

Land consolidation in Croatia

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1. Introduction

The Government of Croatia has recognised the urgent need for firm actions to improve the competitiveness of the agricultural sector, not least in the light of the upcoming accession to EU. The adverse Croatian farm structure is one of the areas that need to be addressed immediately and with a long-ranging vision. Land consolidation was consequently selected for development cooperation between the Governments of Sweden and Croatia and resulted in a three-year co-financed Land Consolidation project.

2. Project objective

The overall objective of the project is to contribute to the development of a competitive agricultural sector and sustainable rural development in Croatia by:

- Designing and developing the necessary legal, organisational and technical framework for the implementation of land consolidation and land banking,
- Improving the participatory capacity in decision-making processes of relevant interest groups at national, regional and local levels.

3. Project components

1. Implementation of five land consolidation pilot projects in the town of Novi Vinodolski/ municipality of Vinodolska, the town of Vrbovec, the municipality of Tompojevci, the municipality of Vidovec and the municipality of Krašić,
2. Establishment of the Agricultural Land Agency and Land Fund, as a support to the land consolidation pilot project activities on selected locations, and broader,
3. Establishment of the organizational structures to facilitate the project objectives as follows:
 - i. The National Land Committee (NLC), supported by the Project Coordinating Unit (PCU),
 - ii. The County Land Committees (CLCs), supported by the County Land Offices (CLOs) in the counties of Primorsko-Goranska, Zagrebačka, Varaždinska and Vukovarsko-Srijemska,
4. Improvement of the efficiency of the agricultural land market by removing existing barriers,
5. Implementation of the training and promotion activities.

Implementation of five pilot projects is essential in the process of designing the national land consolidation and farm restructuring policy.

4. Project progress

A. Activities on the national level

1. Establishment of the National Land Committee (NLC) and the Project Coordinating Unit (PCU)

The PCU led by a project manager was established in the beginning of 2006 and is responsible for the overall project coordination. The NLC was established in March 2007 and it is composed of decision-makers at the national level. The NLC is responsible for development of the agricultural land policy based on the experiences gained from the pilot projects implementation.

2. Establishment of the Agricultural Land Agency (ALA) & Land Fund

The Ordinance on establishment of the ALA will be brought by the Government of Croatia in June 2007, and the organization of the central office and establishment of branch offices will start in September 2007. Some of the ALA tasks and jobs will be:

- purchasing of agricultural land,
- creating the land fund from the agricultural land acquired by purchase,
- managing the land fund with the purpose of agricultural land consolidation and improving farm structures by sale, lease and exchange of agricultural land from the land fund and other forms of disposal,
- mediation in agricultural land transactions.

The ALA will be operating in five pilot areas supporting the implementation of the pilot projects on land consolidation. Apart from that, the ALA will be operating in all over Croatia.

3. Implementation of training

The PCU organised two training sessions on land consolidations based on FAO training materials in November 2006 and March 2007. Each training session lasted 3 days and it was conducted by the experienced professional in land consolidation. Training was organized for county project managers and their assistants, and for the members of the county land committees (CLCs).

B. Activities on the regional and local level:

1. Implementation of the land consolidation pilot project in the town of Novi Vinodolski/ municipality of Vinodolska & Establishment of the County Land Committee (CLC) supported by the County Land Office (CLO) in the Primorsko-Goranska County

The pilot location comprises about 300 ha of the state-owned and privately-owned agricultural land located in a well known Croatian touristic area where the agriculture is not perceived as an attractive economic activity. Due to that, there are only a few family farms and agricultural legal entities. The agricultural land is very fragmented as the size of the average agricultural land parcel is 0,04 ha. The area has a potential for the rural tourism development.

The existing problems which have to be solved in the course of the implementation of the pilot project in a selected project area are:

- outdated land records and problem of “unsorted” state-owned agricultural land,
- co-ownership of the agricultural land which arise from inheritance, especially if co-owners are outside the country and if the co-owners do not agree on whether to sell or keep the land,

- abandoned agricultural land and potential change of the use of agricultural land for non agricultural purposes.

The CLO was established in November 2006 and is located in Novi Vinodolski. Since November 2006, the county project manager and the assistant of the county project manager have been employed in the CLO. The CLC was established in November 2006 and it is composed of representatives of different institutions on regional and local levels who have interest in agriculture and rural development. Since November 2006, the CLO has been implementing the following:

- organized two workshops for the land owners and other interested parties, in order to promote the objective of the pilot project,
- interviewed 25 land owners, in order to find out if they want to participate in the pilot project,
- organized two meetings of the CLC.

The process of interviewing of land owners is continuing.

2. Implementation of the land consolidation pilot project in the town of Vrbovec & Implementation of the land consolidation pilot project in the municipality of Krašić & Establishment of the County Land Committee (CLC) supported by the County Land Office (CLO) in the Zagrebačka County

The pilot location comprises about 500 ha of the state-owned and privately-owned agricultural land. There are about 50 family farms and agricultural legal entities, and they are mainly milk and meat producers. The agricultural land is a very fragmented as the size of the average agricultural land parcel is 0,4 ha. The area has a potential to be developed in an agricultural area with intensive livestock and milk production, and the advantage of the area is the closeness of the market in Zagreb. However, the closeness of Zagreb can be seen as a threat, as there is a huge demand for building areas and consequently the possible conversion of the agricultural land for non agricultural purposes.

