



# Catalyzing Innovation

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## **NEW TRENDS IN DEVELOPMENT OF AGRICULTURAL LAND CONSOLIDATION IN RUSSIA**

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## **Abstract**

Agricultural land consolidation is a merging, enlargement, eliminating of mosaic land ownership and improvement of configuration and optimization of size of land plots in order to increase the efficiency of agricultural production. The present stage of development of agricultural land consolidation in Russia is featured by development of agricultural holdings and increasing size of private farms. The average size of agricultural holding amounted 513.6 thousand hectares in 2018. It increased by 4.8% compared to 2016. The average size of private farm estimated 71.4 hectares in 2016. It increased by 66.4 % compared to 1995. There is also a trend of development of agricultural land consolidation at regional level, for example, in Orel region or oblast. In 2017, the average size of the private farm was amounted 163.8 hectares in the region. It increased by more than 3.2 times compared to 1994 due to agricultural land consolidation.

**Key Words:** Agricultural land consolidation, Russia

## **INTRODUCTION**

We can treat agricultural land consolidation as a merging, enlargement, eliminating of mosaic land ownership and improvement of configuration as well as optimization of size of land plots in order to increase the efficiency of agricultural production via rational use of scarce resources: land, labor and capital based on reduction of transaction costs.

The specific objectives of agricultural land consolidation are the following: increasing the efficiency of agricultural production; providing sustainable development of agrarian sector; rational use of land, labor and capital in agriculture; optimization of agricultural production structures both in territorial and production aspects; increasing the competitiveness of agricultural producers in domestic as well as foreign markets; environmental protection; development of production as well as social infrastructure in agriculture.

Agricultural land consolidation should be carried out based on the following principles: voluntariness; openness and transparency; financial and economic feasibility; taking into account the interests of the population groups involved including women and youth as well as indigenous people; step by step implementation; consideration of local conditions; state and NGO support.

In theory, agricultural land consolidation can be carried out as voluntary land consolidation and compulsory land consolidation. The present stage of agricultural land consolidation in the Russian Federation is featured by development of agricultural holdings and increasing size of private farms. Currently there is a trend of development of agricultural land consolidation at regional level.

Both administrative and economic methods, for example, development of agricultural land market could be used for agricultural land consolidation. In our opinion, preference should be given to voluntary land consolidation. In that sense, development of agricultural land market is very important for stimulation of agricultural land consolidation.

However, agricultural land market in Russia is still not formed, which impedes the formation of a flexible system of land tenure and land use. Most of agricultural land market transactions are leasing of land shares now. Meantime, agricultural land selling and buying transactions as well as agricultural land mortgage transactions are limited.

By its nature, agricultural land market represents a market of imperfect competition. This is manifested in the following. The number of sellers and buyers of land plots does not match among themselves. Market information on the transactions is incomplete and non-transparent. Transactions are mostly local in nature. The supply and demand for the land plots are inelastic.

In this market, there are externalities, such as the state registration of the deals, restrictions on the sale and purchase of agricultural land, which prevent the formation of equilibrium prices of agricultural land plots. There is also inappropriate agricultural land use, pollution, and illegal allotment for commercial needs.

Agricultural land consolidation is a complex socio-economic phenomenon, which includes technical, institutional, financial, economic, environmental and social aspects, reflecting the methodology of project analysis in agriculture.

The technical aspect of agricultural land consolidation is the implementation of land use planning activities focused on elimination of mosaic land ownership, improvement of configuration as well as optimization the size of land plots as well as development of the road network and production infrastructure in rural area in order to increase the efficiency of agricultural production.

The institutional aspect of agricultural land consolidation involves the selection of a legal entity interested in the implementation of land consolidation projects in agriculture based on the criteria of financial and economic efficiency. The beneficiary may be private farms, agricultural holdings as well as other legal entities.

The financial aspect of agricultural land consolidation is to determine the financial efficiency of land consolidation projects for legal entities directly involved in their implementation. It should be noted that with increasing the size of land plots used for agricultural production, efficiency of farming is increasing due to the relative reduction of transaction costs per unit of land area. The maximum efficiency of agricultural production is achieved in the case when the level of transaction costs per unit of land is reduced to a minimum.

