

*LAND MARKET DEVELOPMENT AND SMALL FARMS' ACCESS TO LAND IN THE  
PRE-ACCESSION COUNTRIES (LMSF-AC)*

*Interim meeting*

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**Land Market Development and small farm  
access to land in Kosovo**

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# Introduction

Main discussion focused on :

- Understanding of the socio-economic situation of small farm households as well as the constraints that impede their growth;
- The current situation with the rental and sale market developments;
- Key informal factors affecting rental and sale markets, small farms' access to agricultural land, land market regulations;
- Agri-policy measures related to land market and credit market.

## Focus groups

- Two focus groups held in Kosovo, Peja and Prizren regions
- The focus group discussion was based on a structured set of questions
- The questions were open-ended to simulate individual contribution and group discussions
- In general some of the questions and topics were not representative to all groups and participants present.

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# Main characteristics of land issue

- Extreme land fragmentation (exploitation, ownership, family economy)
- Not clear Administration, management and privatization of socially owned agricultural land,
- Lack of information and transparency in the activity of the land market
- Incomplete Data on Ownership (Not Updated)
- Poor land management system
- Small parcels of agricultural land unallocated and distributed in many places

## Rental and sale markets

- Participants acknowledged the need for 'Modernization of land market'
- A suggestion was made to raise the information campaign awareness among farmers and promote further land consolidation and the land market.
- The existence of inefficient land market presents a fundamental impediment for many regions in Kosovo.
- Problems with procedure on land privatization of the social owned land, land ownership, unused land and lack of proper strategy or action plan that address these issues.

# Institutions responsible for land market issues in Kosovo

- Office for Valuation of Immovable Property
- Kosovo Cadastral Agency (KCA)
- Municipal Cadastral Offices
- Land Regulation Commission

# Land market regulations

- The land market regulations and reform have not contributed to significant changes.
- There are number of components and strategies associated with agriculture departmental plans in each municipality in terms for providing support to the farmers, consultancy, startups, and grant application.
- Farmers expressed a concern about a lack of detail information about the enforcement of the policies and regulations associated with complex application procedurals for subventions and grants.
- Participants felt strongly that enforcement of social land privatization is currently lacking in matters related to uses and ownership.

# Agri-policy measures related to land market

- The land reform was identified as the most important and critical to the competitiveness of the agriculture sector in Kosovo.
- The agri-policy measures used to regulate the land market were not modernized or simplified into a single administrative system.
- The re-construction of the cadaster is needed mainly showing the update of the “Possession lists” and simplifying the legal concepts currently in force.
- Over 90% of the land continues to be privately held and this presents a big obstacle for regulation the land market in Kosovo, especially when no clear evidence of the ownership is in place.

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# Agricultural credit market

- The agriculture continues to have low access to general banking finance with only 4.2%,
- The sector that is least credited by financial institutions in Kosovo.
- Interest rates on loans to the agricultural sector are high compared to other sector loans .
- The lack of the insurance system in agriculture is greatly affecting farmers' to access to the loans, respectively to affordable loans.

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# Conclusions and recommendations

- The focus group discussions had a positive impact in terms of information and knowledge exchange.
- The experience of farmers from the regions varied a lot in terms of integration and accommodation with the procedures and funds allocation from the central level.

# Recommendations

The Government should establish other instruments for land enlargement such as :

- state fees in cases of property transfer
- the appropriate tax policy
- financial relieves in case of selling land to the neighboring land leasers or
- land substitution from the public fund
- better roads and irrigation infrastructure
- as well as education and
- health to improve physical and human capital in rural areas

- Enhance knowledge sharing among all the actors involved
- Set up a mechanism to regulate the sale of agricultural land, nature of proposed use and category of buyer
- Expand the outreach of the bank credit system and reduce rate of interest for agriculture production
- Establish an Agriculture Risk Fund to provide relief to farmers in the aftermath of successive natural calamities
- Develop an integrated credit- and farmer insurance package

- Fragmentize the social privatize land to more interested farmers and that ensure the agriculture productivity

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**Thank you!**