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Land Market Policy Dept.
PMU/IPRS

REPORT
ON THE PROGRESS OF THE PROJECTS CONCERNING
LAND POLICY ISSUES FUNDED BY THE UNIVERSITY OF WISCONSIN

One of the important objectives of the Immovable Property Registration System Action Plan is the creation of land market policies and programs.

Having this objective, one of the primary directions of the Land Policy Department work has been the conception of research studies, which goal is 1) to investigate and identify phenomena and problems of the economic agriculture reform, and 2) to provide the Government with suggestions and proposals for its policy relating the economic reform in general and land market in particular.

To fulfil the objectives of the Action Plan, in cooperation with the technical assistance of the University of Wisconsin several research studies were conceptualized, that was thought they will assist the above mentioned objective and their topics were as follow:

1. completion of land distribution and assignment of rights over land.
2. intrahousehold rights over land
3. agricultural land fragmentation and consolidation
4. removal of legal and financial constrains for opening land market
5. environmental management and protection
6. division of agricultural and urban areas
7. geographic information system

In this context, through a coordinated program of studies, specialists of various fields relating land issues were invited.

Eventually, after the presentation of initial projects and after discussions with the group of counselors that is working near the Land Policy Department, it was approved that 9 research groups present their projects on four of seven above topics, and concretely:

Topic 2 - Intrahousehold rights over agricultural land, was presented by a research group of **the Albanian Independent Women Forum** with participants Diana Culi and Raimonda Prifti. The area of the research study included the districts of Puke, Elbasan, Lushnje, and Vlore.

Topic 3 - Land agricultural fragmentation and consolidation, was presented by three research groups, and concretely:

- The group of Land Research Institute and of Agriculture Directory of Lushnja, with the representatives Sherif Lusho and Dhimiter Papa. The area of the research study included the districts of Librazhd, Lushnje, and Vlore.

- The group of Agricultural University, with the representatives Galentino Canco, Bahri Musabelliu, Maksim Mece, Engjell Skreli, Evis Petrela and Dhimiter Baku. The area of the

research study included the districts of Kukes, Tirane, and Fier.

- The group of Land research Institute, with the representatives Vangjo Kovaçi and Justina Boriçi. The area of the research study included the districts of Kavaje, Kruje, and Korçe.

Topic 4 - Environmental protection and management, was presented by four research groups, and concretely:

- The group of Agricultural University, of Institute of Forest and Pasture, and of General Directory of Forest and Pastures, with the representatives Vezir Muharremi, Dalip Habili, Nehat Dragoti, and Qemal Rizvanolli. The area of the research study included the districts of Puke, Tirane, and Vlore. The object of the work of this group was protection and management of forest.

- The group of Agricultural University, of Institute of Forest and Pasture, and of General Directory of Forest and Pastures, with the representatives Orion Ngjela, Sami Cenko and Adrian Papandilli. The area of the research study included the districts of Korçe, Tirane, and Puke. The object of the work of this group was pasture issue.

- The group of Land research Institute, with the representatives Skender Bellaja and Bardhyl Qimili. The area of the research study included the districts of Korçe, Tirane, and Puke. The object of the work of this group was the protection and management of agricultural land.

- The group of the University of Korça, with the representative Thoma Plaku. The area of the research study included the fragile lands of the district of Devoll. The object of the work of this group was the management and administration of poor agricultural land, mostly abandoned in the district of Devoll.

Topic 5 - Division of urban and agricultural land, was presented by a research group of Land Research Institute, with the representatives Valentina Suljoti and Fioreta Luli. The area of the research study included the districts of Tirane, Kurbin, and Fier. The object of the work of this group was to identify the agricultural land management to the suburban areas of above mentioned cities for development use.

The following criteria were set to be complied with by all the research groups:

- Each group, in order to fulfil the set objectives of its project, would observe not less than three districts, of which, one would possibly be a pilot district of the Action Plan, one from the districts in north-east or south-east, and one would be selected by group's objective and desire.

- In district would be observed not less than three komunas and in each komuna not less than three villages.

- In each village would be interviewed 15 farmers minimally.

- For each group the initial funding would be 30% of the project total, then 30% of the total after 50% of interviewing was completed, and finally 40% of the total after the presentation of the final material complying with the remarks and suggestions of the Advisory Group.

- Each group, in addition to the final report, would submit a summary statement of expenses done

by the initial items.

