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Regional Office
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Hungarian land use registry, cadastral mapping system and National Land Fund

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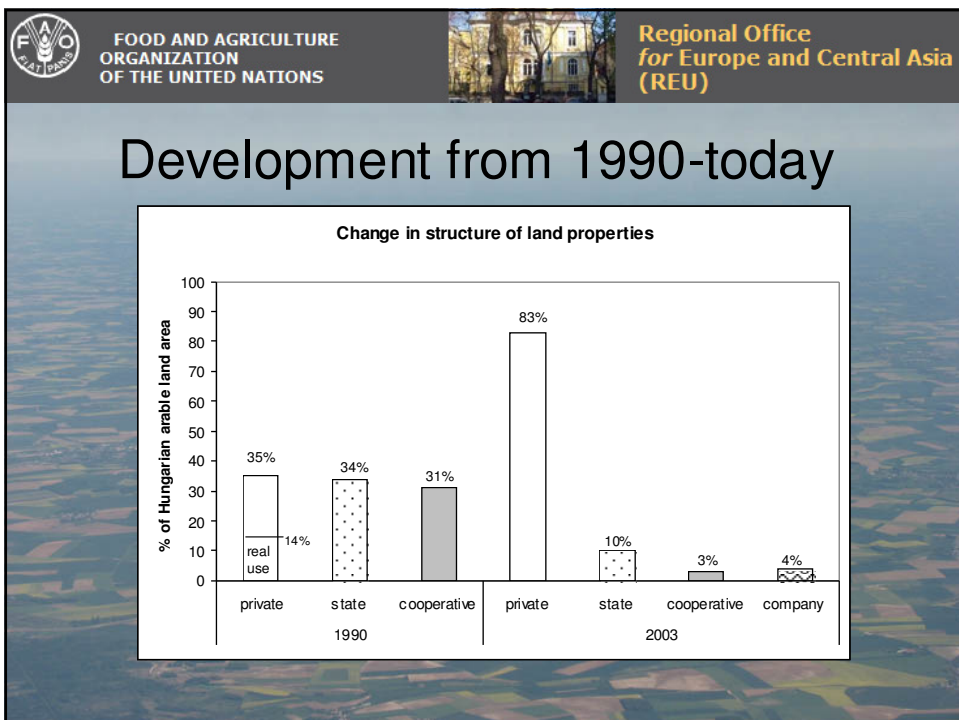
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Historical background





- Development before 1945
- Development 1945-89
- Development from 1990-today
- Present situation



Present situation

- The proportion and the quality of agricultural lands are significantly high
- Good agro-ecological potential
- Unfavorable and fragmented ownership and land use
- The ratio of rented lands is over 50%

Size: 93 000 km²; Population: 10,3 million;
 Administrative units: 19+1 counties; 3154 settlements (municipalities, local governments)



Structure of ownership

- **Land owned by natural persons 73 %**
- **Land owned by legal entities 27 %**

State farms	22 %
Cooperatives	0.6 %
Economic companies	2.5 %
Other owners	1.9 %

Source: Ministry of Agriculture, 2008



Structure of land use

- **Land used by natural persons 49 %**
average size: 9.2 ha/person
average number: 4.3 pieces/person
- **Land used by legal entities 51 %**
average size: 264 ha/entities
average number: 35 pieces/entities

Source: Ministry of Agriculture, 2008



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Striving for Land Property redistribution

1994-2007 several experimental projects enjoying
foreign support

- **TAMA (Germany)**
- **PRIDE (Dutch)**
- **TALC (Dutch)**
- **FAO TCP (FAO)**
- **FARLAND (EU)**



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Law background is appropriate

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- 1994. LV. Act on arable
- 1995. XCIII. Act on restitution of protection level of protected areas
- 1996. LIII. Act on conservation
- 1996. XXI. Act on rural development and land consolidation
- 1996. LXXVI. Act on geodesy and cartography activity
- 1997. CXLI. Act on registration of properties
- 1997. LXXVIII. Act on protection of built surroundings
- 35/1998. (III. 20.) OGY resolution about Conception of National Land Consolidation
- 105/1999. (XII. 22.) FVM decree about regulations of land qualifying
- 2001. CXVI. Act on National Land Foundation
- 48/2002. (VII. 19.) OGY resolution about guide-lines of land property policy



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Institutional Frameworks

- **Land office network** (120 district land offices)
 - Land property registry and record system (TAKAROS)
 - Land use registry and record system (FÖNYIR)
 - Land survey and (digital) cadastral mapping system
 - Classification, qualification and protection of land
- **National Land Fund**
 - Land bank
- **Other available tools**
 - Air and space photographs
 - System of identification of agricultural lots (MePAR)



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Organizational Structure

The Multipurpose Hungarian Unified Land Registry system


Ministry of Agriculture and Rural Development
MARD

Department Land Administration and Geoinformation
DLAG


20 County Land Offices CLO	Institute of Geodesy Cartography and Remote Sensing FÖMI	National Cadastral Program NCP
119 District Land Offices DLO		




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The National Land Fund and its role in land-policy



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Topics

- Legal Background
- Organisational Structure of Hungarian State Holding Company
- State owned land and forests
- Guiding principles of land-policy
- Management of the assets of National Land Fund
- Main tasks of the Directorate responsible for National Land Fund

