



XUNTA DE GALICIA
CONSELLERÍA DO MEDIO RURAL



Galicia 2009 Regional Workshop on Land Tenure and Land Consolidation

FAO's Experience with Land Development Instruments in Europe

***Santiago de Compostela – Galicia
9-11 of February 2009***

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Overview

- **FAO's mandate and role**
- **First wave of land reform**
- **The current situation**
- **Second wave of land reform – land consolidation**
- **Land consolidation and rural development**
- **Land consolidation and development strategies**
- **FAO's work in land consolidation**
- **FAO's approach**
- **Armenia, Lithuania and Serbia examples**



FAO's mandate and role

- **Mandate:** Food security, poverty alleviation and rural development
- **Role:** To provide advice to governments, development assistance, information, neutral venue



“First wave” of land reforms

- **Privatization and restitution of land:**
“Reallocating land rights through actions of the state”
- **Creation of land markets**
- **Land administration (mainly land registration & cadastre)**
- **“Changing the state’s role from controlling land to protecting rights of citizens”**



The first wave...

Country	privatization & restitution	registration & cadastre	land markets
Albania			
Armenia			
Azerbaijan			
Belarus			
Bosnia & Herzegovina			
Bulgaria			
Croatia			
Czech Republic			
Estonia			
Georgia			
Hungary			
Latvia			
Lithuania			



The first wave ...

Country	privatization & restitution	registration & cadastre	land markets
Kazakhstan			
Kyrgyzstan			
Macedonia			
Moldova			
Poland			
Romania			
Russia			
Serbia			
Slovakia			
Slovenia			
Tajikistan			
Turkmenistan			
Ukraine			
Uzbekistan			



The current situation

Restitution	Bulgaria	86% of farms are under 1 ha
	Latvia	14 ha in 2 – 15 parcels
	Lithuania	6.3 ha in 2 parcels
	Romania	1.7 ha in 3 parcels
Privatization	Armenia	1.2 ha in 3 - 4 parcels
	Georgia	0.9 ha in 4 - 5 parcels
	Moldova	1.4 ha in 3 parcels
Survival of the old peasant system	Bosnia & Herzegovina	3 ha in 8 – 10 parcels
	Croatia	1.9 ha in 8 parcels
	Serbia	70% of farms are under 5 ha

EU15: 19 ha
Greece, Italy, Portugal, Spain: 10 ha
Remaining 11 countries: 36 ha (UK: 69 ha)



The initial policies that created small, fragmented farms were not wrong

1. social equity: to exclude some (or many) would have created social instability
2. food security: access to small land parcels allowed families to feed themselves during the economic problems of the mid-1990s



“Second wave” of land reform

On the agenda...

- **Completing the “first wave” of land administration reforms:**
 - Land markets (ending restrictions on ownership between 2011-16)
 - Land registration (movement to electronic conveyance)
- **Implementing “second wave” issues of land administration:**
 - Land taxation
 - State land management
 - Land consolidation



The interest in land consolidation

- Many small and fragmented farms which are not competitive
- The success of rural development projects depends on how they address the small, fragmented farms

There is now wide-spread recognition of the potential role of land consolidation as a tool to improve rural conditions.



Small, fragmented farms require a “second wave” of land reform – land consolidation

- Land consolidation has been around a long time (Denmark started in the 1750s)
- Recently the EU has been a major driver – Chapter 4 of the acquis communautaire: Free movement of capital => Removal of restrictions on ownership of assets by people from elsewhere in the EU
- land consolidation is one of fundable measures under EARDF and IPARD

	Country	Land consolidation
New EU countries	Bulgaria	Yellow
	Czech Republic	Green
	Estonia	Yellow
	Hungary	Yellow
	Latvia	Yellow
	Lithuania	Green
	Poland	Green
	Romania	Yellow
	Slovakia	Green
	Slovenia	Green
Candidates	Croatia	Yellow
	Macedonia	Red
	Turkey	Red
Potential candidates	Albania	Yellow
	Bosnia & Herzegovina	Red
	Serbia	Yellow
European neighbours	Armenia	Yellow
	Azerbaijan	Red
	Belarus	Red
	Georgia	Red
	Moldova	Yellow
	Ukraine	Red
Central Asia	Kazakhstan	Red
	Kyrgyzstan	Red
	Tajikistan	Red
	Turkmenistan	Red
	Uzbekistan	Red



