

Land consolidation and exchange works in Poland: statute, experiences and priorities

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The first law establishing land consolidation procedures was passed by the Polish Parliament in 1923. In that time the estimated needs for improvement of the agrarian structure amounted to 13 million hectares (ha) i.e. 50% of total area of agricultural land. Up to 1939 land consolidation works covered 5.4 million hectares (ha).

After WW II the land consolidation and exchange works were continued on the basis of laws adopted in 1923, 1968 and 1982. During the period 1945 - 1998 the land consolidation and exchange works were executed on the area of 10 million ha of land (that was about 2/3 of total area of agricultural land).

At present the agricultural area in Poland is nearly 16.0 million ha from which 96% is utilized by the private sector in a majority by family farms (89%). The characteristic feature of Polish agriculture is a big number of farms. According to the result of survey conducted in 2005 by Central Statistical Office in Poland there were 2,733,000 farms, in which 947,000 do not exceeding 1 ha of agricultural land.

Polish agriculture is also characterized by large regional differentiation of farm sizes. In southern Poland an average size farm is up to 3 ha, in the northwest almost 20 ha. The largest farms were set up on the former state-owned property. The average size of Polish farms in 2005 (excluding farms up to 1 ha) was 8.69 ha of agricultural land. The farms over 15 ha constituted 11% of those farms.

Since 2002 the total number of farms has been going down while the number of the biggest ones (farms with the size of 20 ha and more) has been going up. Enlargement of existing farms is a constant process supported by law and financial system (e.g. preferential credits for purchase of agricultural land).

The problem of land fragmentation occurs in private, family farms mainly in the southern part of Poland. The present needs for consolidation and exchange works can be estimated at 3 million ha. Nowadays, the consolidation and exchange works are performed on the ground of law adopted in 1982 but its final shape has been applicable since 1989. Those works are coordinated by the provincial (voivodship) self-governments. Technical specification is done by specialized units - Voivodship Offices for Geodesy and Agricultural Areas running as budget's institutions under management of voivodship authorities.

The main objective of land consolidation is improvement of farms structure, rational shaping of land property and adjustment of property borders to the system of devices for amelioration, roads and relief. The basic results of those works are, among others:

- better mechanization of cultivation works,
- establishing the functional network of roads adjusted to currently applied agricultural machines,

- move parcels closer to the center of farms,
- reduction of parcels' amount and reduction of irregular shaped parcels,
- increasing surface of parcels,
- adaptation boundaries of parcels for land drainage system and relief,
- counteracting of water erosion (in some parts of the country),
- adjustment of soil structure towards production profile of the farms,
- active inclusion of local community into problems of spatial development on consolidation area,
- elaboration of modern cadastral documentation.

Up to 2004 the land consolidation works were financed from the national budget exclusively. Yearly account of those works was different, the apex of it was in 1978 – 430 thousand ha, the lowest ones were after 2000 – below 10 thousand ha per year.

Since the date of Poland's accession to EU (May 2004) the land consolidation and post consolidation works have been supported up to 80% of total eligible costs within Sectoral Operational Program (SOP) "Restructuring and Modernization of Food Sector and Rural Development in 2004-2006". On 7 July, 2004 SOP was accepted by European Commission.

According to initial needs applied to the Ministry of Agriculture and Rural Development it was planned to perform 123 projects on the total area of 73,000 ha. At the first stage of projects' consideration three voivodships renounced their projects and they are not being implemented on the area of the whole country, i.e. 16 voivodship but in 13 voivodships only.

Up to now there were submitted 45 applications for co-financing of the projects in total value of 127 million Polish Zlotys (PLN)¹. That sum is nearly two times higher than allocated funds (limits). The contracts signed on the date of 16 March, 2007 covered the limits in 98%, and implementing institutions (Marshals' Offices) have received 44 invoices concerning executed works in amount of 12 % of limits. At the same time the payments in 9% of limits were realized. In the opinion of local administration, it does not mean that financial resources assigned to the projects can not be fully used.

It should be stressed that land consolidation works are long lasting, complicated and very often performed during several years. Also, the highest part of financial resources is assigned for post-consolidation works which are performed in the last phase of project implementation. According to information collected in March 2007 by the Ministry of Agriculture and Rural Development the wielkopolskie voivodship could not use up allocated funds in amount of 1.5 million PLN. Also other four voivodships (lubuskie, mazowieckie, śląskie, świętokrzyskie) declared to resign from parts of unutilized funds. Therefore, Ministry of Agriculture and Rural Development is going to start with procedure of funds reallocation.

In new programming period 2007-13 it will be still possible to finance the consolidation and post-consolidation works with support comes from European Union accounting for 75% of eligible costs. The rest of costs i.e. at least 25% must be covered from national budget. The average cost of project implementation is estimated at 1250 EUR/ha when the average price of agricultural land in Poland, at the end of 2006, amounted to 2500 EUR/ha. It must be noted that prices of agricultural land, after Poland's accession to EU, are going up very quickly.

¹ 3.7844 PLN = 1 EUR. Polish National Bank exchange rate on 11.05.2007.

The consolidation works will be concentrated on liquidation of scattered lands, mostly in south-east part of the country and partially in central region, and also on the works connected with softening the disorganizing impact of the construction of commercial highways for the agricultural areas. Simultaneously the consolidation-exchange works are to be one of the activities attracting the distribution of land being still in the State Property Stock. It is planned that assistance of EU funds should enable to extend the consolidation and exchange works up to 15,000 ha per year.