



The Munich Statement on land consolidation as a tool for rural development in CEE/CIS countries

Who we are

We, representatives of civil society, governments, academic and research institutions from 23 countries as well as representatives from international organizations concerned with land fragmentation and its consequences for rural development in countries of Central and Eastern Europe (CEE) and of the Commonwealth of Independent States (CIS), have come together in Munich, Germany, from February 25-28th, 2002, to discuss these issues, to express our concerns and to develop solutions to it.

In doing so, we drew on the foundations laid by previous initiatives including the Vienna Conferences on the Development and Maintenance of Property Rights in CEEC (1999, 2000), the Potsdam Rural 21 Conference (2001), and the Bonn Conference on Land Access (2001).

Expressing Our Basic Concerns

We have examined the different experiences and perspectives of land fragmentation in CEE and CIS countries. Notwithstanding the remarkable success of the land reform process, land fragmentation exists as a side effect with detrimental implications for private and public investments, sustainable economic growth and social development, and natural resources. Less-favoured and least developed regions with economies still depending on agriculture have witnessed negative growth rates, soaring unemployment, increasing rural poverty and as a result, serious social and economic disintegration and wide-spread disappointment among local actors and stakeholders.

The agricultural sector is adversely affected by land fragmentation. Although the experiences of land tenure and its reforms varied widely across the region, the countries of Albania, Armenia, Bulgaria, Czech Republic, Croatia, Georgia, Hungary, Latvia, Lithuania, Romania, Slovak Republic, Slovenia, and Yugoslavia share the concern that the majority of farms are small (1-2,5 ha), and are frequently divided into many parcels which are often badly shaped for agricultural purposes. As a result, it is difficult for farmers to implement new production patterns, and to utilise machinery and appropriate technologies. Most private farmers are restricted to subsistence agriculture and cannot participate in commercial production, which leads to migration and the abandonment of farmland, especially in areas distant to markets.

The small and fragmented parcels, sometimes scattered over different political, juridical and administrative boundaries obstruct spatial/territorial planning especially in terms of land administration, land use planning, and land management. This hampers the implementation of rural regional development policies, strategies, programmes, and projects aimed to improve rural livelihoods.

Land consolidation: a gate towards sustainable rural development

A main objective of land consolidation is to improve the land holdings of farmers by concentrating their farms in as few parcels as possible, and to support the farms with roads and infrastructure when needed. Protecting the environment and fostering better livelihoods in rural communities have become increasingly important elements in land consolidation. Land consolidation can be carried out in a variety of forms, ranging from the simple reorganization of farmlands to comprehensive rural development projects including community renewal. These interventions can enable rural areas to develop as multifaceted areas for living as well as for economic and cultural activities. As such, land consolidation can play a major role in guaranteeing food security, alleviating poverty and achieving a sustainable rural development.

Executed properly, land consolidation contributes to improvements in the productivity, efficiency, and competitiveness of the agricultural sector. It secures jobs in rural areas. It leads to better land use planning and land management. It facilitates private and public investment in rural space. It supports environmental protection and natural resource management if it is done in a comprehensive way. Otherwise, effects of land consolidation might be negative. Experiences from Western European countries show that land consolidation which solely focuses on increases in productivity without taking into consideration ecological or cultural aspects easily leads to a loss in biodiversity, erosion and/or the destruction of the landscape. Land consolidation should therefore be included within broader rural development programmes including regional planning, village renewal and provision of rural infrastructure.

Land consolidation is a proven instrument for agricultural and rural development in western European countries. The new European Union policy for rural development (Agenda 2000) recognizes prominently land consolidation (re-parcelling), with village renewal, as a key component of EU instruments such as SAPARD, LEADER+. All these countries have institutions, legislation in place.

Guiding Principles for Land Consolidation

Each country in transition must identify its own solution for land fragmentation, taking advantage of lessons learned in western European countries as well as other CEE countries. While each country must find its own way, there are some common guiding principles.

The application of land consolidation should be seen in the framework of an overall agricultural and rural development policy, and as an essential tool within a range of instruments to achieve sustainable rural development.

There needs to be good governance and the development of required institutions. Civil society needs scope for participation and assumption of responsibility. Policy formulation as well as

legislative and implementing procedures must ensure the effective and equitable participation of all stakeholders and beneficiaries. Government agencies should accept citizens as partners. Land consolidation has to be participatory, democratic and community driven, which requires the creation of an enabling environment to allow all stakeholders to participate actively, and to assume responsibility. The focus is on rural livelihood rather than on primary production of food staples. The community defines new usage of its resources and re-organises its parcels accordingly. Existing informal land consolidation practices should be integrated.

The level and standards of technologies and procedures should be adapted to the financial situation, institutional capacity etc. and allow a reasonable balance between costs and benefits. Methodologies should introduce savings in costs and time by using simple and advanced tools and methods (GIS, RS, Spatial Data Infrastructure, etc) as appropriate.

Land consolidation requires a comprehensive, multi-disciplinary, cross-sector approach, integrating elements of rural-regional development including rural-urban links. It has to consider geographical and cultural differences and tailor-made practices should be implemented. Local area development plans and land use plans should form a basis of land consolidation.

There should be development of required skills and expertise in countries.

Pre-conditions should be identified and satisfied. These include a functioning land registration system, the necessary legal basis, and operational land administration structures. It also should be taken into consideration that there is an interdependency of land consolidation and land markets.

Countries still in the process of land privatisation should ensure that future privatisation projects are designed so they do not cause problems of land fragmentation.

It is recommended that:

- CEE and CIS countries should include land consolidation as an essential instrument for rural development within rural and agricultural sector development programmes including the allocation of resources.
- CEE and CIS countries, with the assistance of the development community, should create an enabling environment to strengthen their capacity to design and implement land consolidation projects.
- Further research should be carried out in areas where the implications and repercussions of land fragmentation has not yet been assessed (e.g., in forest areas, water systems, bio-diversity) and should include a comprehensive analysis of costs and benefits (financial, social, technical).

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- The existing cooperation between CEE and CIS countries, national and international development agencies, professional associations, NGOs, private sector, and universities be broadened and strengthened.
- Relevant information on land consolidation from individual countries should be made more easily available to others.
- Land consolidation guidelines be prepared.
- CEE and CIS countries should implement pilot projects.
- Based on the experiences of pilot projects and other lessons learned, CEE and CIS countries should develop and implement appropriate legislation, institutions and technical procedures for undertaking land consolidation.
- Land consolidation should be an essential part of on-going programmes, including pre-accession programmes for EU candidate countries such as SAPARD.
- Bilateral and multilateral donor agencies should give due consideration to land consolidation in their financial and technical cooperation projects for CEE and CIS countries.

We, the participants of the Munich Symposium, call upon the European Union, FAO, GTZ, the World Bank, and other international organizations, as well as the countries in the CEE/CIS region, to take due notice of the above recommendations, and implement them accordingly in their programmes and activities.

Munich, February 28th 2002