

Land Fragmentation and Land Consolidation in Bulgaria

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The following is an attempt to summarize the various aspects of possible land consolidation schemes in Dobrich region. In order to gauge comprehensively the specific Bulgarian conditions, several key factors have been addressed.

Legal Legitimacy. It is indisputable that the strategic objective of establishing an effective and competitive rural economy in Bulgaria requires the consolidation of land use/ownership rights in rural territories into viable farm units. Clearly, within the present legislative framework this is not comprehensively addressed. Politically and conceptually, there is no consensus nor clear government strategy as to whether achieving such consolidation should be left to purely market mechanisms, or to government intervention and special legislative limitation of individual land use/ownership rights.

With this background, land consolidation schemes, defined as the systematic spatial grouping and rearrangement of land use/ownership rights within certain territories, are a sensitive issue, bearing in mind that a major, costly land reallocation program (with certain opportunities for consolidation) has been completed. Survey results indicate that any proposed government intervention in individual farmland interests may face opposition from a considerable proportion of the population. Apart from this, without a sound regulatory framework, any land consolidation scheme may simply fail to raise the necessary funds for its implementation. The conclusion is that extensive policy making and legislative work is a prerequisite for any land consolidation initiative.

The organisational model. A possible land consolidation scheme can be accommodated within the regional/rural development framework; however, it must involve the central, regional and local authorities. The responsibilities of such a joint effort have only been outlined in the relevant legislation, but there is a shortage of detailed rules and procedures, as well as positive work experience in this planning field. Only the consultative and approval functions of the authorities are clearly defined. The executive body that should take the lead in organising the scheme is yet to be determined - presumably at local level, in co-ordination with the regional level. The co-ordination mechanism, via the regional development council, has hardly been tested.

Existing land administration institutions are charged with different challenging tasks, and so have little capacity to take over land consolidation. They are still unstable due to the radical transition they underwent in relation to cadastre/land registration.

Furthermore, owners/tenants seem to distrust any existing administrative institutions, so a new type of public-private partnership body should be established. In order to initiate project preparations, the core of a land consolidation body should be identified, at least. The present lack of an earmarked budget for such organisational work is a real obstacle to any progress in setting up the requisite organisation. Bearing in mind the present financial state of the Bulgarian municipalities, the provision of municipal funding for a new executive body is highly unlikely. Landowners and tenants, as stakeholders, cannot afford such funding. It seems that, at present, only the MAF may be able to afford to support such an organisation, but it has no explicit policy to do so. The conclusion is that extensive preliminary budgeting and organisational work should be carried out in the case of any land consolidation initiative.

Technical Aspects. Technical issues seem to be the least problematic. Provided that the organizational model exists, the requisite LIS/GIS can easily gather geo-referenced database from the relevant central/regional/local sources. The digitising of existing mapping sources and the revision of the soil maps, especially, will presumably require more preliminary work, but the professional land surveyors in Bulgaria already have such experience, and have easy access to modern IT and commercial LIS/GIS software systems.

The present stage of land restitution and cadastre/land registration reform - particularly in Dobrudja - favours the availability of up to date large-scale mapping and land records. With minimum effort spent on the verification and updating of land records (this is to be funded under the cadastre/land registration program), any possible land consolidation initiative may rely on relatively good quality data. The actual land use pattern may need some field checks and surveys, but these will not be extensive. The human resources are quite experienced in land re-allocation design, and will require less orientation and training. More training should be focused on land valuation.

Recommendations

The actual process of land consolidation, in the cases where the process will be carried out under the guidance of the state, in the absence of a land bank, should proceed in the following way:

1. A vote takes place in the territory belonging to the settlement for the start of the process of land consolidation.
2. There is the drawing up of a new cadastre plan.
3. The designing and marking out of the new road map.
4. The showing of the cadastre plans to the participants.
5. Constituting and constructing the land consolidation plan.
6. The distribution of the new parcels of land amongst the owners and the participants in the project and the marking out of their property.

