# **Land Consolidation in Central and Eastern European Countries**

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**Key words**: land consolidation, land reform, land banking, community area development plan.

#### **SUMMARY**

All Central and Eastern European countries have in the last 15 years been through a period of land reform (restitution and privatization) that in many countries has been difficult in both political and practical terms. The results of these land reforms in most countries in the region have been agrarian structures unsuitable for today's Europe and the globalizing economy with a high degree of land fragmentation and small average farm sizes.

The recognition of the structural problems in the agrarian sectors among political decision makers and experts in the region has increasingly over the last 5-10 years lead to a "second wave" of land reform. Land consolidation is one the important instruments to address the problems. Most of the countries in the region have had experiences with land consolidation activities in recent years. The variation between countries is considerable. Five of the twenty countries in the region already have on-going national land consolidation programmes. All five became EU-member countries in May 2004 and have access to EU co-funding of the land consolidation activities over the national rural development programmes. More than half of the countries (twelve) are somewhere in the process with preparation or implementation of land consolidation pilot projects or they have already implemented pilots.

The five countries with on-going land consolidation programmes, all have developed special land consolidation legislation. In several countries the pilot projects give input to land consolidation legislation.

The experiences with land consolidation in the last years in Central and Eastern Europe clearly demonstrate that land consolidation can be an effective and active land management

instrument to address the problems not only with land fragmentation and small average farm sizes but as an instrument to sustainable rural development in a wider context.

In the several land consolidation pilot projects implemented so far in Central and Eastern European countries, a completely voluntary approach has been used. There are many good reasons for this.

It is the experiences from land consolidation pilot projects in the region, that a State or community land reserve is very important for the results of land consolidation projects.

The Food and Agriculture Organization of the United Nations (FAO) has over the last 6-7 years played a very important role in supporting land consolidation activities in the region.

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#### 1. INTRODUCTION

All countries in the Central and Eastern European region have been through a remarkable process of land reform with a focus on de-collectivization, restitution of private ownership to land and privatization of agricultural land. These land reforms were essentially driven by considerations of political justice and in some countries of a need for a fast allocation of agricultural land to rural households in order to avoid starvation after the collaps of the collective farms.

# 1.1 Land reform in the 1990s – privatization and restitution of private ownership to land

The results of the land reforms in most countries in the region have been agrarian structures unsuitable for today's Europe and the globalizing economy. Land fragmentation and small average farm sizes have emerged as a side effect of the reform and privatization process. In Moldova, the landowners on average hold title to 1, 56 ha<sup>1</sup>, normally located in 3-4 land parcels at a distance of up to 10 km or more from the household. In Armenia, the average holding size is 1, 2 ha<sup>2</sup> located in 2-4 parcels and with a normal distance between parcels of 10-15 km.

## 1.2 Land fragmentation and small farm sizes

It can be argued that a high degree of land fragmentation (of the owner structure) is not always an important problem for development of the agricultural sector. Countries like Slovakia and the Czech Republic have very strong fragmentation of land ownership. In Slovakia the average parcel size is 0,45 hectares and with 12-15 co-owners for each parcel<sup>3</sup>.

<sup>&</sup>lt;sup>1</sup> Agricultural Land Market in Moldova. Baseline study. Consulting and Credit in Agriculture (CCA) NGO. Prepared for the USAID Land Privatisation Support Project. Moldova November 2003.

<sup>&</sup>lt;sup>2</sup> Land consolidation in Armenia – progress made. FAO workshop paper by M. Vardanyan and V. Grigoryan, State Committee of the Real Property Cadastre of the Republic of Armenia (SCRPCA), May 2006.

<sup>&</sup>lt;sup>3</sup> Slovakia Case Study / Land Consolidation in Slovakia FAO workshop paper by Richard Lazur, Soil Science and Conversation Research Institute, Bratislava, March 2005.

But both countries are among the countries in the region with the least fragmented use of agricultural land. In Slovakia more than 90 % of the agricultural land is used through lease agreements, normally mid- or long term contracts, and the land is often used in big (lease) consolidated parcels. The agricultural structures are in these countries strongly dominated by large enterprises.

