Preparation for Land consolidation in Lithuania

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Starting point of Pilot LC project

- Restoration of ownership rights was coming to the end
- The need for some tools that can help building up strong and competitive family farms
- Fragmentation:
  Poorly functioning agricultural market
  According to the State Land Cadaster:
  - av. area of the land parcel used for agricultural activities - 4,7 ha;
  - av. area of a land parcel belonging to one owner - 6,3 ha;
  - av. area of the private household plot - 0,8 ha.
  Majority of the farms - up to 10 ha;
  Large farms (100 ha and more) - 0,7 per cent of total (av. size - 483 ha).
First Pilot LC project (1)

- Danish - Lithuanian Land Consolidation Pilot Project in Dotnuva, Kedainiai District (September 2000 - December 2001) the main goal:
  - to introduce voluntary land consolidation
  - to support the legal basis drafting process for future LC in Lithuania

Project area: 392 ha
Participated: 79 land owners
Free State land: 12 land parcels, 46 ha
First Pilot LC project (2)

Implementing Pilot project there were:

- **Phase 1:**
  - Introduce LC to central and local administration of Land management sector
  - Carry out preliminary study
  - Analyse and discuss the possibilities for implementation of LC Agreement

- **Phase 2:**
  - Finish the Agreements with land owners
  - Registration of Agreements
First Pilot LC project (3)

Implementation stages:

• Preliminary studies
• Opening meeting *(information about area, purpose, planning process, agreements, comittee of land owners, valuation, registration and implementation)*
• Comittee of land owners
• Planning process *(identification of buyers/sellers, finding of agreement about land valuation, sign of agreements)*
• Results of pilot LC project
Landowner negotiations at the Dotnuva Neighbourhood Office
First Agreement signed
First Pilot LC project (4)

• Results:
  - in the area of 392 hectares 19 landowners have participated in the project;
  - out of 19 owners – 4 buyers, 6 sellers
  - 9 owners exchange plots
  - 86 hectares of land have changed the owner

In general: many land parcels have improved their shape and location and therefore the land value have increased
First Pilot LC project (4): before and after LC project
First Pilot LC project (6)

The ideal flow of LC project
Second Pilot LC project (1)


- Immediate objectives of the project were:
  - to develop LC as a necessary tool for integrated rural development;
  - to spread the experiences with LC and to advice in building up of institutional set-up;
  - to continue interaction with the preparation of legal basis for LC;
  - to support in building-up the Lithuanian LC model.
Second Pilot LC project (2)

Criteria for selection of 3 pilot areas between 8 suggested areas:
- Presence of strong family farmers with a wish to enlarge the size of their farm
- Absence of dominant agriculture enterprise
- Fragmentation
- Presence of free state owned land
- Restitution of private ownership completed
- Existing land market
- Presence of both potential sellers and buyers
- Presence of initiatives for local rural development
- Initiative and commitment from the local land management authorities
- Local capacity for land consolidation planning
Second Pilot LC project (3)

Stages implementing land consolidation project:

• Preliminary investigation (interviews with land owners, analyze them)
• Planning process (LC planner plus local authority: to identify local measures for rural development, owners negotiation)
• Last activity: registration and final implementation of sign LC agreements
## Second Pilot LC project (4): selected areas

<table>
<thead>
<tr>
<th></th>
<th>Akademija area</th>
<th>Pabaiskas area</th>
<th>Puskelniai area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Size of project area</td>
<td>662</td>
<td>472</td>
<td>350</td>
</tr>
<tr>
<td>Number of landowners</td>
<td>57</td>
<td>95</td>
<td>58</td>
</tr>
<tr>
<td>Average plot size</td>
<td>10 ha</td>
<td>3,4 ha</td>
<td>4,8 ha</td>
</tr>
<tr>
<td>Free state owned land</td>
<td>92 ha</td>
<td>76 ha</td>
<td>5 ha</td>
</tr>
<tr>
<td>Production value (average soil point)</td>
<td>56</td>
<td>49 (north)</td>
<td>52 (north)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>20 (south)</td>
<td>47 (south)</td>
</tr>
<tr>
<td>Number of users in percentage of owners</td>
<td>11%</td>
<td>68%</td>
<td>55%</td>
</tr>
<tr>
<td>Agriculture enterprise in the area</td>
<td>yes</td>
<td>no</td>
<td>yes</td>
</tr>
<tr>
<td>Percentage of interested landowners</td>
<td>37 %</td>
<td>25 %</td>
<td>59 %</td>
</tr>
<tr>
<td>Estimated participants in project</td>
<td>15-25</td>
<td>15-20</td>
<td>15-25</td>
</tr>
<tr>
<td>Estimated size of area that will change the owner</td>
<td>60-80 ha</td>
<td>45-65 ha</td>
<td>60-80 ha</td>
</tr>
<tr>
<td>Estimated possibilities to implement RD measures</td>
<td>good</td>
<td>good</td>
<td>good</td>
</tr>
</tbody>
</table>
Second Pilot LC project (4): results

Akademija LC Project:
21 landowners participated;
122 ha changed owner;
the project aimed to improve local agricultural structures;
the project aimed to privatise the State owned land.

Pabaiskas LC Project:
32 landowners participated;
82 ha changed owner;
State afforestation project should be implemented as a result of the LC project and should support private initiatives for Rural Tourism;
the project aimed to privatise the State owned land.

Puskelniai LC Project:
10 landowners participated;
22 ha changed owner;
the project aimed to improve local agricultural structures after construction of Via Baltica highway.
Second Pilot LC project (5)
Second Pilot LC project (6) land parcels of one owner before and after the land consolidation (Kėdainiai district)
Financing of Pilot LC projects in Lithuania

Both pilot LC projects were funded by:
Danish development funds from the Ministry of Foreign Affairs
Suggestions for starting Pilots LC projects

Since legal acts were not adopted it was difficult to implement the results of pilot LC projects – to register the exchanged land parcels.

Suggestion:
Before doing pilots LC projects, it is necessary to study existing legal system.
Other Technical Assistance projects

- Twinning Light project on state land implemented by Mission of German Agroforest Privatization Agency (BVVG) (2004)
- Short term (6 month) project „Methodological Guidance to Impact Assessment in Land Consolidation Process“ (with Dutch Service for Land and Water Management (DLG), Netherlands) (2005 –2006);
Thank you for your attention!

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