To respond to the relatively fast rhythm, in some cases, of the economic reform, to effectively carry out the projects, the Advisory Group asked the working groups that in addition to the written information on work progress, they participate frequent consults organized by the Land Policy Department and Legal Department to review and improve the land legislation in general. The work of reviewing and improving is under the agreement between the Ministry of Agriculture and Terra Institute, U.S.A. for the project "For Land Policy and Legislation", and from this point of view, the above mentioned analyses have given a considerable assistance to prepare the required draft laws.

Without having wanted to analyze in this material the economic and financial aspects of each approved project, which are presented in the attached table, for all the projects there were planned 2,326,000 leke, or converted to the current exchange rate about \$24,000 US, and according to the presented statements by all the working groups about 2,206,000 or about \$20,000 US.

Let's see now, how this department has followed the progress of these projects after their funding of 60% of the total and their draft presentation.

All the projects were given to specialized opponents of relevant fields, from June through August. During September-October 1995, extensive discussions were done between the working groups and opponents about the comments done, it was decided to have a month for the working groups to submit their final material. Also, in this last phase, the working groups were asked to submit a copy of their work translated into english. This last one, was not planned in the basic contract, so that the working groups asked for additional money, on which we agreed in principle with both the technical assistance and the steering staff of PMU. At this point, only the decision of the Executive Council is to be made on the page-pay-rate of translation (leke per page).

The submission of final materials that began in December of 1995 is currently finished.

Let's see now, what the conclusions of the research groups are:

Topic "Intrahousehold rights over agricultural land"

The study carried out by AIWF is of value of general social character, so that from this point of view, it reach and even goes beyond the limits of a study or a simple reflection of intrahousehold rights over agricultural land.

The selected areas of the study achieve an important objective. They represent not simply geographic regions, but also special economic and ethnographic areas, where specific traditions and customs are found, that represent what is typical for the history of our country.

However, some of the most important conclusions are listed as follow:

- Based on the study, it results that 64.5% of the respondents, with differently small changes from village to village, from komuna to komuna, and from district to district, are satisfied with the Law on Land and support it.
- In the central and southern area of the country there is a fairer ratio between the number of

household members and the amount of land received per each family under the Law on Land. Compared to the extreme figures obtained by the study, it results that, for example, a family in the district of Lushnja has 12 times more land than a family in the district of Puka.

- By observing the average age of the heads of households, it is concluded that in the four districts of the research study, it (average age) varies from 47 to 49 years old, which means that currently the farms are being managed by a generation that is able to cope with difficulties of the transition period and latter.

- According to the study it results that there is a relatively big backwardness of the legislation base of the land reform, the relations of intrahousehold rights, inheritance, etc. with the massive public's non-awareness of this legislation in our country. Therefore, even though it is done a good progress toward the legislation base which similar to the standards of Western European countries, the degree to which it is being applied is not satisfying.

- Because of both, non-awareness of legislation and a backwardness of social domain in our country's villages, especially on woman emancipation issues and intrahousehold rights, it results that the opinions on above mentioned problems are mostly prevailed by kanuns and custom laws.

Topic "Agricultural land fragmentation and consolidation"

As it was mentioned above, this topic was carried out by three different groups, and each group had a specific direction of the land fragmentation issue.

In addition to the specific problems of each group, another reason that the agricultural land fragmentation and consolidation was to be studied by three research groups, was that this problem is of great importance for the agricultural production, and as such, it was necessary that it include a larger territory of the country. So that, this study included 9 districts, 30 komunas, 85 villages and about 1350 farmers interviewed.

The following are some of the most prominent conclusions of the three groups:

The state of fragmentation in our country is of great worry and incomparable with other countries. Having seen this problem by the number of parcels that make up the farm, the minimal size of parcel inside the farm, the influence that derives from agricultural use of each farm, etc., it results that:

- The number of parcels that make up the farm and the farm size is of wide variety, not only from district to district but also from komuna to komuna and from village to village. In general, the number of parcels is bigger in the hilly and mountainous areas and specially in the districts of north-east. This number varies on average from 3.5 to 4.3 parcels per farm, but the minimum is 2 and the maximum is 12 parcels per farm. With respect to the size of farms, the data indicates that it is 3 to 15 times larger in the field area (Fier, Lushnje, etc.) than in the north east area (Kukes, Puke, Librazhd, etc.)