	Land consolidation pilot projects under implementation	Land consolidation pilot projects already implemented	National land consolidation strategy under preparation or already prepared	Land consolidation legislation developed	On-going national land consolidation programme
Albania		x			
Armenia	x		x		
Bosnia & Her.					
Bulgaria		x	x		
Croatia	x		x		
Czech Rep.				x	x
Estonia		x			
Georgia					
Hungary		x	x		
Kosovo	x			(x)	
Latvia		x			
Lithuania		x	x	x	x
Macedonia					
Moldova	x		x		
Poland			x	x	x
Romania	x		x		
Serbia	x		x	(x)	
Slovakia				x	x
Slovenia				x	x
Ukraine					

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The transition in demography is demanding a new type of land reform

- National populations are declining
- Rural to urban migration: villages show increasing numbers of elderly and decreasing numbers of young people
- The population at working age is declining: the agricultural labour force will continue to decline

=> Depopulation of rural areas and a shift away from agriculture will have a significant impact on demands to use rural land, and on its ownership

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Land consolidation – an instrument to implement local rural development

- traditionally been an instrument to improve local agricultural structures through enlargement of farm sizes and reduction of fragmentation
- in most countries in Western Europe the purpose of doing land consolidation has shifted in the last 20 years towards a more integrated and multifunctional approach (instrument for integrated rural development, nature and environmental protection, implementation of infrastructure projects etc.)



Rural development & land consolidation – basic dimensions

- ⇒ *increasing capacity of rural families to improve economic status and livelihood through own efforts*
 - ⇒ *five principal constraints:*
 1. *human capital*
 2. *social capital*
 3. *public physical capital*
 4. *institutional capital*
 5. *private physical capital*
- } *land consolidation*



Rural development & land consolidation – development strategies and policies

- **Strategies on national level => based on overall national development priorities**
 - Agricultural competitiveness, agri-environmental schemes
 - Support programs for specific groups (e.g. old farmers - young farmers, natural handicaps)
 - New policy priorities (e.g. EU NATURA 2000, EU Water Framework Directive, HNV areas => land for protection)
 - National physical planning and national infrastructure
 - Abandoned land
- **Land Consolidation Strategies**

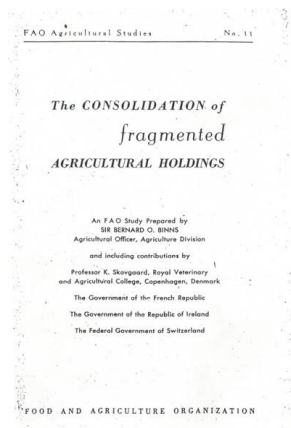


Rural development & land consolidation – development strategies and policies

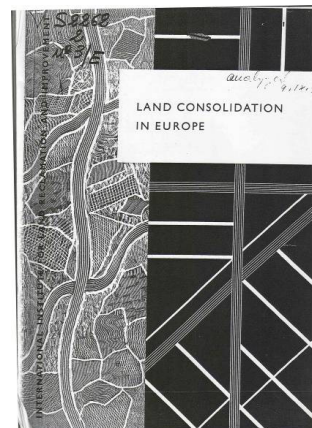
- **Strategies on local level => based on priorities set by local stakeholders in participatory processes**
 - Improve competitiveness of agriculture
 - Implement spatial planning
 - Implement local development strategies
 - Local infrastructure