However, further increasing the size of land plots used in agriculture leads to decreasing of efficiency of agricultural production due to the increase in transaction costs per unit of land area. In that sense, the major problem is to evaluate the effectiveness of projects related to consolidation of agricultural lands. In our opinion, evaluation of the effectiveness of mentioned above projects should be carried out based on

benefit cost analysis. The most important condition for application of benefit cost analysis for evaluation of land consolidation projects is to ensure comparability of indicators of costs, benefits as well as efficiency based on international financial reporting system. It could create additional incentives to attract outside investors in agriculture. Thus, the consolidation of agricultural land is the basis for the development of investment process in agriculture, which allows increasing its efficiency by reducing transaction costs and attracting outside investors to allocate their capital in agriculture.

The economic aspect of agricultural land consolidation is to determine the economic efficiency of land consolidation projects for society as a whole based on analysis of economic costs and benefits. It should be noted that economic costs and benefits of the mentioned above projects should be evaluated based on their “shadow” prices.

The environmental aspect of agricultural land consolidation is the environmental assessment (EA) of its impact on the environment based on direct and indirect valuation methods. The social aspect of agricultural land consolidation is the assessment of its impact on the sociocultural and demographic characteristics, social organization of productive activities, cultural acceptability as well as different groups of population such as women, indigenous people, youth and etc.

## LAND TENURE

The Russian Federation’s territory was amounted 1,712.5 million hectares in 2016. The most important piece of the area is agricultural land. The total agricultural land area was estimated 383.6 million hectares in 2016, or 22.4 % of the total Russian Federation area (See Table 1).

**Table 1. Land categories, Russian Federation, 2015-2016, million hectares**

	Item	2016	2015	2016/2015 (+,-)	2016/2015, % (+,-)
1	Agricultural land	383.6	383.7	-.1	-.03
2	Urban land	20.4	20.3	+.1	+.5
3	Industrial land	17.4	17.3	+.1	+.6
4	Special protected regime land	47.2	47.0	+.2	+.4
5	Forest land	1,126.2	1,126.3	-.1	-.01
6	Water land	28.1	28.0	+.1	+.4
7	Reserve land	89.5	89.7	-.2	-.3
	Total	1,712.5	1,712.5	-	-

Source: Rosreestr, 2017

Thus, the total agricultural land area as well as its share in the total land area of the Russian Federation was insignificantly changed in 2016 compared to 2015. The cropland, perennial, pastures, hay field lands as well as idle land were amounted 197.7 million hectares, or 51.6 % of total agricultural land area in 2016 (See Table 2).

**Table 2. Agricultural land, Russian Federation, 2016, million hectares**

Item	Area	%
Farmland <sup>1</sup>	197.7	51.6
Forest land	24.7	6.4
Bush land	19.3	5.0
Road land	2.3	.6
Building site land	1.1	.3
Water land	13.1	3.4
Other	125.4	32.7
Total	383.6	100.0

Source: Rosreestr, 2017

Breakdown of the farmland in the Russian Federation in 2016 is shown in Table 3. As we can see from Table 3 the share of cropland was amounted 55.3 % or more than half of the total farmland in the Russian Federation in 2016.

**Table 3. Breakdown of farmland<sup>2</sup>, Russian Federation, 2016, million hectares**

Item	Area	%
Cropland	122.7	55.3
Perennial	1.9	.9
Hay field land	24.0	10.8
Pasture	68.5	30.8
Idle land	4.9	2.2
Total	222.0	100

Source: Rosreestr, 2017

According to the Federal service on state registration, cadaster and cartography of the Russian Federation (Rosreestr), the state and municipal owned land amounted 1,579.3 million hectares, or 92.2 %, private land -114.1 million hectares, or 6.7 % and land owned by legal entities - 19.1 million hectares, or 1.1 % of the total the Russian Federation's territory in 2016.

<sup>1</sup> Includes cropland, perennial, pasture, hay fields land as well as idle land available in Agricultural Land Category

<sup>2</sup> Includes farmland available in all land categories

Thus, the private land area decreased by 1.2 million hectares in 2016 compared to 2015 from 115.3 million hectares to 114.1 million hectares, or by 1.0 %. At the same time, the area of land owned by legal entities increased by 1.0 million hectares in 2016 compared to 2015 from 18.1 million hectares to 19.1 million hectares, or by 1.0 %.