The size of the smallest parcel is also variable from district to district, from komuna to komuna, and from village to village. The same as for the number of parcels, the smallest size is mostly found in the hilly and mountainous areas and specially in the north-east part of the country. In the districts of study it varies from 0.15 to 1 Dy for the north-east districts and 1.5 to 4

Dy for the costal area.

- The reasons of land agricultural fragmentation in Albania are different from those of other countries, and specially of post-communist countries. In our country the main source of it is the economic policy followed prior to and during the application of land reform, which has essentially intended:

- to secure some equality by distributing the land per capita.

- to hold the amount of land received by the agricultural families under the decisions of the Government through 1992.

- to apply the land reform based on its quality indicators, based on the agro-pedologic, topographic data, etc.

It has to be emphasized that the above factors, also in difference with other countries, have been closely related to the influence of some objective factors, such as: the small amount of land per capita, the hilly and mountainous area that is prevailing, the overpopulation of village specially during the 45 years of centralized system, etc.

- The land agricultural fragmentation is a phenomena that has its specifics from one place to another, and as such, it has positive and negative implications on agricultural production. Without knowing and identifying such implications, it is not of worth to program measures to prevent agricultural land fragmentation and to encourage its consolidation. From this point of view, it results that:

DISADVANTAGES:

- the land being unused is increased because of both the large number of draining and irrigating canals and the many paths within parcels.

- the expense costs of production are increased because of the increase of the transportation costs, mechanization costs, etc.

- the ineffective time is increased because of the many movements from parcel to parcel

- the investments on land systematization, irrigating and draining system, etc. are significantly hindered.

- the social conflicts between farmers are given ground because of the obstacles that farmers create for each other in order to move, irrigate, drain, etc.

- the further fragmentation, which can be called biologic and that comes as a result of mosaic production for farmers needs, is increased.

For these disadvantages, 75% of the farmers interviewed are expressed.

ADVANTAGES

- parcels are distinguished between them, especially when land and other factors are not homogenized on fertility, irrigation capacity, topography, microclimate, etc.

- the risk of loss or damage of production because of dryness, flooding or other major factors is reduced.

- in some cases, opportunities to apply the agricultural circulation, etc., in the farm are created.

Based on the analysis upon the interviewed farmers' opinion, on one side and, on the conclusions that the researchers of the above-mentioned projects drew, on the other side, it results that actually in our country, the factors that lead to the consolidation of agricultural land are to be encouraged and favoured.

We recommend the following main measures that influence the consolidation of the agricultural land:

- Since the factors that stop the buying and selling of agricultural land, are of importance within a short-term period, it's understandable that the leaseholding institution is one of the superior factors of land consolidation. This is because of the interviewed peoples' psychology, who preliminarily prefer to lease their land, although they find their future to be in the town. This opinion is more significant in the country's north-eastern area.

- The agricultural land market is another factor of great importance that stimulates the agricultural land consolidation, but initially it necessarily must be controlled by the state or authorities licensed by the state.

- The encouragement of farmers' associations establishment with production functions, as another alternative of agricultural land consolidation. Actually, two types of associations are recognized and function, regarding the land structure: the two so-called types of associations, respectively: "land integration (merging)" and "land grouping" type.

- The creation of programmes that stimulate the development of a certain culture in integrated parcels.

- The application of a land consolidation programme by means of a pilot project which, considering the administrative aspect would consist of:

Firstly: The creation of a methodic in order to evaluate the land, based on technical-economical criteria, and for each index to create a points system, and on this base to perform points for each land plot, and then to use them in the entire farm evaluation.

Secondly: The identification of pilot zones, where to apply all the methods that lead to the agricultural land consolidation.

On the subject: "Environment Protection and Management"

This subject, considered of importance for the future of the country, in general, is treated in some directions which tend to treat the most sensitive problems of environment protection and

management, in the market economy framework. These studies tend to present the technical, economical and social problems, in terms of environment protection and management; to have the farmers' opinion of this problem and to draw the opinion of relevant specialists and institutions on the above-mentioned problems. That's why this problem deals with the protection and management of the agricultural land, forests, pastures, and low-fertility land that in general is refused by the farmers.

The following part refers to the conclusions and recommendations, drawn by the above studies:

- On the agricultural land

#.- The professional qualification of the farmers, their acknowledgements in terms of agricultural land protection and administration, leave much to be desired and, their general existing opinion is that the state is responsible for everything.