Land fragmentation is an important problem only in countries where rural households have to rely on agriculture as a source of income. This is very much the situation in Moldova, Armenia and most of the other countries in the region where peasant farms and households contribute significantly to the total agricultural production. It can therefore be expected that addressing the fragmentation issue through land consolidation projects will lead to improvement of the agrarian structures and further to improved competitiveness of farms. The recognition of the structural problems in the agrarian sectors (fragmentation and small average farm sizes) among political decision makers and experts in the region has increasingly led over the last 5-10 years to a "second wave" of land reform, aimed at rationalizing rural space through improved land management tools such as land consolidation and land banking. The recognition of the need for land consolidation is also inspired by the lengthy tradition for land consolidation work in many Western European countries. In some countries the tradition goes back more than 200 years.

It is the intention with this paper to try to give a status and an overview of land consolidation activities in Central and Eastern European countries 15 years after the political changes.

#### 2. STATUS OF LAND CONSOLIDATION ACTIVITIES IN THE REGION

Most of the countries in the region have had experiences with land consolidation over the last decade. Figure 1 below is an attempt to summarize past and on-going activities in each of the countries. The status is as of July 2006<sup>4</sup>. The variation between countries is considerable.

Land consolidation	Land consolidation	National land	Land consolidation	On-going national
pilot projects under	pilot projects	consolidation	legislation	land consolidation
implementation	already	strategy under	developed	programme
•	implemented	preparation or	•	• 0
	•	already prepared		

<sup>&</sup>lt;sup>4</sup> The informations in figure 1 are based on country presentations at FAO regional land consolidation workshops in Prague in March 2005 and May 2006. Workshop paper and powerpoints are available from the website: http://www.fao.org/regional/seur/events/landcons/landcons en.htm

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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	_	-			
			<u> </u>	L	

**Figure 1** Experiences with land consolidation activities in Central and Eastern European Countries (status July 2006).

## 2.1 On-going national land consolidation programmes

Five of the twenty countries already have on-going national land consolidation programmes. All five became EU-member countries in May 2004 and have access to EU co-funding of the land consolidation activities over the national rural development programmes.

At the other end of the scale, four of the countries have not yet had any practical experience. Despite this, the first capacity building on land consolidation and related topics in these countries has been going on for several years through the FAO land consolidation network and workshops (see section 3).

The Lithuanian case shows that developing a national land consolidation programme from "scratch" through a series of pilot projects does not have to be a lengthy process. In Lithuania the first land consolidation pilot project was started in September 2000 and the first 14 land consolidation projects under the new national programme will begin in the Summer of 2006 (see box 1).

## 2.2 Beginning with pilot projects

Most of the countries (twelve) are somewhere in the process with preparation or implementation of land consolidation pilot projects or have already implemented pilots (see section 4). Most of these countries have already or are at the moment preparing a national land consolidation strategy. It is worth to mention that countries such as Hungary, Estonia, Latvia and Albania have had pilot experiences some years ago but the process seems to have stopped. The reason for this varies from country to country, but change in Government and budget cuts are important reasons. In Latvia for example, land consolidation has not been a political priority and the present Government relies on the land market to solve the structural problems in the agrarian sector.



Small and fragmented parcel in Copanca Village, Moldova (September 2005).

## 2.3 National land consolidation strategy

Development of a national land consolidation strategy indicates that land consolidation is a political priority to the country. Development of such strategies has been an integrated part of the on-going FAO land consolidation projects in Armenia, Serbia and Lithuania (see section 3).

## 2.4 Land consolidation legislation

The five countries with on-going land consolidation programmes have all developed special land consolidation legislation. In Lithuania the pilot projects gave input to the legislation and this is also the intention in on-going pilot projects in Croatia, Kosovo, Armenia, Serbia and Romania.

