



Land Tenure Center

AN INSTITUTE FOR RESEARCH AND EDUCATION ON SOCIAL STRUCTURE, RURAL INSTITUTIONS, RESOURCE USE, AND DEVELOPMENT

August 2000

Briefing document

UNIVERSITY OF WISCONSIN — MADISON

THE LAND TENURE CENTER IN RUSSIA, EASTERN EUROPE AND CENTRAL ASIA

Mission

The Land Tenure Center serves as a global resource institution on issues relating to land ownership, land rights, land access, and land use. Our focus is on the relationship of land to economic development, socio-political organization, and environmental sustainability. LTC's approach to research and training is multi-disciplinary and stresses local collaboration. Since its establishment in 1962, LTC has sought to foster widespread and equitable access to land because of the understanding that this is basic to viable economic, social, political, and environmental systems.

Program

Established in 1962 at the University of Wisconsin-Madison, LTC has evolved into the leading university-based institution on land policy in the world. The Center works in Africa, Asia, Eastern Europe, Latin America, and North America on issues of land tenure and land use, agrarian reform, land markets, legislative drafting, land registration and titling, institutional dimensions of rural development, and environmental/natural resource management. In addition to its major programs of research, technical assistance, and training, LTC oversees the University of Wisconsin's Ph.D. in Development Program. The Center's mission of outreach is furthered by its globally-recognized *Land Tenure Collection* housed in the University library system, and its *Publication Series*, which strengthens the link between research findings and policy formulation through technical papers, briefs, and other documents.

Approach

LTC emphasizes the needs of the country where work is undertaken, an interdisciplinary approach, and the importance of working with host-country institutions and individuals in policy analysis, research, training, and implementation. LTC considers it of highest priority, even on short-term work, to form collaborative ties with host national institutions, to conduct interim studies when advisable to meet the policy needs of host-country institutions, and to engage students and faculty in field research.

Funding Sources

LTC has implemented programs with the American Bar Association, Asian Development Bank, British Department for International Development, Carter Presidential Center, Deutsche Gesellschaft für Technische Zusammenarbeit, Food and Agriculture Organization of the United Nations, Ford Foundation, Inter-American Development Bank, Inter-American Foundation, Otto Bremer Foundation, Swedish International Development Cooperation Agency, United States Agency for International Development, United States Department of Agriculture, W.K. Kellogg Foundation, and World Bank.

LTC IN THE REGION

LTC staff have conducted research, training, education, and advisory programs in more than 75 countries—with recent key projects focusing on Russia, Eastern Europe, and Central Asia.

Albania	Kyrgyz Republic	Russia
Kazakhstan	Macedonia	Uzbekistan
Kosovo		

KEY EMERGING LAND ISSUES IN RUSSIA, EASTERN EUROPE, AND CENTRAL ASIA

- ✓ continuing strength of bureaucratic and centralizing land management forces constrain private initiative and cause uncertainties for *trade, investment, and market development*
- ✓ facilitating *legal reform* in purchase/sale/lease transactions, mortgage, foreclosure, inheritance, land taxation, and state acquisition of land
- ✓ addressing causes and consequences of *poverty*, including fragmentation of landholdings, informal settlement around cities, and affordable housing
- ✓ tenure reform impacts the rights and economic security of *women, children, and ethnic minorities*
- ✓ compatibility of tenure rights and responsibilities with the development of *national identity and decentralized, democratic institutions*
- ✓ developing *conflict resolution mechanisms* to accompany new tenure and market institutions
- ✓ aligning *human capital development* and *public education* programs with reforms in tenure and market institutions
- ✓ neglecting the management of common property impacts the sustainability of *natural resource management* in forests, pastures, and water

LTC CURRENT ACTIVITIES IN RUSSIA, EASTERN EUROPE AND CENTRAL ASIA

RESEARCH AND TECHNICAL ASSISTANCE

Albania and Eastern Europe: Land Market Project Cooperative Agreement

Term: May 1994-December 2001

Funding: US Agency for International Development

Amount: \$13.1 million

Project contacts: J. David Stanfield, Project Director (jdstanfi@facstaff.wisc.edu); Mark Marquardt, Resident Advisor (mamarqua@facstaff.wisc.edu); Malcolm Childress, Program Manager (mdchildr@facstaff.wisc.edu)

Participating institutions: Project Management Unit; Ministries of Agriculture, Justice, Public Works, Defense, and Finance; GeoAnalytics, Inc.; University of Florida Civil Engineering Department; Measurement Science International; International Computer Company.