The state and municipal owned land increased by .2 million hectares in 2016 compared to 2015 from 1,579.1 million hectares to 1,579.3 million hectares, or by .01 %. The shares of the mentioned above land categories in the total land of the Russian Federation were not changed in 2016 compared to 2015.

According to the Rosreestr, the state and municipal owned agricultural land amounted 255.6 million hectares, or 66.6 %, private land - 109.7 million hectares, or 28.6 % and land owned by legal entities - 18.3 million hectares, or 4.8 % of the total Russian Federation's agricultural land in 2016.

Thus, the private agricultural land area decreased by 1.4 million hectares in 2016 compared to 2015 from 111.1 million hectares to 109.7 million hectares, or by 1.3 %.

At the same time, the area of agricultural land owned by legal entities increased by 1.0 million hectares in 2016 compared to 2015 from 17.3 million hectares to 18.3 million hectares, or by 5.8 %. Moreover, the state and municipal owned agricultural land area increased by .3 million hectares in 2016 compared to 2015 from 255.3 million hectares to 255.6 million hectares, or by .1 %.

The share of the state and municipal owned agricultural land in 2016 compared to 2015 increased by .1 percentage points from 66.5 % to 66.6 % in the total agricultural land.

The share of agricultural land owned by legal entities in 2016 compared to 2015 increased by .3 percentage points from 4.5% to 4.8% in the total agricultural land.

However, the share of the private owned agricultural land in 2016 compared to 2015 decreased by .4 percentage points from 29.0 % to 28.6 % in the total agricultural land.

Thus, at federal level there is a trend of consolidation of land including agricultural land by legal entities based on absorption of private land. This, in particular, is also evident in the fact that a dominant role in the Russian agricultural land use has played joint stock companies as well as production coops (See Table 4).

The share of joint-stock companies and partnerships in the total area of agricultural land use of parastatals compared to 2015 increased by .7 percentage points from 51.8% to 52.5% in 2016. Compared to 2015 the share of joint-stock companies and partnerships in cropland of parastatals increased by .9 percentage points from 56.8% to 57.7% in 2016.

At the same time the share of production coops in the total area of agricultural land use of parastatals compared to 2015 decreased by .7 percentage points from 36.9% to 36.2% in 2016. Compared to 2015 the share of production coops in cropland of parastatals decreased by .8 percentage points from 33.2% to 32.4% in 2016.

Thus, there is a trend of decreasing of land use of production coops and increasing of land use of joint-stock companies and partnerships, which also indicates further development of the agricultural land consolidation by large and medium agricultural enterprises.

**Table 4. Land use of parastatals, Russian Federation, 2016, 1000 hectares**

Item	Total	Cropland	Idle land	Perennial	Hay field land	Pasture
Joint stock companies and partnerships	61,010.1	43,316	931.7	218.8	4,391.6	12,152
Production coops	41,977.3	24,323.6	1,023.7	75.7	3,925.2	12,629.1
State and municipal enterprises	5,855.9	2,649.6	80.5	43.2	583.1	2,499.5
Research institutions	1,705.3	1,302.3	19.5	13.4	107.8	262.3
Subsidiary farms	900.6	552.6	25.5	3.5	106.9	212.1
Other	4,482.1	2,857.1	90.9	15.6	321.2	1,197.3
Tribal land	15.8	.3	-	-	8.8	6.7
Cossack society land	90.4	62.5	.1	.2	6.1	21.5
Total	116,037.5	75,064	2,171.9	370.4	9,450.7	28,980.5

Source: Rosreestr, 2017

Land tenure of the largest agricultural holdings in the Russian Federation in 2018 is shown in Table 5. As we can see from Table 5 these businesses have consolidated large area of agricultural land. The average size of agricultural holding amounted 513.6 thousand hectares in 2016.

Compared to 2016 it increased by 4.8 %. It varied from 362 thousand hectares to 790 thousand hectares in 2018. However, compared to the total area of agricultural land used by parastatals, the land ownership of the largest agricultural holdings in the Russian Federation is insignificant. It was amounted about 5% of the total agricultural land area used by parastatals in 2018.

