



On – going preparation of a land consolidation program in Macedonia



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Macedonia and Macedonian agricultural sector

- Republic of Macedonia is a small land-locked country with diversified natural endowments and climate and variety of ethnic groups and cultures.
- The Country with an area of 25 713 km² and population estimated over 2 million is located in the South Western part of the Balkan Peninsula.
- As an independent state from 1991, after the breakdown of former Yugoslavia, the Country was going through long way of transition from a centrally-planned to a market economy.
- Membership of the European Union is a strategic goal of the Macedonia.
- Agriculture is the third most important sector of Country's economy.

Structural problems in the agricultural sector

- The agriculture sector plays an important role in the country's economy, its contribution to GDP accounts for nearly 10% and is relatively stable. Together with food processing the percentage increases to 17%. Agriculture has always served as a shock absorber for the socio economic and structural changes in industry and other sectors of the economy.
- As in many Western Balkan countries, almost half the population lives in rural areas.
- The structure of the agricultural sector is characterized by small-sized family farms - around 80% of agriculture holdings are estimated to be 2.5 – 2.8 ha on average; they are owned or leased, and are highly fragmented into small parcels.
- Average parcel size of arable land is 0,2 ha (privately owned) and up to 0,5 ha (state owned).

The importance of the agricultural sector

- Almost the totality of the Gross Agricultural Output (70%) is generated by crop production, where vegetables are the main contributors. Other important agricultural products are fruit, cereals, tobacco and grapes for wine production as well as for direct consumption. Livestock output has a smaller contribution.
- Agriculture is the main source of incomes for the rural population, followed by forestry, crafts and village tourism, services and trade. Officially, the agricultural sector provides for an income and employment for about 19.25% of the active working population in the country (around 3 times more than in EU-27).

Land consolidation experiences in Macedonia

- Law on land consolidation 1990/abolished 2008
- Law on arondation 1976/abolished 2008
- EMERALD- Encouraging Macedonia's Endeavours to Rural Land Development /2008-2009
- STIMERALD- Strategy and Institution Building for Macedonia's Endeavours to Rural Land Development/2010-2012
- 2012/Adopted - NATIONAL STRATEGY on Agricultural Land Consolidation in the Republic of Macedonia for the period 2012-2020 with operational plan of land consolidation activities
- 2013/Adopted -Law on Land consolidation
- 2013/ Established- with in MAFWE / Sector for land consolidation land exchange and land parcel identification
- 2014/ Starting with at least two land consolidation project, one voluntary based and one comprehensive

Law on land consolidation

two instruments for land consolidation

COMPREHENSIVE LAND CONSOLIDATION

The Ministry shall conduct the procedure for consolidation by allocation ex officio or upon request from at least 70% of the agricultural land owners in the area where the consolidation has been proposed, who own at least 50% of the land in the consolidation area.

VOLUNTARY LAND CONSOLIDATION

Upon request from ten or more owners of agricultural land in on or more neighbouring cadastral municipalities or ex officio when the agricultural land of a distinct geographic area defined by one or more cadastral municipality, or in specific cases, by part of a cadastral municipality, has unfavourable land structure with small and fragmented land parcels, the Ministry shall conduct a procedure for consolidation of agricultural land by exchange.

Law on land consolidation

Five by-laws foreseen in the new Law on land consolidation

- Methodology for assessment of the value of land parcels from the consolidation mass
- By-law on the form and content of the Special purpose geodetic report on consolidation
- By-law on the form and content of the Minutes on land assessment with overview plan
- By-law on the form and content of the consolidation design
- By-law on the manner of providing Advisory Services; the manner of mediation; the form and the content of application form for consolidation of the agricultural land by exchange and required documents

FAO support to the preparation of a National land consolidation program

FAO project is under preparation and is expected to begin in 2014

The main outcome of this project will be an operational land consolidation program and increased capacity of MAFWE to implement land consolidation projects.

The implementation of a national land consolidation program will lead to reduction of land fragmentation and increased farm size in future land consolidation project areas and contribute to increased farm productivity and competitiveness.

The project will contribute to sustainable rural development and increased rural livelihood

FAO project output 1: Legal basis adapted

- Analysis of relevant legal framework and screen for compliance with the Voluntary Guidelines on Tenure
- Develop the by-laws and necessary guidelines foreseen in the new land consolidation law
- Develop flexible procedures for state purchase of private agricultural land and selling of state agricultural land in connection with land consolidation projects
- The legal framework (land consolidation law, by-laws and guidelines) is amended where necessary based on pilot experiences

FAO project output 2 :Land consolidation pilots implemented

- Develop selection criteria and select land consolidation pilot areas (at least two, one voluntary based and one comprehensive)
- Develop and execute awareness raising campaign
- Develop training program and execute training supervision
- Prepare ownership map, interview stakeholders, register abandoned land and assess options for land consolidation
- Assessment of community development needs (e.g. community development plan and technical project for comprehensive project)
- Prepare-draft re-allotment plan (including state land) and public hearing
- Environmental impact assessment of draft land re-allotment plan and planned infrastructure investments
- Prepare final re-allotment plan
- Registration of land consolidation transactions

FAO project output 3 :Land consolidation program operational

- Organize and implement a study tour for two person to two European countries with on-going land consolidation programs
- Assist MAFWE in the preparation of subsequent EU funded land consolidation projects
- Preparation of rural development funding of the national land consolidation program
- Create awareness of the options for land consolidation under the national land consolidation program

selection criteria developed for select land consolidation pilot areas

- Importance of the agricultural activity in the potential land consolidation region
- Scale of fragmentation
- Land use
- Quality of the agricultural land
- Total size of the land consolidation area
- Availability of the state-owned land for common purpose
- Interest of farmers to participate in the land consolidation process
- Number of absent owners
- Updated and clear ownership over the potential consolidation area
- Level of the organization of the farmers in cooperatives

selection criteria developed for select land consolidation pilot areas

- Number of absent owners
- Updated and clear ownership over the potential consolidation area
- Support by the local self-government
- Environmental protection implemented
- Rural infrastructural investments in the consolidation area (as such important for the comprehensive land consolidation project)
- Minimum percentage of increased size of land area per holding

Better participation of women and young farmers in the consolidation process also will be taken as advantage in pilot area selection process.

Recommendations and next steps

- It is recommended two pilot to types of land consolidation examples within the forthcoming TCP land consolidation project, both voluntary and comprehensive consolidation
- It is recommended that MAFWE and the project team pay sufficient additional attention to the participatory approach in the implementation of the forthcoming TCP land consolidation project in order to ensure familiarity and ownership of the all activities by the farmers involved
- Introduction of the measures relevant for candidate countries in support land consolidation activities to the IPARD program
- it is recommended that based on the previous field activities and experience of the MAFWE Land Consolidation Department staff it will be useful to select as a pilots some of the municipalities and villages where farmers had already show significant interest in land consolidation

Thank You