



An overview of land banking instruments in ECA

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Survey background

- A comprehensive overview of land banking practices in the Europe and Central Asia region has not been established before.
- FAO REU has conducted a Survey on land banking in the ECA region (March - April 2021).
- The Survey complements the **FAO Study on European good practices on land banking** <https://doi.org/10.4060/cb8307en>
- Hartvigsen, M., Versinskas, T. and Gorgan, M. 2021. **European good practices on land banking and its application in Eastern Europe and Central Asia**. FIG Conference Paper. https://fig.net/resources/proceedings/fig_proceedings/fig2021/papers/FAO_banking/Hartvigsen_et_al_paper.pdf





Survey methodology

- Conducted online using Microsoft Forms
- The survey had 28 questions (choice, multiple choice, Likert scale, open-ended questions).
- Grouped into six categories:
 - Personal and contact data*
 - Land consolidation*
 - Land banking***
 - Facilitation of lease***
 - Management of state land, and*
 - Land abandonment*



Survey methodology

- 117 pre-identified experts with knowledge and practical experience in land management from 48 countries in the entire ECA region.
- The experts were identified from among: i) LANDNET, ii) reviewers of the FAO Legal Guide on Land Consolidation (2020), and iii) contributors to the FAO Land Banking Study (2021).
- 73 respondents have completed the questionnaire covering 43 countries and territories.
- Definitions of instruments to guide the respondents.
- Validation and analysis of answers



Main land banking approaches



FAO. 2022. European good practices on land banking – FAO study and recommendations. p56. Budapest. <https://doi.org/10.4060/cb8307en>



An overview of land banking in ECA: results of the online survey

Country	Active land banking policy	Combination of land banking with land consolidation	Facilitation of lease	Country	Active land banking policy	Combination of land banking with land consolidation	Facilitation of lease
Albania	-	-	-	Kosovo ¹	-	-	-
Armenia	-	-	-	Kazakhstan	-	-	-
Austria	●	●	-	Latvia	●	-	-
Azerbaijan	-	-	-	Lithuania	-	-	-
Belarus	-	-	-	Moldova	-	-	-
Belgium	●	●	-	Montenegro	-	-	-
Bosnia and Herzegovina	-	-	-	Netherlands	●	●	-
Bulgaria	-	-	-	North Macedonia	-	●	-
Croatia	-	-	-	Norway	-	-	-
Cyprus	-	-	-	Poland	-	-	-
Czech Republic	●	●	-	Portugal	●	●	●
Denmark	●	●	-	Romania	-	-	-
Estonia	●	●	-	Serbia	-	-	-
Finland	●	●	-	Slovakia	-	-	-
France	●	●	●	Slovenia	●	●	-
Georgia	-	-	-	Spain (Galicia)	●	-	●
Germany	●	●	-	Sweden ²	-	●	-
Germany	-	-	-	Switzerland	-	-	-
Hungary	-	-	-	Tajikistan	-	-	-
Italy	●	-	●	Turkey ^{2*}	●	●	-
Kazakhstan	-	-	-	Ukraine	-	-	-

Source: Hartmann, M., Verinikas, T. and Gogan, M. 2021. European good practices on land banking and its application in Eastern Europe and Central Asia. FIG Conference Paper.

¹ References to Kosovo shall be understood in the context of UN Security Council Resolution 1244 (1999).





Active land banking policy

- For a country to qualify as having an **active land banking policy** two criteria had to be met:
 - the existence of a public institution with the mandate to **acquire and sell agricultural land parcels** from and to private landowners on the land market.
 - “active” land banking policy implies that the right to acquire and sell agricultural land parcels should also be **applied in practice** and not remain a dead letter of the law.
- 14 out of the 43 ECA countries that have participated in the survey have an active land banking policy.
- The survey has demonstrated that it is often difficult to fully distinguish between active management of state-land and land banking activities.



Functions of land banking institutions

Land banking institutions in the surveyed countries may carry out the following functions:

- i) acquisition and sale of agricultural land parcels on the land market;
- ii) leasing out of agricultural land;
- iii) exchange of land parcels with private landowners;
- iv) facilitation of lease agreements between private parties;
- v) making improvements on the land (clearing bushes, merging parcels, providing irrigation/drainage, etc.);
- vi) regulation of land market prices (pre-emptive right and reference prices);
- vii) provision of measures supporting access to land for the farmers including e.g., purchase and lease-back, sale-back, provision of credit.





Combination of land banking with land consolidation

- The active use of land banking in areas where land consolidation is planned or ongoing is an **efficient way to increase land mobility in the land consolidation planning** (re-allotment) process and thereby achieve better results of the land consolidation project (Hartvigsen 2014 and Versinkas et al. 2020).
- 13 countries report that they combine land banking and land consolidation instruments.
- Countries with both land consolidation and land banking instruments, but which do not actively combine them are Italy and Spain (Galicia).
- Turkey and Slovenia are currently piloting a combination of the two instruments.
- North Macedonia is an example where land mobility may be enhanced using state-owned land, even without having the option to purchase land in the land consolidation project areas.



Combination of land banking with land consolidation

- The survey and the data analysis aimed to distinguish between two situations:
 - i) when state land or the land owned by a land bank is located within the boundaries of a land consolidation project and a land bank institution participates in the project in the same way as the private landowners and has the same benefits (e.g., reduction of fragmentation of the state land), and
 - ii) when a land banking mechanism is applied to actively influence project outcomes and pursue broader rural development or public planning objectives.
- Only in the latter case the two instruments are seen as combined, and the land banking institution is supporting the land consolidation process through acquiring, exchanging and selling land as part of the project to increase land mobility and facilitate project implementation.





Facilitation of lease

- Applied in four of the surveyed countries: Spain (Galicia), France, Italy (Toscana) and Portugal.
- Lease facilitation usually implies:
 - i. existence of a public institution facilitating the conclusion of lease agreements between private owners of agricultural land and farmers,
 - ii. an active approach and not ad-hoc efforts by e.g., municipalities, and
 - iii. the existence of a legal framework, although simplified lease facilitation is also possible without a specific legal framework.



Thank you for your attention!

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