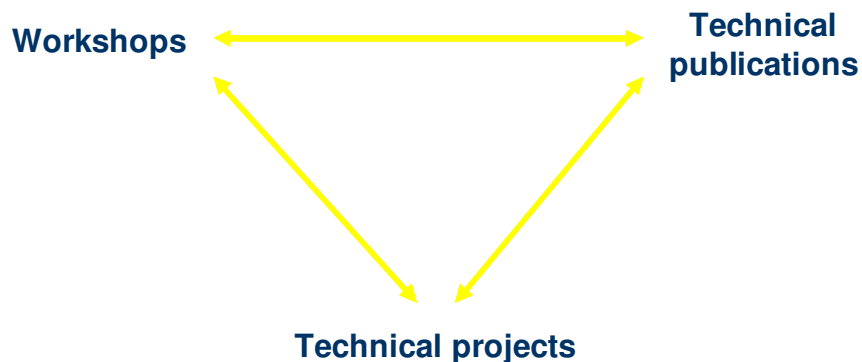
FAO's work in land consolidation



1950s
publications



FAO's work in land consolidation – multi-year program for capacity building



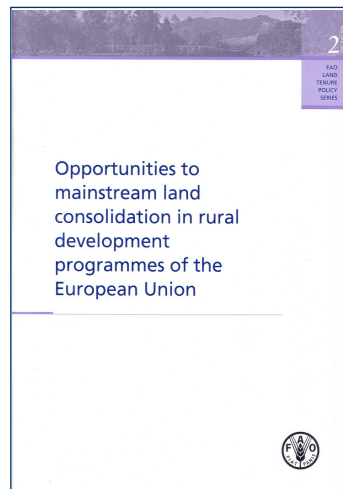
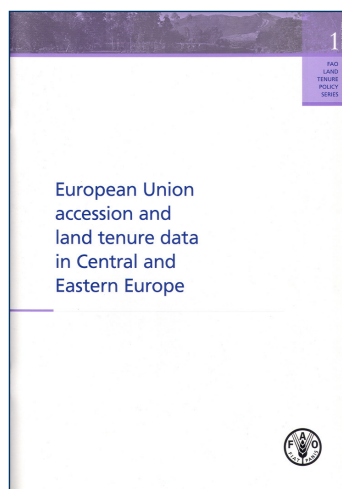


FAO's work in land consolidation – workshops

- 2002 Munich Symposium
 - 2002 Rome Workshop
 - 2002 Prague Regional Workshop
 - 2004 Tonder Workshop
 - 2005 – 2008 Prague Regional Workshop
 - 2009 Galicia Regional Workshop -> land banking and land administration instruments
 - 2009 Prague Regional Workshop -> legal aspects and participatory approaches
- Early workshops defined the need for guidelines on how to start land consolidation
- Guidelines were disseminated at later workshops

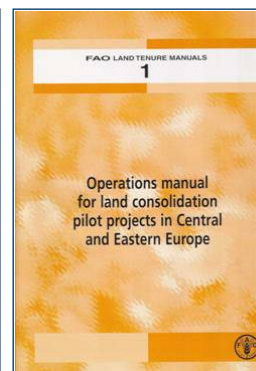
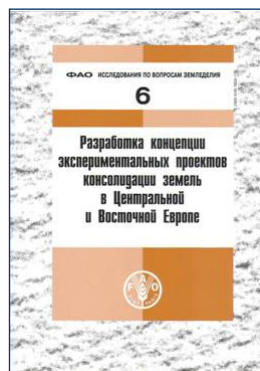
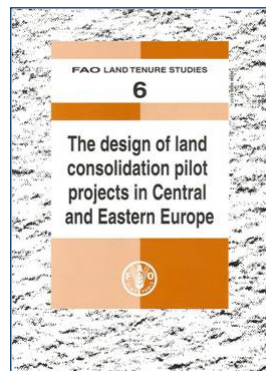


FAO's work in land consolidation – Policy Papers





FAO's work in land consolidation – Land Tenure Studies



FAO's work in land consolidation – Training Manuals

FAO Land Tenure Training Materials
on Land Consolidation Pilot Projects

Version 1.0

March 2006
Rome, Italy

Land Tenure Training Materials on Land Consolidation Pilot Projects

Unit 1:

General concepts of land consolidation
pilot projects

Land Tenure Training Materials on Land Consolidation Pilot Projects

Unit 12:

The results of the project

The experience of projects was documented
for use in other countries



FAO's work in land consolidation – technical projects

Armenia
FAO-TCP
project

Hungary
FAO-TCP
project

Lithuania
FAO-TCP
project

Serbia
FAO-TCP
project

Moldova
WB project

Kosovo
EU project

Croatia
SIDA project

BiH
TCP under
preparation

Albania
TCP in
pipeline

Azerbaijan
TCP-facility



FAO's approach to land consolidation

- Lessons to be learned from others => but develop own solutions
- Many countries compulsory participation of land owners
- FAO recommends voluntary approaches to:
 - reduce costs
 - implement projects in less time
 - overcome lack of trust when there is a history of coercion
 - introduce participatory approaches
- FAO recommends to start with pilot projects, including three components:
 - elaboration of a land consolidation strategy
 - implementation of a pilot land consolidation
 - capacity and institution building



Some examples

- *if there is time*



Armenia, Lithuania & Serbia – land consolidation strategies & pilot projects

- strategy was prepared by the country and not by foreigners
- Each project provided funds for:
 - 4 national consultants to help the Government staff to prepare the strategy (People in Government don't have the time to do most of the work to be done.)
 - International experts who gave advice – but did not drive the process of defining content



Preparing a good strategy takes time – usually longer than initially thought!

- 12 - 18 months depending on the review period
- Team work takes time!
 - National consultants were encouraged to work as a team – and not produce individual reports
 - Government staff worked with national consultants to make sure the output met the needs of Government
- A good strategy is based on thinking – and good thoughts takes time!
- Strategies went through at least 3 drafts



The strategies were presented in a forward-looking way

- Setting out the vision – what is wanted
- Describing the current situation – where the country is now
- Recommendations – what is needed to make the vision a reality
- Before such a strategy can be written, some research had to be done ...



Analysis of the current situation

- Economic and social
- Environmental
- Legal and organizational
- Policy - relationship to other strategies:
 - agricultural and rural development water development
 - forestry development
 - tourism development
 - poverty reduction
 - EU programmes
 - SWOT analysis



Statement of principles, goals, objectives, outcomes

- Principles and goals
- Overall and specific objectives
- Beneficiaries
- Approaches:
 - voluntary participation (Lithuania & Armenia)
 - voluntary and compulsory (Serbia)
 - use of land banks / land funds



Measures to implement the strategy

* Institutional and organizational:	Roles and responsibilities of central, regional and local governments and private sector
* Legislation:	Amendments, new laws, regulations
* Funding:	EU, national, municipal, other programmes
* Increasing the participation of landowners:	<ul style="list-style-type: none">- incentives (credit, tax privileges, subsidized fees).- public awareness.
* Capacity building:	Short-courses, university degrees



Finally ...

- **Criteria for evaluating success**
 - Assessment methodology to measure the implementation
- **Action plan**
 - Plan identifying **what** will be done **when** and by **whom**



Building capacity: moving from pilot projects to a long-term programme

- Major new legislation usually does not work well if it is not built on practical experience
- FAO recommends that countries introduce modern land consolidation in phases
- A first step is a pilot project



A pilot project serves several objectives

- To design and test approaches to be used in a long-term programme
- To identify issues to be addressed
 - some issues are discovered only when the project starts
- To allow people to get practical experience
- To have the community serve as a successful model for other communities



A pilot project is a learning experience

- The lessons provide practical guidance to problems to be addressed in the strategy and new legislation
- Learning the lessons requires a commitment to spend time to analyze the results of the project
- It is important to learn the lessons well in order to avoid making mistakes with new legislation



A pilot project lays the foundation for a long-term programme

- Programmes require stable funding
- EU provides a framework for funding land consolidation by member states
 - 2007-13: EAFRD (European Agricultural Fund for Rural Development)
- For candidate countries, the EU provides IPA (Instrument for Pre-Accession) which allows for EAFRD-like pilot projects