In some of the countries in the former Yugoslavia (e.g. Serbia and Kosovo), land consolidation legislation developed under communist system is in principle still in existence. The on-going projects in Serbia and Kosovo are expected to provide input to new land consolidation legislation. Under the former political system land consolidation was implemented very much "top-down" and used as a tool to develop collective farms at the expense of private farmers. This background gives a special need to re-launch land consolidation as a *modern* land consolidation approach as opposed to the traditional understanding.

In Poland, the land consolidation legislation goes back to 1923. The Polish legislation has with some changes continued to be in function after the political changes around 1990.

#### 3. FAO LAND CONSOLIDATION ACTIVITIES AND PROJECTS

The Food and Agriculture Organization of the United Nations (FAO) has played a very important role in supporting land consolidation activities in the region through a partnership with government agencies and universities in transition countries as well as in Western Europe. The involvement of FAO has been in three different fields:

- Initiation of a network of land management / land consolidation experts through organization of workshops.
- A series of technical publications.
- Implementation of land consolidation projects in the member countries.

## 3.1 Network and workshops

FAO has a long tradition for involvement in land consolidation activities. In the 1950s the organization participated in the development of guidelines for the institutions responsible for land consolidation in the Western European countries. FAO began in 2000 the recent activities in the field of land consolidation<sup>5</sup>. An important framework for the FAO activities has been a series of conferences and workshops about land consolidation related issues:

- 2002 Munich Symposium
- 2002 Rome Workshop
- 2002 Prague Regional Workshop
- 2004 Tonder Workshop
- 2005 Prague Regional Workshop
- 2006 Prague Regional Workshop

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<sup>&</sup>lt;sup>5</sup> Land consolidation in Central and Eastern Europe: Moving to the next challenges of capacity building, by David Palmer, FAO Land Tenure Service, May 2006.

# BOX 1: Lithuania – From the first pilot to full scale programme in less than six years

Since the independence in 1991, Lithuania has been through a long land reform process with restitution of private ownership to agricultural land. As of June 1<sup>st</sup>, 2006, land rights have been restored to almost 94 percent of the area. The result of the restitution process has been an agricultural structure with an average farm size (12 ha) less than the average farm size in 1939 before WWII.

#### Land consolidation pilot projects.

The first land consolidation experiences in Lithuania were from the Danish-Lithuanian bilateral land consolidation pilot project in the *Dotnuva area* (Kedainiai district) during September 2000 and January 2002. The main scope of this first project was narrowed to improvement of the agricultural structure in the pilot area by enlarging farm sizes, reduction of fragmentation and improved access to roads. A voluntary and market based approach was applied.

A second land consolidation pilot project began in October 2002 and was finished at the end of 2003. The overall idea of that project has been to continue the work from the first pilot project and to introduce land consolidation as a tool for implementation of measures for local rural development. Three land consolidation pilot sites were selected based on objective criteria.

In the *Akademija project area* (Kedainiai district), the land consolidation project mainly concentrated on improvement of the agricultural structure. 21 landowners participated and 122 ha change owner. The three biggest family farmers in the area all increased the size of owned land and fragmentation was reduced. State owned agricultural areas were privatized during the project.

In the *Pabaiskas project area* (Ukmerge district), the land consolidation project included 32 landowners and 82 ha change owner as part of the project. A state afforestation project was one of the main measures for local rural development. The afforestation was implemented as a result of the land consolidation. 18 ha of free state owned land of poor soil quality was transferred to the local State Forest Enterprise for afforestation. The afforestation project is supporting and complementing private investments in rural tourism.

In the *Puskelniai project area* (Marijampole district), the land consolidation project included 10 landowners. 22 ha change owner during the project. Many of the land plots in the area had been cut through during the construction of the new Via Baltica Highway. It was a main objective for the project to reduce the fragmentation caused by the new road.

#### Legal framework for land consolidation.

It was one of the main activities of the projects to give input to the on-going work in the National Land Service under the Ministry of Agriculture with the preparation of a land consolidation legislation. Finally the land consolidation legislation was adopted in January 2004 by the parliament as part of the extensive amendment of the Land Law. The detailed provisions for implementation of land consolidation projects are regulated in a governmental resolution of June 2005.