Summary: The rapid privatization of immovable property under different programs during 1991-1994, coupled with restitution to pre-communist owners created the need for a country-wide institutional structure to document, authenticate and facilitate ownership and transactions in immovable property. In cooperation with the government of Albania, LTC is helping establish a universal, parcel-based immovable property registration system in all 36 districts of the country and assisting in developing policies and legislation to facilitate sustainable development of a land market. The objective is to assist the Albanian government in creating the informational, legal, and administrative basis for socially and environmentally sustainable land markets. LTC staff members have worked with Albanian research groups on forest and pasture management, land market development, peri-urban land use, and GIS technology. LTC designed and implemented a large sample survey to establish the basis for monitoring and evaluating the impact of the registration system and the policy reform program. Also, LTC has begun to delineate, record, and publicize the nature and extent of private and public rights to land. This will aid democracy and contribute to broadly-based and environmentally-sound growth in the new market economy. Some highlights from this project include:

- 1995 legislation legalized buying, selling, renting, and mortgaging real property. Now nearly fully operational, the Immoveable Property Registration System is the foundation for establishing and guaranteeing rights in land transactions.
- The Immoveable Property Registration Act of 1994 is the blueprint for the informational and administrative operation of the system. Cadastral mapping of each individual property and the first registration of these properties is ongoing in 22 of Albania's 36 districts. So far, 256,000 *kartelas* (registration inscriptions) have been completed. Fifteen district registration offices are being opened.
- LTC assists the government in making recommendations for basic legislation in environmental protection and restrictions of land use and transactions. LTC also assists government efforts to legislate the management and distribution of land information.

Kyrgyz Republic: Agricultural Support Services, Land and Agrarian Reform Component

Term: December 1998-December 2000
Funding: Department for International Development, United Kingdom
Amount: \$195,000
Project contacts: Peter Bloch, LTC Coordinator (pcbloch@facstaff.wisc.edu); Malcolm Childress, Consultant (mdchildr@facstaff.wisc.edu)

Participating institutions: Ministry of Agriculture and Water Resources, Kyrgyz Republic; Scottish Agricultural College; Registers of Scotland; State Agency for the Registration of Rights to Real Estate, Republican Center for Land and Agrarian Reform, Scriabin Agricultural Academy; World Bank.

Summary: As the country seeks to privatize and reorganize former Soviet agricultural enterprises, the following issues require ongoing policy action: clearly informing rural residents about their rights and responsibilities as land and property shareholders, providing updated and accurate information about the legal and tax implications of different ownership models, assuring local government revenues and equitable access in use of the land funds, creating the legal and institutional foundations for a private land market, and instituting dispute resolution mechanisms. The project provides technical assistance to (1) remove ambiguities and omissions in land legislation that hinder farm restructuring and allow powerful local stakeholders to influence the outcome in ways unintended by government policymakers, (2) ensure that farm members, workers, and pensioners are informed of their rights and are better equipped to make choices on the type of farm restructuring they wish to pursue, (3) ensure that the leasing and forthcoming auctioning of the Agricultural Land Reallocation Fund is fair, transparent, and legal, (4) monitor farm performance and the conduct of reform policies, (5) form a real estate market policy in both rural and urban areas.

Kyrgyz Republic: Farm Size, Farm Type, and Competitiveness

Term: September 1999-September 2000
Funding: US Agency for International Development
Amount: \$55,000
Project contacts: Malcolm Childress (mdchildr@facstaff.wisc.edu)

Summary: The project is carrying out survey research on a nation-wide sample of 470 farms comparing farm performance based on size and organizational type.

Eastern Europe and Central Asia: Privatization Indicators

Term: September 1999-September 2001
Funding: US Agency for International Development
Amount: \$91,000
Project contacts: Malcolm Childress (mdchildr@facstaff.wisc.edu)

Summary: Through a network of collaborators in 11 countries, the project seeks to develop concepts and methods for monitoring the transition toward dynamic and properly functioning markets in land. The project is assessing the extent to which privatization is actually able to mobilize land and related assets in the interest of individual economic initiative, comparing the different actual sets of rights which are privatized, and generate comparable monitoring indicators which can be used to compare across countries. These

indicators will be useful for policy sequencing and improved policy decision-making concerning the privatized properties.