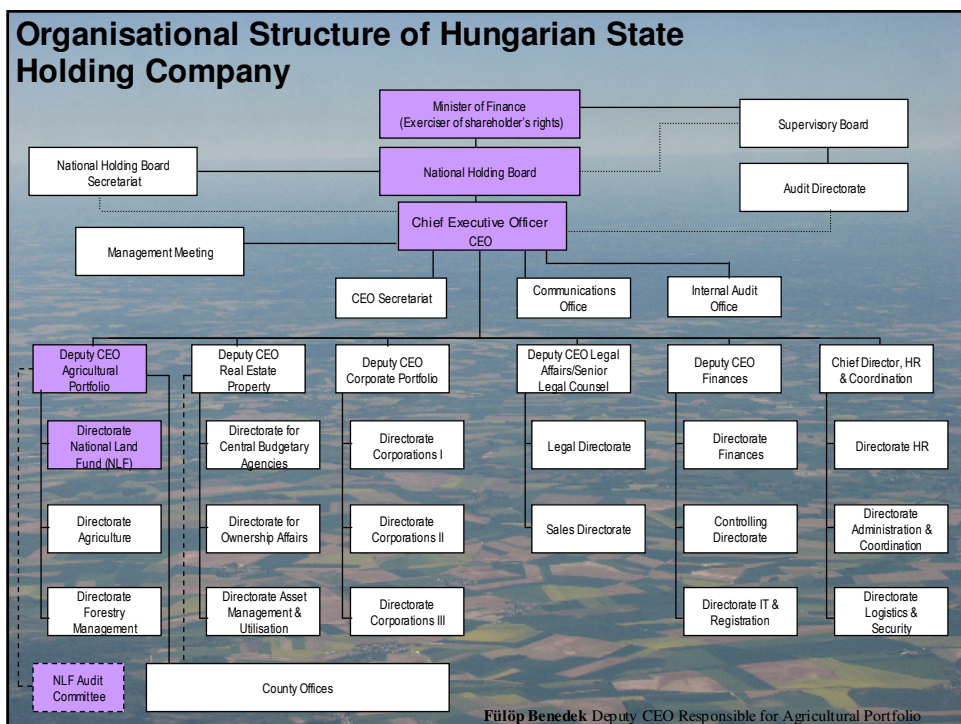
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Legal Background


Act CXVI of 2001 on the National Land Fund

Ensuring the transparency and control of state property management





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State owned land and forests

Cultivation method	Thousand hectare
Farmland (field, garden, orchard, vineyard, grassland)	1 250,88
Forest, reed, fishpond	1 181,02
Exempted from cultivation	144,83
Total land	2 576,73

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Guiding principles of land-policy

- Stimulation, regulation of the land market
- Promoting the acquisition of land which is necessary for the functioning of stock-raising farms
- Maintaining the land rent concentration adjusted for competitiveness
- Assisting the change of cultivation methods
- Ensuring of preferential land for the functioning of special farms
- Promoting the development of a rational landowner and rental system
- Announcing and managing the 5th phase of life annuity program

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Management of the assets of National Land Fund (NLF)

- Influencing the proportion of property and leasing based farming
- Land leasing with tendering or supporting of utilisation
- Definition of purchasing aspects for development of NLF land property
- Ranking of aspects to be considered by land selling
- Maintaining the cultivated condition of transitionally not used, NLF managed land
- Ensuring the utilization obligations incurred in contract by land sale

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Main tasks of the Directorate responsible for National Land Fund

- Farming/management of state-owned land
- Implementation of land-policy guidelines during farming/management
- Managing the life annuity program
- Tasks in relation with shooting
- Affairs concerning land and territorial claims
- Managing the tendering for land lease
- Professional coordination of auctions and tenders

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Main tasks of the Directorate responsible for National Land Fund

- Preparing of property management and leasing contracts
- Issuance and checking of proprietary permissions
- Administration concerning temporary permissions for land utilization
- Affairs concerning the establishment of easement
- Professional coordination of the regional offices

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Land Consolidation, Land Development

- Currently there is no general act on land consolidation
- Since 1994, opportunity provided for voluntary land change aiming at land consolidation
- Managed by land offices
- State support



Land Consolidation, Land Development

- National support – 500-900 applicants/year
- 1.5-2 million EUR/year
- From 2008 every owner is entitled to financial support of purchasing agricultural land for merging scattered land parcels
- Limits in size to own lands



Purchasing Agricultural Land for Life Annuity

- NLF programme in 2004
- NLF bought lands
(19 000 owners, 54 000 ha)



Purchasing Agricultural Land for Life Annuity

- In 2006 NLF sold 18 000 ha (28 million EUR)
- In 2007 NLF sold 34 750 ha (60 million EUR)
- Total sum to paid to beneficiaries from 2004 to 2008 for life annuity reaches 400 million EUR



CONCLUSIONS

General property redistribution is importune in Hungary, yet, because of

- Property relationships have not developed in a long run due to
 - Legislative limitations for land acquisition (based on subject and area)
 - »7-year EU derogation for the ban on acquisitions



CONCLUSIONS

- Lack of wide societal consensus (parties) whether
- Help private farmers or collective enterprises
 - » Help property concentration (increase competitiveness)
 - or structure should provide more employment for agrarian population (sustain the agricultural provinces)



Substitutional instruments of Land Consolidation

- Land Act Right of primary purchase and primary lease
- Land Act Right of land swaps with the aim of arable land merger
- 50 % interest subsidy for loans of arable land purchase with the aim of enlarging the estates
- 20 % price subsidy for arable land purchase with the aim of enlarging and merger the estates
- National Land Fund activities with the aim of supporting to create more competitive estates