#### Land consolidation projects under a national programme.

Lithuania has in 2005 introduced a national land consolidation programme with country-wide land consolidation projects co-financed under the EU Rural Development programme. The first 14 projects were started in 2006.

## Training and capacity building.

The National Land Service, the Lithuanian land consolidation lead agency, have identified training and capacity building as one of the most important issues when moving from pilot projects to a national programme. So far (as of June 2006) 25 planners have been licensed to participate in the tendering procedure for the planning of land consolidation projects and a training programme has been started as part of a FAO TCP project. This project will furthermore assist in the development of a national land consolidation strategy and public awareness campaign on land consolidation.

The workshops have created a very strong in-formal network between Government- and research institutions all over the region, but even more important, it has created a strong network between the (often very few) people working with land consolidation and related activities in each of the countries. The content of the workshop programmes has normally been a combination of country presentations (with a short status of land consolidation activities for each country) and technical presentations and discussions. The FAO workshops have in this way given very important contributions to the overall capacity building on land consolidation issues in the region. Only a limited number of international specialists have worked on land consolidation projects in the region, some of them in several countries. This has also contributed to the dissemination of project experiences over the region.

## 3.2 Technical publications

FAO has in the last years together with its partners prepared three technical publications in relation to implementation of land consolidation pilot projects:

- The design of land consolidation pilot projects in Central and Eastern Europe (FAO Land Tenure Studies no. 6)
- Operations manual for land consolidation pilot projects in Central and Eastern Europe (FAO Land Tenure Manuals no. 1)
- FAO Land Tenure Training Materials on Land Consolidation Pilot Projects

The idea of the first two publications has been to give detailed and practical guidelines for the implementation of land consolidation pilot projects. Pilots will often be the first way to get experience with land consolidation in the country (see section 4). The publications are based on the results from successful implemented pilots in the region.

Training and capacity building is a very important part of introducing land consolidation in a country as of any new activity, specially when scaling up from pilot experiences to a full-scale national programme. The training materials are based on experiences from a FAO land consolidation project in Armenia (see section 3.3) and consist of 12 training units to be given at 4-6 training seminars during the implementation of a land consolidation pilot project and after adoption to local conditions in the country.

## 3.3 FAO land consolidation projects

A number of countries in the region have requested assistance from FAO under the Technical Cooperation Programme (TCP). So far this has lead to land consolidation projects or projects with land consolidation components in four countries:

- Armenia (TCP/ARM/3004)
- Serbia (TCP/YUG/3001)
- Lithuania (TCP/LIT/3101)
- Hungary (TCP/HUN/3002)

The projects are with the exception of the Hungarian project dealing mainly with land consolidation. The projects in Armenia and Serbia have each three main components:

- Preparation of a national land consolidation strategy
- Implementation of a land consolidation pilot project in one community
- Training and capacity building

The project in Armenia is further mentioned in box 2<sup>6</sup>. In Lithuania the focus is also on the preparation of a strategy and capacity building in relation to the beginning of the first land consolidation projects under the new national programme (see box 1). In the Hungarian project the scope of the project is broader with overall focus on improved land management tools in area with a high risk for natural disasters (flooding). Land consolidation is one among other land management instruments to be used in the project.

<sup>&</sup>lt;sup>6</sup> FAO TCP project *Support to the preparation and implementation of land consolidation and improved land management schemes* (TCP/ARM/3004).



Signing of the first land consolidation agreement in Armenia (November 2005)

It is characteristic, that the FAO TCP projects are implemented mainly by local experts and only with a limited input from FAO experts and international experts.



Newly established family farm in Copanca village, Moldova (September 2005). 10 ha purchased from 87 different landowners.

# **BOX 2: FAO land consolidation project in Armenia**

In Armenia, the land reform and privatization process resulted in an agrarian structure, where the average holding size is around 1,2 ha distributed in 2-4 parcels and often in a distance of up to 15 km from the household. The Government of Armenia requested FAO to address the problems through a land consolidation project. The project was begun in November 2004 and the project period is two years. The main project activity has been implementation of a pilot project. A capacity building component was included to support the pilot activities (see section 2.6) and the experiences from the pilot deliver input to the preparation of an Armenian land consolidation strategy.