#.- The land quantity per person and per family, owned by the farmers of the studied areas, is very low and as consequence there's no prospects of development in the vast majority of cases.

#.- The large fragmentation of the farms, on one side and, the relatively long distance from the land to the settlement areas, on the other side, brought to the abandonment of some land, causing in this way many ecological problems.

#.- The very low input in general and the very low level of fertilizers in particular, caused the reduction of production and of the land fertility.

#.- The farms production in the hilly-mountainous area and far from the town, is only represented by domestic production and, very rarely they produce for the market.

#.- There's an outstanding ignorance relating the legal and sub-legal acts on protecting the agricultural land from the degradation factors.

#.- In general, there's a trend, especially of the young generation, to leave the village and move to the town.

Regarding these conclusions, we recommend:

1.- To accomplish studies on growing the agricultural land effectivity, trying in the meantime to find a way out to improve the interests of the poor rural area population, in order to avoid the uncontrolled and early moving of population.

2.- To study and find out the alternatives for the development of each zone according to the specifics and possibilities that it offers, based on the application of a protectionist policy towards the agricultural and animal productions.

3.- To review and create a new legislation in accordance with the present situation of the land ownership, in order to stop the ill-treatment and to stimulate the land protection, aiming:

#.- Agricultural land of all types of ownership is considered as national property and, for

this reason everybody must protect and conserve it from the physical and chemical harming factors.

#.- To build up the pyramid of Land Use and Protecting Institutions in general and, Agricultural Land in particular, in order to eliminate the parallelisms and not to permit the institutions to charge the responsibilities to each-other as they're actually doing.

#.- The organization of land use information system in a national level and the definition of parameters of the critic levels of various degraded factors.

#.- To take clear, rigorous, administrative and penal measures in order to protect the land.

The following conclusions and deductions on forest protection and administration, were drawn :

#.- To accomplish officially the principals of state forest policies, in order to orient the creation of a global strategy by means of a 10-15 years study of forest development called "The forest 2005" or "The forest 2010".

#.- To recognize the forest ownership rights of the ex-owners who owned them before the nationalization (at about 5%), or the state has to carry on their material (physical) compensation.

#.- To privatize all the activities undertaken in the forests.

#.- To create a programme in order to raise the forests output, consisting of:

1.- The stimulation of private forest planting for creating the forestal farms and gaining access for financial support and technical assistance by the state.

2.- The initially increase of the productivity of the forests which will be given in use to communes, by means of forest replanting and, other measures that affect it.

3.- The initially increase of statal forest productivity in 5800 degraded and damaged hectares and, the rehabilitation of 1000 other recently damaged hectares.

#.- To create a programme "On keeping the forests ecologicaly sound", consisting of:

1.- The environment protection through the continuous and stable maintenance of natural forests resources.

2.- The avoidance of the further degradation and the rehabilitation of forest and pasture areas degraded by the exaggerated exploitation of the forest as firewoods and because of the overgrazing.

3.- The publishing of the appropriate guidebooks (manuals) of forest economy management of all levels, based on stable and multifunctional use principles of the forests.

4.- The reorganization of the entire state pyramid that will cover the creation and the

implementation of the Forest Policy in our country, etc.

Some of the conclusions and recommendations that deal with the land protection and management, are presented as it follows:

#.- The pastures have to be public and to be classified as: state pastures, common use pastures (used by the local government) and private pastures.

#.- To recognize the pasture ownership restitution to the ex-owners of before 1945, according to a criterion determined by the authorities who make the decisions.

#. To prepare a strategy of pastures national policy, in the market economy situation, and on this base to formulate clearly their institutional, technical-administrative and legal aspects.

#.- To realize the clear division of pastures administrative boundaries, in the field and in the office, according to their form of ownership, etc.

Regarding the subject of abandoned and delicate land management, selecting Devolli as our object, although the study drew conclusions about this, the main conclusion is the specific management of this land category, by the local government and agricultural directories in the districts, by drafting projects for each parcel showing the most efficient ways of land use. Of course, the state support and subvention of different forms,- after making sure of the success of the proposed measures,- seems to be the most efficient way in managing this land category in our country.

On the subject "urban and agricultural zones division"

As it belongs to this problem, inter alia- the study of "urban and agricultural zones division", it's necessary to repeat that this department and the Counselor Group consider it as one of the most important and sensitive problems of the transition period. That's the reason why we continuously asked for a combination between the agriculture system institutions and the tourism and construction institutions, but unfortunately we couldn't realise that. However, the study implemented by a group from the Soil Study Institute, draw important conclusions that must seriously preoccupy the state administrative authorities who make the decisions.