**Table 5. Land ownership of the largest agricultural holdings, Russian Federation, 2018, 1000 hectares**

Item	Agricultural land	%
Prodimex & Agrokultura	790	15.4
Miratorg	676	13.2
Rusagro	675	13.1
Agrokomplex	644	12.6
Volga –Don Agroinvest	452	8.8
Avangard-Agro	400	7.8
Step-RZ Agro	380	7.4
Vasilina	380	7.4
Rosagro	377	7.3
Ivolga-holding	362	7.0
Total	5,136	100

Source: The largest owners of agricultural land in Russia in May 2018 [www.agrovesti.net](http://www.agrovesti.net) dated June 4, 2018.

In this sense, it is very important to determine the further ways of development of agriculture in Russia. However, this issue is currently under discussion. Some economists suppose that only further development of small private farms and family farms are necessary.

There are different models of agricultural land consolidation in the Russian agriculture. The first of them - Nizhny Novgorod model was intended to consolidate the land shares with the goal of creating production coops. However, due to the absence of post-privatization support this task remained unfulfilled. In this regard, noteworthy Belgorod and Orel models, which are used respectively in Belgorod and Orel regions based on buying and renting of land shares by agricultural holdings, private farms as well as local authorities.

In this regard, other economists think that only further development of agricultural holdings is necessary. But there is concern that development of the agricultural holdings leads to the emergence of the so-called "latifundiums", which should be treated as a system of land tenure based on large private land ownership.

At the same time, both Russian and international experience shows that it is not worth opposing to each other development of small private farms and large agricultural holdings, since the? In general, development of agriculture should be based on inter-farm cooperation and agro-industrial integration. However, development of small private farms and family farms should be supported by the state.

Private farms have played an important role in the Russian agricultural private land use (See Table 6). The share of private farms in the total area of the private agricultural land use compared to 2015 increased by .2 percentage points from 31.5% to 31.7% in 2016. But compared to 2015 the share of private farms in private cropland use was not changed in 2016.

**Table 6. Land use of private farms and citizens, Russian Federation, 2016, 1000 hectares**

Item	Total	Cropland	Idle land	Perennial	Hay field land	Pasture
Private farms	24,404.5	16,607.6	131.2	18.6	1,113.9	6,533.2
Individual entrepreneurs	2,974.4	2,192	32.8	18.9	126.6	604.1
Personal subsidiary farms of citizens	7,449.3	5,117.8	76.4	214.9	1,009.8	1,030.4
Service land	53.5	10.8	-	.4	37.5	4.8
Horticulture	1,111.1	51.0	1.3	1,053.9	1.6	3.3
Vegetable growing	273.3	270.8	1.7	.4	-	.4
Dacha land	94.1	74.2	1.3	7.0	4.6	7.0
Housing	582.0	484.7	.8	66.8	9.3	20.4
Livestock farms	355.8	50.8	.3	.1	66.3	238.3
Grazing	15,141.4	1,213.2	111.8	8.3	3,210.8	10,597.3
Owners of land plots	11,245.8	8,372.1	175.1	24.1	638.1	2,036.4
Owners of land shares	13,178.4	7,200.5	886.9	27.3	1,447.6	3,616.1
Total	76,863.6	41,645.5	1,419.6	1,440.7	7,666.1	24,691.7

Source: Rosreestr, 2017

However, the total agricultural land area has been reduced (See Table 7). According to the Rosreestr, the total agricultural land area decreased by .4 million hectares in 2016 compared to 1990 from 222.4 million hectares to 222.0 million hectares, or by .2%. The cropland area decreased by 9.6 million hectares in 2016 compared to 1990 from 132.3 million hectares to 122.7 million hectares, or by 7.3%. Moreover, in 2016 compared to 1990, the area of pasture land increased by 5.2 % and idle lands - by 16.3 times.

