



Fourth International Workshop on Land Market Development and Land Consolidation

Budapest, 12 – 15 November 2012

Land markets and land structures... in Galicia (Spain)

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- Intro
- Facts: institutional context, transaction costs, economic drivers-players AND outcomes
- Government intervention
- Bottlenecks and opportunities




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Lots of “maybes”:

- Lack of information
- Many issues: which one/s are the keys?
- Focusing very much on agricultural land (only ¼)




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Galicia: Spanish Autonomus Community (out of 17)

Location: North-West of the Iberian Peninsula

Area: 29.575 km²



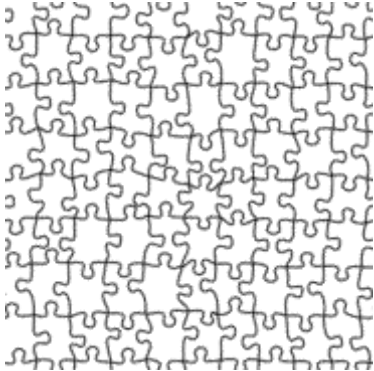
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Family Farmland in the West

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The fragmented Far West?



3 mill. inhabitants vs. 1.6 mill. land owners

- 0.23 ha/plot
- 1,7 ha/owner
- 8 ha/farm

(those are averages)




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Owner: profitability not “always” the main objective.

Selling not “preferred option”

Some “doubts” about renting (only last decade increased to 25%)



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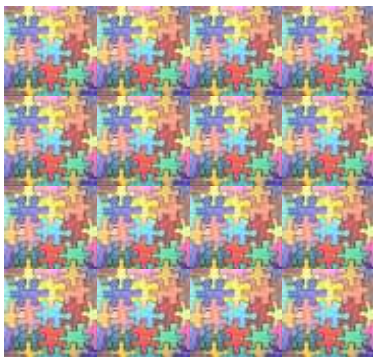
Absentee ownership

Unknown ownership

Co-ownership



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Many players-different interests



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Farmland

Family Farmsteads in rural landscapes

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Food and Agriculture Organization of the United Nations

1a

2a

3a

1b

2b

3b

0

60 Km

88

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Last 3 decades:

migration from rural,

urbanization,

afforestation,

abandonment

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Not restrictions-interventions in land markets (sale and rental)

Weak spatial planning framework

Relatively low land taxation

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- High % of properties are not registered in "Land Book" (land register book)
- Cadastre data bases are not always as accurate as they should be (although good reference)


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more information costs:

- the geographical gap,
- boundaries and boundary marks (problem of land abandonment and depopulation: lost info)


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Which should be the price?

- Diversity
- No info
- Expectations



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- Structural characteristics
- Immovable property
- Financial capacity of demand



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Prices and quantities?

Estate superficie (m2)	N°	%	Prezzo medio (€/m2)
0 a 1000	1034	36%	2,40
1000 a 2500	764	26%	1,88
2500 a 5000	507	17%	1,61
5000 a 10000	348	12%	1,35
10000 a 50000	232	8%	1,01
> 50000	19	1%	0,68
	2904		1,88

- High compared with expected profit
- Not “big” surface, but lots of transactions
- Small is beautiful... and expensive


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Government intervention?




- Traditional Land Consolidation (60 years)
- Land Banking (4 years ago)
- Updating and broadening scope of cadastre


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Government intervention?

- Improving information flow
- Clear spatial planning framework
- Facilitate structural improvement through new instruments
- Supporting innovation


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Bottlenecks?

- Many factors at the same time
- Not clear objectives
- Property sensitive issue
- Adaptive and innovation capacity of Government services?

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in rural landscapes

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Opportunities:

- System transitioning: discussion about new instruments
- New CAP?
- Back to rural?



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Thank you for your 6:40!



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