

***EC JRC Project:***

*“Land Market Development and Small Farms’ Access  
to Land in the Pre-Accession Countries” (LMSF-AC)*

# **Analysis of land market development and small farms access to land in the pre-accession countries**

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# How much access to agricultural land have small farms in SEE countries?

- **Most of farms in WB – small** (from 49% to 85% have less than 2 ha,)
- **Small farms' access to agricultural land limited in all WB countries/territories**
- **Land market ineffectiveness + poor rural finances impede growth of farm size and modernization of agricultural sector in all WB countries/territories**

## Key reasons for poor access to land:

- **Lack of reliable information** on estimates for number of transactions and transacted area (prices per hectare range from 15-1.000 EUR),
- **Typically land markets don't function sufficiently** (high share of informal renting - 90% in AL, 70% in FYRM and MN )
- **Poor rural finances** (access to credits, credits typically not for land); Limited lending volume of agricultural credits in WB countries/territories (from 5 million EUR in AL, 10-12 million EUR in FBiH)
- **Problem with information systems and procedures** (transfer of ownership, land titling, knowledge transfer...)
- **Changing of purpose of agricultural land**; big problem in most WB countries/territories

# Do you expect that under current policies the small farms will improve their access to land in the future? Why?

**If the current policy does not change, the situation will not improve.**

Main reasons:

- **Problem of data and information systems** (This is a prerequisite for monitoring, planning and evidence based policy)
- **Lack of targeted measures to improve the land structure**
- **Ad hoc measures, low budgetary support for land consolidation measures**
- **Lack of knowledge and information actions** regarding agr. land market and available agr. land
- **Poor economic situation** of small farms
- **The absence of „prospective farmers“**- Establish definitions and targeted measures

# What can be done in the policy arena in order to improve small farms access to land in the future?

- **Establish and update data and information systems:** farm structure surveys, registries, cadaster etc.
- **Legislation:** Complete the restitution & denationalization; registration of land titles and ownership rights, establishment of efficient land records and monitoring system:
  - Same inheritance rights for all beneficiaries, regardless of age & gender
  - Establish legislation preventing further ag. land fragmentation (institute of protected farms)
  - Establish legislation to prevent land use change
  - Establish public farmland and forest fund (state-owned land); uniform rules and procedures for rentin
- **On a more specific (measure) level:**
  - Focus on prospective (young?) farms, drivers of agriculture and RD in WB countries – more favorable renting of state land
  - Introduce land use fee (like in FBiH) to prevent the abandonment of agricultural land
  - Support land consolidation with investments in rural infrastructure
- **Use platforms/projects/events** as this one to find common solutions to same problems

# Thank you for attention!

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