

# **The management of state agricultural land in Albania: the role of central and local governments**

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# GENERAL DATA

- Albania is a small country, with a total area of 28 748 km<sup>2</sup>
- 3.8 million inhabitants
- 50 % rural population;
- Agriculture share in GDP            19%
- The agricultural land represents 24 % or 695,000 ha
  - 43% of agricultural land in lowland
  - 34% in hilly areas
  - 23% in mountainous
  - a low amount of agricultural land per capita
  - it is divided in 10 classes, which reflect the agricultural potentials.  
Classes 1- 4 occupy nearly 40%
- The rest includes:
  - forest, meadows and pastures;
  - unproductive land, urban land, waterways etc.

# Land Reform and Privatization

- Until 1991, the agricultural land was 100% state property
  - The land privatization was completed in 2008
    - about 561,000 ha or 80% is now privately owned
  - 445 000 agricultural families have benefited or 65% of population
  - The land was distributed according to soil quality and family members
  - Privatization was conducted by land commissions of each villages
  - A small number of families (about 3%) do not still possess the ownership documentation
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# Land Reform and Privatization (2)

- The legal framework guaranties for new owners:
    - the rights of inheritance, use, transactions, leasing, etc,
  - Selling of private agricultural land is allowed only for national physical and juridical persons
  - Renting is allowed for national and foreign physical and juridical persons for a period up to 99 years
  
  - The average farm size 1.2-1.3 ha
  - High fragmentation (averaging 3.8 parcels/farm)
    - it has created a negative impact in the improvement of agricultural productivity and in the efficient development of the agricultural sector in general.
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# Land parcels in the central part of rural Albania



# STATE AGRICULTURAL LAND (1)

- After privatization, 20% of agricultural land (or 134 000 ha) has remained under state ownership
  - About 26 thousand ha, which have been used **by former state farms**
    - Major part will be used for physical **compensation of old owners**, expropriated by the communist system
    - The rest is used by:
      - agricultural research institutions,
      - joint venture enterprises,
      - for leasing etc
    - Some areas are occupied by illegal constructions
    - The selling of state agricultural land is not allowed
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# STATE AGRICULTURAL LAND (2)

- An amount of 108 thousand ha,
    - refused to be privatised by the agriculture families;
    - gained by conversion of pasture and forest areas;
    - lower fertility,
    - in distance from inhabited areas;
    - without irrigation and drainage infrastructure;
    - less accessible by roads;
    - small and fragmented parcels in sloped terrains, **but**  $\frac{1}{4}$  of are in blocks of more than 10 ha
  - They are under administration of local government units
  - A valuable asset for cultivation of fruit trees, medicinal and aromatic plants
  - The conversion back to pasture and forest, where is possible?
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# The role of central government for management of state agricultural land (1)

- The main role and responsibilities of CG, notably of the Ministry of Agriculture, include the **development of legislation and policies** on a number of issues on management of state agricultural land.
  - This land **can be leased out** to the physic and juridical persons, either local or foreigner
  - It can be given also by **concession** for a period up to 35 years
    - In 2009, a concession contract was given for planting of about 970 ha with olives trees.
  - A law on **land protection** was adopted in 2004- much more recently than the law on privatisation of land
    - it has been harmed by human activity and natural factors like as:
      - illegal constructions,
      - enlargement of urban areas,
      - erosion, damage of river beds,
      - the use of inappropriate agricultural practices
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# The role of central government ....(2)

- A State Land Protection Committee headed by Minister of Agriculture, composed by representatives of various ministries and other governmental agencies
    - Land protection inspectors- operate at regional level
    - Offices of land management and protection in the local government units are responsible for enforcement / implementation of this law.
  - The socio-economic development of the country has brought a lot of changes to land resource categories
    - the major negative impact has been on reduction of agricultural land fund, especially in lowlands areas, with best soil quality.
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# The role of central government ....(3)

- Very strict criteria for land protection of **classes 1-4**
  - They which can be allowed to be used for construction activities only in indispensable cases:
    - national and rural roads,
    - railways, airports and seaports;
    - searching and exploitation of fuel and gas sources;
    - hydropower plants;
    - extending of dwelling centres areas, etc.
  - Decision making authority is only the Council of Ministers.
  - Changing of agricultural land of classes 5-10 to forest, meadow and pasture for a surface up to 5 ha is authorised by Minister of Agriculture, for more than 5 ha by Council of Ministers.
  - Conversion to urban land, mining activities etc for a surface up to 30 ha, -by Council of Ministers, for more than 30 ha by Parliament.
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# Programs, which contribute to sustainable management of agricultural land

## - *Land registration of ownership titles:*

- it was completed for 2392 rural cadastral zones out of 2920 or 82%
- this figure cover all agricultural land, both private and state owned

## - *Sustainable management of the agricultural land program, implemented by MAFCP .*

- it aims to establish a land information system (LIS) and integration in GIS will be used as an important tool for implementation of land use policies
  - it was completed for about 80 000 ha of agricultural land
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# Programs .... (2)

*-Land consolidation project-* implemented with technical and financial support provided by FAO

- It assists in developing a national strategy on land consolidation based on experience gained by a pilot project conducted in a few villages
- However, using a state land reserve for land consolidation purposes seems to have little chances

*-National programs of olive and nuts trees planting*

- The farmers are eligible to subsidies provided by the National Paying Agency in case they have rented state agricultural land.

*-Investments in irrigation, drainage and flood protection infrastructure.*

- It aims rehabilitation of irrigation and drainage systems, flood protection mitigation, erosion reduction etc
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# The role of local governments

- The local governments units are responsible for sustainable management of state agricultural land, which is under their administration.
    - According to the law, they should create “a fund for land protection” using not less than 40% of land taxes collected.
  - They organize **leasing procedures** for the state land within their territory.
    - A commission headed by Mayor, assesses requests and take respective decisions.
    - It includes members from Regional Department of Agriculture, Land Administration Directorate (cadastre office) etc.
    - Renting time is up to 99 years
    - Renting is applied through auction procedure
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# The role of local governments (2)

- The main evaluation criteria include:
    - duration
    - investment to irrigation, drainage and anti-erosion measures,
    - number of employees,
    - good agricultural practices etc.
  - The leasing terms:
    - up to 10 years, for cultivation of field crops, medicinal and aromatic plants, etc;
    - up to 35years, for greenhouses, nursery and vineyards;
    - up to 99 years, mainly for fruit trees, and olive-groves.
  - So far only 1 000 ha have been leased out
    - This is a low figure and demonstrates reluctance, delays and irregularities of local governments units;
    - Recently a new instruction has addressed these concerns by giving more competences to the Ministry of Agriculture
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Thank you very much!

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