Some of the most important conclusions of this study, are the following ones:

#.- The free moving of population increases continuously the pressure on land, in general and especially on the agricultural land near the towns, in particular. In order to protect these lands and the high quality land as well, from a standpoint of the agricultural productions, this process (the free moving of population) needs to be managed and directed by both the central and local government.

#.- The lack of short- or long-term regulatory plans of where the towns and other settlement areas will enlarge, brought to chaotic constructions, without a plan. The development of infrastructure in such a situation, is very difficult and of high costs. We find the illegal buying and selling of agricultural land to be frequent and of different forms (oral, declaratory, noterial, etc). Besides the difficulties it creates to IPRS, it is also establishing the farmers' wrong concept of transforming the land not for agricultural purposes, but mainly or completely for

construction purposes.

#.- The actual legislation is not set in motion because the links, responsible for the activation of these laws from the centre to the base, are not functional enough. The world experience in this problem, request the creation of an exclusive centre for the management and use of the land of our country's entire territory.

#.- The development of complex plans of land use by the specialized institutions, and their approval by the local or central authorities, according to the rigorous criteria.

These were the main summarized conclusions of the subjects funded by our part, with Wisconsin University funds for the years 1994-1995; we thought to present these conclusions to the Executive Council. In addition to these recommendations, we thought of giving a full copy of the respective reports to the agencies which make the decisions.

Actually, we're working with the Ministry of Agriculture and Food and with other agencies, to locate the new problems and spheres that will help the further consolidation of economical and institutional reform in terms of the market economy.

Another way of realizing a further discussion and drawing opinions about these conclusions, is the organization of a national seminary, with the participation of Albanian and foreign researcher institutions (and institutions that make the decisions), where all the above projects to be concisely refered and to discuss about the study spheres in the future.

For the Department of Land Policies

Albert Dubali

March, 1996

**THE SUMMARY TABLE OF THE PROJECTS FINANCED BY WISCONSIN
UNIVERSITY FUNDS**

Nomination of the Project and the Working Group	Date of Signing the Contract and the districts	The cost of the project (in thousand leks)	Financing 60%. Date of delivery	Evaluation of the reference the date	Final situation (in thousand leks)	Still to be paid (in thousand leks)
Intra-house Land holding rights D.Culi, R.Prifti	11.01.1995 Elbasan, Puka, Lushnja, Vlora	207,8	12.05.1995	October 1995	205,4	17,0
Agricultural Land Fragmentation and Consolidation Sh.Lusho, Dh. Papa	14.09.1994 Lushnja, Vlora, Librazhdi	202,5	22.12.1994	July 1995	201,7	11,0
Agricultural Land Fragmentation and Consolidation G.Canco, B.Musabelli, M.Meçe, E.Skreli, Dh.Baku, E.Petrela	13.09.1994 Tirana, Fieri, Kukesi	426,0	24.01.1994	June 1995	426,0	20,0
Agricultural Land Fragmentation and Consolidation V.Kovaçi, J.Boriçi	04.10.1994 Kruja, Korça, Kavaja	252,3	22.12.1994	June 1995	213,226	16,0
Environment Mangement and Protection. Forests V.Muharremi, D.Habili, N.Dragoti, Q.Rizvanolli	04.10.1994 Tirana, Puka, Vlora	384,5	28.12.1994	June 1995	369,6	35,0
Environment Mangement and Protection. Pastures. O.Ngjela, S.Cenka, A.Papandilli	24.10.1994 Tirana, Vlora, Puka	288,5	26.01.1995	July 1995	263,97	27,5
Environment Mangement and Protection. Agricultural land. S.Belalla, B.Qilimi	14.09.1994 Tirana, Puka, Korça	229,5	22.12.1994	July 1995	215,1	16,5
Environment Mangement and Protection. The superficial lands-Devoll. Th.Plaku	16.09.1994 Devoll	140,0	18.04.1995	October 1995	115,7	10,5
Urban and agricultural	06.01.1995	195,5	28.03.1995	June 1995	195,58	13,0

zones division. V.Sulioti, F.Luli	Tirana, Fier, Kurbin					
Total		2326,0			2206,3	166,5