred in the EU countries.

Recently, against the common opinion, that it is needed to have legislative (non-voluntary) land consolidation for the sake of the success, the tendencies of some of the Western Europe countries are contrariwise.

During November 2006 in the technical meeting of the project of the Netherlands, Germany, Lithuania, Belgium, Spain, Portugal and others, called Farland, held in Galicia (Spain), the Minister of Agriculture of Galicia stated that some of the compulsory projects will be stopped, because they are too long and too expensive. That opinion was confirmed by one of the DLG directors- the Dutch service for land and waters, who started 18 voluntary projects on extremely large territories in the South part of the Netherlands during 2006, and the analysis of DLG show that is the cheapest and the fastest way for successful implementation of the projects.

That leads to the conclusion that a voluntary participation should be searched, interested and supported by the local government and the farmers.

Besides that new conclusion, a tendency occurs that combined measures should be applied for application of territorial planning.

The analyses of the applied voluntary and compulsory land consolidation projects show that it could not be the only instrument for good planning of the territories. The EU countries, that still have not established land banks for buying and selling of real estate, as well as for applying of different schemes of retirement and indemnification, are doing their best to establish such structures. Bulgaria, Lithuania and Romania are working at the moment on Strategies for land consolidation. The Hungarian Strategy for land consolidation was politically put in the fridge, what is an obstacle for application of land consolidation projects for long period of time, but their land bank is continuing its activities.

During 2007 the MAF, together with the DLG prepares the Land consolidation programme, which will detail the already accepted on political level statements of the Strategy, as well as a methodology for the work of a land bank and land consolidation projects will be prepared.