**Table 7. Agricultural land, Russian Federation, 1990-2016, million hectares**

Item	2016	2015	2014	2013	2012	2011	2010	1990	2016/1990,%
Agricultural land - total, including:	222.0	222.1	220.2	220.2	220.2	220.3	220.4	222.4	99.8
Cropland	122.7	122.8	121.5	121.5	121.4	121.4	121.4	132.3	92.7
Pasture	92.5	92.5	92.0	92.0	92.0	92.0	92.0	87.9	105.2
Idle land	4.9	4.9	4.9	5.0	5.0	5.0	5.1	.3	16.3 times

Source: Rosreestr, 2017

After boom at the first period of reform, the number of private farms has been decreased due to severe macroeconomic instability and lack of market infrastructure as well as market economy knowledge. In 2016 the number of private farms decreased by 7.2 % compared to 1995(See Table 8). However, the

average size of agricultural land occupied by private farm has been increased due to land consolidation. It was estimated 71.4 hectares in 2016. Thus, it increased by 66.4 % compared to 1995.

**Table 8. Private farms, Russian Federation, 1995-2016**

Item	2016	2015	2014	2013	2010	1995	2016/1995,%
Number of farms, 1000	259.2	261.6	258.9	258.5	261.7	279.1	92.8
Total land area, 1000, ha	18,495.1	18,130.4	17,681.6	17,128.8	16,284.1	11,982.1	154.4
Average land size, ha	71.4	69.3	68.3	66.3	62.2	42.9	166.4

Source: Rosreestr, 2017

## LEGAL FRAMEWORK

The legal framework for agricultural land consolidation in the Russian Federation includes the following legal acts:

- The Constitution of the Russian Federation issued on December 12,1993 amended on July 21,2014;
- The Civil Code of the Russian Federation;
- The Land Code of the Russian Federation issued on October 25, 2001, #136-FZ amended on December 25, 2018;
- The Federal Law of the Russian Federation issued on July 16, 1998, #102-FZ “On Hypothecation (Real Estate Mortgage)” amended on December 31, 2017;
- The Federal Law of the Russian Federation issued on June 18, 2001 #78-FZ “On land use planning” amended on December 31, 2017;
- The Federal Law of the Russian Federation issued on July 24, 2002, #101-FZ “On turnover of agricultural lands” amended on August 3, 2018;
- The Federal Law of the Russian Federation issued on December 21, 2004, #172-FZ “On transfer of lands or land plots from one category to another” amended on July 29, 2017;
- The Federal Law of the Russian Federation issued on December 29, 2006, #264-FZ “On development of agriculture” amended on December 25,2018;
- The Federal Law of the Russian Federation issued on December 29, 2010, #435-FZ “On amendments to certain legislative acts of the Russian Federation in terms of improving turnover of agricultural lands” amended on July 3, 2016;
- The Federal Law of the Russian Federation issued on July 3, 2016, # 237-FZ “On State Cadaster Valuation” amended on July 29,2017;
- The Federal Law of the Russian Federation issued on July 3, 2016, # 354-FZ “On amendments to certain legislative acts of the Russian Federation to improve the procedure for

seizure of land plots from lands of agricultural purpose when they are not in use for the intended purpose or use in violation of the legislation of the Russian Federation”;

- The Federal Law of the Russian Federation issued on December 30, 2015, # 431-FZ “On geodesy, cartography and spatial data and on amendments to certain legislative acts of the Russian Federation” amended on August 3, 2018;
- The Federal Law of the Russian Federation issued on July 13, 2015, # 218-FZ “On State Registration of Immovable Property” amended on December 25, 2018;
- The Federal Law of the Russian Federation issued on July 29, 2017, #217 “On the conduct of the citizens of horticulture for their own needs and on amendments to certain legislative acts of the Russian Federation” amended on August 3, 2018;
- The Order of the Ministry of Economic development of the Russian Federation issued on September 1, 2014, # 540 “On the approval of the classification of types of permitted use of land” amended on August 9, 2018;
- The Order of the Ministry of Economic development of the Russian Federation issued on May 12, 2017, # 226 “On the approval of methodical instructions of the state cadastral assessment” as well as other legislative acts.

In 2016-2018, the land legislation of the Russian Federation was significantly changed and improved. The changes in the legislation were mainly focused on the development of agricultural land market and agricultural land consolidation.

The Federal Law of the Russian Federation issued on July 3, 2016, #352-FZ “On amendments to articles 13 and 15 of The Federal Law “On turnover of agricultural land” amended The Federal Law of the Russian Federation issued on July 24, 2002, #101-FZ “On turnover of agricultural lands”.