The existing problems which have to be solved in the course of the implementation of the pilot project in a selected project area are:

- outdated land records and problem of “unsorted” state-owned agricultural land,
- abandoned agricultural land and potential change of the use of agricultural land for non agricultural purposes.

The pilot location in the municipality of Krašić comprises about 700 ha of the privately-owned fertile agricultural land located along the river Kupčina. There are about 30 family farms mainly producing for their own needs. The agricultural land is a very fragmented as the size of the average agricultural land parcel is 0,1-0,2 ha. Due to historical reasons, the area is not developed, but there is a huge potential for rural tourism development due to natural and landscape beauty.

The existing problems which have to be solved in the course of the implementation of the pilot project in a selected project area are:

- outdated land records,
- co-ownership of the agricultural land which arise from inheritance, especially if co-owners are outside the country and if the co-owners do not agree on whether to sell or keep the land.

The CLO was established in November 2006 and is a part of the regional self-authority government (Zagrebačka County). The CLO is responsible for the implementation of the pilot projects in the town Vrbovec and in the municipality of Krašić. Since November 2006, the county project manager has been employed in the CLO. The CLC was established in December 2006 and it is composed of representatives of different institutions on regional and local levels who have interest in agriculture and rural development. Since November 2006, the CLO has been implementing the following:

- organized 3 workshops in Krašić and 7 workshops in Vrbovec for the land owners and other interested parties, in order to promote the objective of the pilot projects,
- interviewed 76 land owners in Krašić and 47 land owners in Vrbovec, in order to find out if they want to participate in the pilot projects,
- organized two meetings of the CLC.

Currently, the CLO under the supervision of the CLC is preparing a procurement for the surveying and lawyers services necessary to start to sort out existing problems on pilot locations. The process of interviewing of land owners is continuing.

3. Implementation of the land consolidation pilot project in the municipality of Tompojevci & Establishment of the County Land Committee (CLC) supported by the County Land Office (CLO) in the Vukovarsko-srijemska County

The pilot location comprises about 500 ha of the state-owned and privately owned agricultural land located in an area where agriculture is perceived as an attractive economic activity. There are about 85 family farms and agricultural legal entities. The main form of the agriculture production is crop growing, but there is a great potential for the development of the milk and meat production. The agricultural land is less fragmented than in other pilot locations, and the size of the average agricultural land parcel is 1 ha. There are no existing problems and barriers for the implementation of pilot project.

The CLO was established in November 2006 and is located in the village Berak. Since November 2006, the county project manager and assistant of the county project manager have been employed in the CLO. The CLC was established in December 2006 and it is composed of representatives of different institutions on regional and local levels who have interest in agriculture and rural development. Since November 2006, the CLO has been implementing the following:

- organized two workshops for the land owners and other interested parties, in order to promote the objective of the pilot project,
- interviewed 10 land owners, in order to find out if they want to participate in the pilot project,
- organized two meetings of the CLC.

The process of interviewing of land owners is continuing.

4. Implementation of the land consolidation pilot project in the municipality of Vidovec & Establishment of the County Land Committee (CLC) supported by the County Land Office (CLO) in the Varaždinska County

The pilot location comprises about 500 ha of the privately-owned agricultural land. There are about 100 family farms, and they are mainly producing vegetables. The agricultural land is very fragmented as the size of the average agricultural land parcel is 0,26 ha. The advantage

of the area is the closeness of the market in Varaždin. However, the closeness of the Varaždin can be seen as a threat, as there is a huge demand for building areas and consequently the possible conversion of the agricultural land for non agricultural purposes.

The existing problems which have to be solved in the course of the implementation of the pilot project in a selected project area are outdated land records.

The CLO was established in October 2006 and is located in the village of Vidovec. Since October 2006, in the CLO have been employed the county project manager and the assistant of the county project manager. The CLC was established in November 2006 and is composed of representatives of different institutions on regional and local levels who have interest in agriculture and rural development. Since October 2006, the CLO has been implemented the following:

- procured office and other equipment for the needs of the CLO,
- organized 8 workshops in Vidovec for the land owners and other interested parties, in order to promote the objective of the pilot project,
- interviewed 232 land owners, in order to find out if they want to participate in the pilot project,
- promoted the pilot project in newspapers and local radio,
- organized three meetings of the CLC.

Currently, the CLO under the supervision of the CLC is preparing a procurement for the surveying and lawyers services necessary to start to sort out existing problems on pilot locations. The process of interviewing of land owners and project promotion are continuing.

5. Conclusion:

The implementation of the overall project is progressing as planned. The most important activity in the next few months is to complete the establishment of the Agricultural Land Agency and to make it operational. The implementation of five pilot projects is ongoing and first experiences gained from the pilot projects implementation are accumulated. It is necessary to decide on the Croatian land consolidation concept (compulsory or voluntary).