TRAINING AND EDUCATION

LTC hosts **visiting scholars**. Numerous scholars from the region have spent time at the Center conducting library research, working collaboratively with LTC researchers and affiliated faculty, and completing manuscripts. Examples include:

Russia: Sergei Mitsek, IREX Scholar (3/96-5/96)

Russia: Natalia Zenets, IREX Scholar (8/95-5/96)

LTC also conducts **workshops** and short-term **training programs**. Scholars, policymakers, and government officials from the region have benefited from this form of customized training. Examples:

LTC Albania Project: workshop conducted in Tirana, Albania on registration of informal occupation of urban land in Albania, September 2000

LTC Albania Project: workshop conducted in Tirana, Albania on public/private sector relationships in land registration projects in Eastern and Western Europe, March 2000

LTC Albania Project: seminar conducted in Struga, Macedonia *titled Land Administration Agencies: A Local Government Focus*, December 1998

Central Asia: USDA Cochran Fellowship Program and BASIS: Agricultural and Land Law Reform Program (8/99-9/99)

Central Asia: USDA Cochran Fellowships: Agricultural and Land Law Reform Program (10/97)

Central Asia: USDA Cochran Fellowships : Minister of Agriculture and Food, Kyrgyzstan (8/95)

Ph.D. in Development Studies Program

LTC administers the University of Wisconsin's **Ph.D. in Development Studies Program** which provides an academic, interdisciplinary focus on international development issues as applied to developing countries. Social and technical scientists are trained for careers in developing countries, in bilateral or multilateral development assistance agencies, and in foundations and voluntary organizations working internationally. Students from over 35 countries have enrolled since 1970. One hundred have received the Ph.D. in Development.

Current students from the region and/or students studying issues in those countries

Russia: Pavel Krotov, transformation of extractive industries in post-Soviet Russia

United Kingdom: Rachel Wheeler, agrarian structure/farm productivity in post-socialist Romania

United States: Margie Welsh, local knowledge on use/management of farm/pasture land in Albania

PAST PROJECTS IN RUSSIA, EASTERN EUROPE AND CENTRAL ASIA

Central Asia (1995-1998)

LTC organized a consortium of leading US universities and institutes to implement the USAID-funded program of “Impartial Oversight and Strategic Guidance for Privatization and Market Reforms” in post-Soviet Kazakhstan and Kyrgyzstan. With LTC as the lead organization, the Consortium for Technical Cooperation in Central Asia (TCCA) included other units of UW-Madison (Law, Business, Education) and other academic institutions. TCCA developed a team of advisors that provided the governments of the region with unbiased assessments of the current state of privatization and market reform and the appropriate future direction of such reform. The program undertook studies of securities markets and pension reform, and provided a full-time adviser on commercial law development in Kazakhstan. Short-term priorities were for oversight of new contracts for the implementation of commercial law reform. LTC and its consortium supplied commercial law specialists for this oversight role and responded to USAID’s requests for studies of management contracts as an alternative to privatization, issues in the development of securities markets, and the impact of macroeconomic changes and pension reform on the status of pensioners, all in Kazakhstan.

Macedonia (1995-1996)

In October 1995, LTC was asked to conduct a study of rural land issues in the Republic of Macedonia. The research identified constraints to agricultural productivity in the two subsectors that constitute the agricultural sector (small private farms, with 80% of the land, which are fragmented and, according to the government, inefficient; and large state vertically integrated agroenterprises, with 20% of the land, which have “big fields” and are, again according to the government, efficient).

Kyrgyz Republic (1995)

LTC was contracted by the World Bank to assess the status of land and agrarian reform in the Kyrgyz Republic, in order to lay the groundwork for donor assistance to the market-based reforms under way. During the first half of 1995, LTC research described the key issues that had already been addressed, analyzed the legal status and the on-the-ground situation of land reform and farm restructuring, and recommended a set of project modules to deal with such needs as real estate registration, water management, agricultural credit, and improvements in the capacity of government to administer land resources. Nearly all of these modules have since become donor-funded projects.

Russia and the NIS (1993-1995)

Under the AID NIS Task Force “Omnibus” Privatization Project, LTC had a subcontract to assist in land privatization activities. In 1994, LTC participated in a study of existing models of state and collective farm restructuring in Russia; this subsequently led to pilot work on farm restructuring. Under a program to design and implement real estate information systems in several Russian cities, LTC contributed two land titling and registration specialists and a GIS/land information specialist.