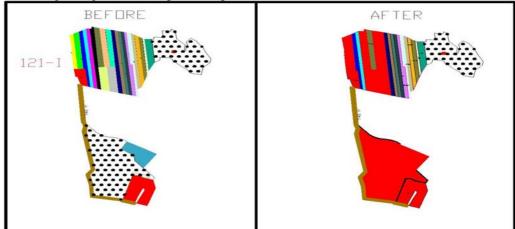
#### Nor Erznka land consolidation pilot project

Nor Erznka community, 20 km Northwest of Yerevan, was selected as the pilot community. The total area of the community is 1635 ha of which 499 ha is privately owned (in 937 parcels) by 381 landowners. The community is the owner of a total of 1022 ha of which 220 ha is arable land, 24 ha orchards, and 572 ha pasture land. The rest is unused without any real agricultural value.

In the Armenian project, as in most land consolidation projects, land consolidation is seen as an integrated part of a broader rural development context (see section 7). The pilot implementation follow project flow in figure 3. A community area development plan was elaborated through a participatory process with a series of community workshops and interviews of landowners and other stakeholders in the community. The main elements in the area development are:

- Reconstruction of irrigation scheme
- Planting of trees to reduce erosion
- Reduction of land fragmentation
- Development of commercial family farms
- Enlargement of the village cemetery
- Reservation of land for enlargement of residential areas
- Reservation of land for creation of dachas
- Reservation of land for building of cold storage facilities

The area development planning was followed by a voluntary land consolidation project with the goal to implement as many of elements in the development plan as possible. Almost all landowners were interviewed as part of the preliminary investigation and around 50 % indicated that they were interested in participating in the land consolidation pilot project. At the deadline of the negotiations phase of the project (July 2006), more than 100 landowners have voluntary signed land consolidation agreements and will participate in the project. The project demonstrates many good examples of improvement of the agrarian structure in the community (reduction of fragmentation and enlargement of farm sizes). The community land reserve has been available for the project design. This has been very important for the good final results. Figure 2 gives an example of the parcel structure in one of the sub-areas before and after the project.



**Figure 2:** Nor Erznka land consolidation pilot project – Example of parcel structure before and after the project (each owner has a different signature)

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#### 4. LAND CONSOLIDATION PILOT PROJECTS

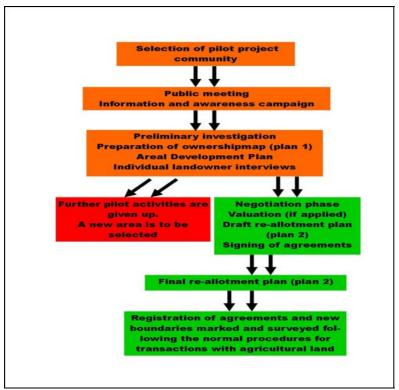
A pilot project is the way to lay the foundation for future work to be carried out under a long-term land consolidation programme<sup>7</sup>. A pilot project may have several objectives, for example to:

- Establish and test approaches to be used in future projects
- To build capacity on land consolidation issues
- Serve as a successful model for other communities

A proposed flow for land consolidation pilot projects based on project experiences from Lithuania, Armenia and Moldova is illustrated in figure 3.

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<sup>&</sup>lt;sup>7</sup> Operations manual for land consolidation pilot projects in Central and Eastern Europe (FAO Land Tenure Manuals no. 1, Rome, 2004), p. 4.



**Figure 3:** Proposed flow for land consolidation pilot projects.

Several Central and Eastern European countries have already implemented or are in the middle of the process of implementing land consolidation pilot projects (see section 2.2).