The effects that can be achieved by the land consolidation of land ownership are as follows:

- The grouping of the scattered parcels of land, the property of one person in one or two parcels of land, in correct and suitable forms for agricultural work, with specific borders and free access to nearby roads.
- The provision of opportunities for the use of highly productive technology and equipment.
- A guarantee of entrepreneurial freedom to the owner when introducing new crops.
- Freedom for decision-making and taking relevant measures against diseases and pests.
- Complete protection of the land and the crops from theft.
- Easy processes of fertilising, in respect to the existing permanent roads.
- The short distance from the farm to the allotments and a reduction in the expenses for non-productive labour, when travelling between the separate allotments, as a result of their grouping in one whole plot.
- The increase in arable land from land consolidation of former boundary strips, inter-land spaces, the boundaries of the numerous separate allotments and plots.
- Land development, i.e. re-directing rivers, bridge construction, drainage, wells, springs, pump stations, and reservoirs, strengthening riverbank facilities, the improvement of land consolidation of the roads, land reclamation, etc.
- An increase in the yield of crops per unit of land and a corresponding increase in revenues of the agricultural farm.
- The increased opportunities for the use of agricultural land as procurements and collateral, as well as opportunities for mortgaging (upon the provision of changes in the existing legislation).
- Obtaining lands for common use, parks and gardens, playgrounds, holiday centres, markets, etc.
- The increased opportunities for credit for different landowners and agricultural producers as a result of increased crop yields and revenues and documented land ownership.
- Conditions and opportunities for irrigation.
- The increased market value of the new land consolidated property.
- Indirect profits from the destruction of low-level vegetation (bushes, weeds, low trees and others) along the boundaries of the properties.
- Indirect profits from the destruction of the sources of diseases and pests.
- The decreased cost of labour in agricultural production.
- The value of lower production costs.
- The increased quality of the produce.
- The development of the land market and the land lease market.
- Incentives for keeping people in the villages.
- Job-creation.

Possible obstacles to land consolidation of land ownership can be grouped as follows:

1. The lack of resources for the initiation and implementation of the process;
2. The lack of calculations of the value of land consolidation per unit of land;
3. A possible lack of enthusiasm and the presence of scepticism on the part of the land owners;
4. The impossibility of land consolidation as a result of the rough mountainous relief and soil variety;
5. The lack of political will, especially in pre-election periods;
6. The presence of anticipated discrepancies between the different ministries, services and sub-contractors regarding the administration of the processes and conditions for the selection of sub-contractors;
7. The question: “Why do we have to start a land consolidation process after spending so much money for restituting land ownership in real boundaries?”

To summarise, the restitution of land is just the beginning of agrarian reform. The restructuring of the agricultural sector and improvement of land relations should accompany it. The state can successfully implement agrarian reform using the following mechanisms: consistent legal regulations in compliance with the requirements of *acquis communautaire*, applied through suitable institutional structures with adequate financial, personnel and technical resources.

Land consolidation is just an element of a wider land policy. Steps to assess the possibility to implement land consolidation policy are being taken. The development of a free market for land would be a major incentive for consolidation. The adoption of the Cadastre and Registration Act is just a legal basis, which will undoubtedly facilitate consolidation, however, it is necessary to prepare and adopt its by-laws. The cadastre can support land policies by providing a legal framework for administering land rights. A land rights framework supports structural change, environmental protection and sustainable management, and the control of natural resources and the environment. It supports land markets, the provision of information for planning and monitoring of land use and also provides tools for the implementation of land policies, e.g. land consolidation, resolving land disputes or the compulsory acquisition of land.

The accession of Bulgaria to the EU calls for the harmonisation of Bulgarian legislation with that of the EU. The agricultural legislation is now undergoing this process. It can be said that the main agricultural laws have already been adopted and we are now facing the longer-term process of their implementation.

From a legal perspective, two approaches to land consolidation exist:

- The adoption of a law that will completely settle the issue;
- Through amendments to existing legislation related to agricultural lands, aimed at paving the way to greater private initiative with respect to land consolidation.

The adoption of a comprehensive Land Consolidation Act would introduce an administrative method of consolidation, with the state playing a leading role. Bearing in mind the socio-cultural and historical past of Bulgaria, it is advisable that market mechanisms and consolidation methods be used. An administrative land consolidation would be a serious infringement on the rights of owners. However, all other consolidation methods may be applied, especially those based on the initiative of owners. In such cases the role of the state would be to establish clear and equitable procedures for the settlement of specific land relations, including just and reliable land valuation methods. Successful land consolidation would be impossible without people specially trained to implement this task.

The present transition state of agriculture and forestry in Bulgaria is not yet favourable for systematic land consolidation, despite the vast problems posed by fragmentation. Public attitude, land policies, the legislative framework, land administration reform, the lack of planning experience and the unstable structure of farming enterprises are not conducive to classical consolidation schemes involving the rearrangement of ownership rights. On the other hand, some practical solutions for the fragmentation issues have emerged that may well function within the present framework, relying more on the leasing market and driven by purely economic motives. These need special attention and timely support, in order to achieve better results and to sustain the structural reform of farming enterprises.