It is the experience from projects in many countries in the region (e.g. Armenia, Kosovo and Serbia) that land consolidation pilots have to deal with a huge variety of existing documentation problems in relation to the land transactions. Among the problems are errors in title documents and cadastre (register and map), transactions that are not registered and dead or absent owners. The land consolidation pilot projects have to establish procedures to handle these documentation problems as an integrated part of the implementation of the land consolidation agreements signed by the landowners. In order to stimulate the participation of the landowners in the pilot community, it is important that the transactions are free of charge for the participants (funded by the project).

## 4.1 Voluntary vs. compulsory participation

Several Western European countries have a land consolidation tradition where the landowners participation can be compulsory (e.g. Germany, the Netherlands and Sweden). It is normally the system that a majority of landowners can force a minority to participate against their will. However, in most cases only a few percentages of the landowners are compulsory participants. In other countries (e.g. Denmark) participation in land consolidation projects is voluntary, but other legislation ensures the implementation of infrastructure, nature- and other public initiated projects through the possibilities for expropriation of private property when the project is of special importance to the society.

In the several land consolidation pilot projects implemented so far in Central and Eastern European countries, a completely voluntary approach has been used. There are many good reasons for this. First of all, it is important to understand the background and recent history of the countries. Private ownership to land has in most countries only been established / restituted recently (in the last 10-15 years) and there is still a considerable distrust in both central and local Government when it comes to ownership of land. The voluntary participation is therefore a way to build up the necessary trust between the local landowners and stakeholders and the land consolidation *lead agency*, often the Ministry of Agriculture or the State Cadastre Authority. When doing land consolidation pilots, it is also very important to realize that land consolidation is still very fragile in the country and future activities are very dependant on the (positive) results of the pilot(s). To implement a successful pilot project is difficult even with a completely voluntary approach.

#### 5. THE ROLE OF LAND BANKS / LAND FUNDS

Experiences from land consolidation pilot projects in Lithuania<sup>8</sup> and Armenia (see box 1 and 2) are, that a State or community land reserve is very important for the results of land consolidation projects. The experiences are similar in many Western European countries where land consolidation and land banking are closely related and complementary activities<sup>9</sup>.

<sup>&</sup>lt;sup>8</sup> Land Consolidation: A Tool for Sustainable Rural Development. Final Report. DFFE, April 2004.

<sup>&</sup>lt;sup>9</sup> Workshop Report and Statement from International Workshop: Land Banking / Land Funds as an Instrument for Improved Land Management in CEEC and CIS, DFFE, Denmark, 17-20 March, 2004.

Therefore, availability of a State or community land reserve is one of the criteria for selection of the pilot communities. During the selection of pilot sites it is important to discuss with the relevant State agencies and/or the community whether they will agree to make the State or community land available for the project, meaning that the land can be sold (privatized) or exchanged with private owners. In practice the public land fund will participate in the project like any other landowner, also with the possibility to benefit from the project (purchase land for public needs / projects and reduced fragmentation).

In Lithuania, it is estimated that there will be around 500.000 ha of land reserve after final completion of land restitution. In almost all countries in the region a public owned land reserve exists. Presence of land reserve increase the *land mobility* in the land consolidation project area and in this way broadens the scope for the most flexible land consolidation design.

The State or community will participate in the project as any private landowner. The public owner may also have specific interests in the project, such as buying private land for public needs. At the same time the land consolidation project can serve as an instrument for targeted privatization of public owned land and at the same time contribute to improvement of the local agricultural structures or implementation of measures for rural development (as an alternative to sale on auction).

# 6. LAND CONSOLIDATION – AN INTEGRATED PART OF RURAL DEVELOPMENT

In most countries in Western Europe, land consolidation is an integrated part of a broader rural development context. In the EU member countries it is often implemented with EU co-financing under the national rural development programme. This is, as mentioned in section 2.1, also the situation in the countries in Central and Eastern Europe with a national land consolidation programme (the Czech Republik, Slovakia, Slovenia, Poland and Lithuania).



Landowners and local stakeholders from Bravicea village, Moldova. Clear interest for a land consolidation pilot project but it most be seen in a braoder rural development context (February 2005).

#### **6.1 Community Area Development Planning**

Elaboration of a community area development plan is an integrated part of on-going land consolidation pilot projects in Armenia, Serbia and Moldova (see section 3.3 and box 2). Consolidation of parcels (e.g. reduction of fragmentation and enlarged farm sizes) can not stand alone. Elaboration of an area development plan for the pilot communities defines a local rural development context in each of the pilot sites in which the land consolidation project is implemented. The area development plans are prepared over a period of four months in each of the pilot areas during and after a series of 3-4 public workshops for the villagers and local leaders. The main focus is on change of land use. Elaboration is an iterative process with the following steps:

- Preparation of plans that shows the current land use and ownership structure (baseline)
- Draft land use plan
- Final land use plan

It is the objective of the exercise through a participatory approach to seek and reach consensus in the community about the proposed changes in the land use / area development plan. The output of the project activity is the community area development plan with immediate, medium- and long term measures for local development. The subsequent land consolidation projects will not fully implement the area development plan but they will support the immediate changes of land use and try to re-structure the owner- and user structure to the identified measures for local rural development.



Happy landowners – the best indicator for success (Lithuania 2003).

## 6.2 Land consolidation under the rural development programmes 2007-13

At the moment all EU member countries are preparing new rural development programmes for the next programme period, 2007-13. The new EU Council Regulation for support for rural development defines land consolidation as one of the actions that can be supported

under the programme<sup>10</sup>. EU member countries in Central and Eastern Europe including candidate countries such as for example Romania, Bulgaria and Croatia are all following the EU regulation.

It is the intention of the EU Commission, that the new rural development programmes and the subsequent projects shall be as integrated as possible and with a cross sector approach. Land consolidation can be described as one of the tools in the *land management tool-box* and is an excellent instrument to implement rural development projects with multiple purposes and goals in the same land consolidation project, for example:

- Improvement of agricultural structures (reduction of fragmentation and enlargement of farm sizes)
- Implementation of nature- and environmental projects (e.g. according to EU Natura 2000- and Waterframework directives).
- National and local infrastructure projects (e.g. new highways and railways, local rural roads and improved access to parcels).

The EU Council Regulation integrates for the first time the so-called Leader-method into the rural development programmes<sup>11</sup>. According to the Leader-method, *local action groups* can be established through a local partnership of private citizens, local interest groups and local public authorities. These local action groups have the responsibility to develop a local rural development strategy through a bottom-up approach. After approval of the strategies, the local action groups administer each a de-centralized part of the budget for the national rural development programme and can support local projects in line with the strategy. Implementation of land consolidation projects can be an important way of using the Leader-method in practice.

## 7. NEAR FUTURE LAND CONSOLIDATION ACTIVIES IN THE REGION

The experiences with land consolidation in the last years in Central and Eastern Europe clearly demonstrate that land consolidation can be an effective and active land management

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<sup>&</sup>lt;sup>10</sup> EU Council Regulation no. 1698/2005 of 20. September 2005 on support for rural development by the European Agricultural Fond for Rural Development (EAFRD), article 30.

<sup>&</sup>lt;sup>11</sup> EU Council Regulation no. 1698/2005 of 20. September 2005 on support for rural development by the European Agricultural Fond for Rural Development (EAFRD), article 60-64.

instrument to address the problems not only with land fragmentation and small average farm sizes but as an instrument to sustainable rural development in a wider context. In many ways the need for land consolidation is much bigger in the Central and Eastern European countries than in Western Europe today.

As mentioned, the preconditions for future land consolidation works in the EU member countries in the region look very good under the rural development programmes and with access to EU co-funding. Also the candidate countries for EU membership have and will have access to this source of funding of land consolidation activities. The situation is completely different in the countries in the region where EU membership is not an option in either a short- or medium term perspective. In these countries future land consolidation activities will most likely be dependant of donor financing of projects and programmes.

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#### **BIOGRAPHICAL NOTES**

<u>Academic experience</u>: Land surveyor MSc. Aalborg University, Denmark Current position: Head of Land Management Section, Orbicon, 2006 -

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