In accordance with the amendments made by the Federal Law #352-FZ from para 8 of article 13 of the Federal Law #101-FZ was excluded the norm establishing the requirement to allocate land shares in municipal ownership, primarily from unused land and land of poor quality. In addition, the article 15 of the Federal Law #101-FZ is supplemented by para 4 providing that the procedure for determining the size of land shares is established by the Government of the Russian Federation.

The Federal Law of the Russian Federation issued on July 3, 2016, #336-FZ “On amendments to The Land Code of the Russian Federation and article 10 of The Federal Law “On turnover of agricultural

land” amended The Land Code of the Russian Federation as well as The Federal Law of the Russian Federation issued on July 24, 2002, #101-FZ “On turnover of agricultural lands”.

In accordance with the Federal Law #336-FZ, the para 4 of article 10 of the Federal Law #101-FZ was amended. According to the amendment, the citizen or legal entity has a right to acquire rented land plot owned by the state or municipal in the ownership or to sign a new lease agreement in the order provided by The Land Code in the case of absence any violations in its use.

The Federal Law of the Russian Federation issued on July 3, 2016, # 354-FZ “On amendments to certain legislative acts of the Russian Federation to improve the procedure for seizure of land plots from lands of agricultural purpose when they are not in use for the intended purpose or use in violation of the legislation of the Russian Federation” amended some earlier issued federal regulations including The Civil Code and The Federal Law #101-FZ.

The law is focused on development of agricultural land market and agricultural land consolidation via involvement of unused agricultural land in turnover and improvement the procedure of withdrawal of agricultural land plots in case of their misuse. The mentioned above law stipulates that agricultural land plots located less than thirty kilometers from the borders of rural settlements could not be used for nonagricultural activities.

Agricultural land plot, except land subject to mortgage, or land, in respect of the owner which the court instituted bankruptcy proceedings, could be forcibly withdrawn from the owner in a judicial procedure in case if such land not used for agricultural production for three or more consecutive years.

According to The Federal Law #354, the starting auction price of the withdrawn agricultural land plot is the market value of such land, determined in accordance with The Federal Law #135 issued on July 29, 1998, “On valuation activities in the Russian Federation”, or the cadastral value of such land if the results of the state cadastral valuation approved no earlier than five years before the date of the decision on public tenders.

The method of determining the starting auction price of the seized land plot at public auction must be stated in the court decision on seizure of a land plot and selling it at public auction. Private farms and parastatals involved in state agricultural production support programs could lease state and municipal land up to 5 years without bidding or via land auction in case of availability of several applications. Thus, the

implementation of the mentioned above law will allow redistributing and consolidating unused agricultural land in order to increase the efficiency of agricultural production by reducing transaction costs.

In addition, the Federal Law #354-FZ amended The Land Code of the Russian Federation. In accordance with amendments made by The Federal Law #354-FZ to article 72 of The Land Code of the Russian Federation, the local self-government bodies of the municipal district shall keep municipal land control over land plots located on the inter-settlement territory of the municipal district, as well as over land plots located within the boundaries of the rural settlements included in the district.

Moreover, The Federal Law #354-FZ introduced para 4 into article 78 of The Land Code of the Russian Federation, which stipulates that land plots from agricultural lands located at a distance of no more than 30 kilometers from the borders of rural settlements may not be used for purposes not related to agriculture.

The Federal Law #354-FZ amended also The Federal Law of the Russian Federation issued on December 12, 2008, #294-FZ “On protection of the rights of legal entities and individual entrepreneurs in the implementation of state control (supervision) and municipal control”.

According to The Federal Law #354-FZ, the control over use of agricultural land may be carried out in the absence of owners of land plots, land users, land owners and tenants of land plots ( in the case of their proper notification by the authorities).

The Federal Law of the Russian Federation issued on July 03, 2016, #334-FZ “On amendments to The Land Code of the Russian Federation and certain legislative acts of the Russian Federation” made a number of significant changes to The Land Code of the Russian Federation. According to the new edition of article 11, point 10 of The Land Code of the Russian Federation the location of a land plot owned by the state or municipality must be approved by the state or local authorities.

According to a new edition of article 13 of The Land Code of the Russian Federation, land protection is the activity of public authorities, local governments, legal entities and individuals focused on preservation of land as an important component of the environment and natural resource, including: reproduction of the fertility of agricultural land; protection of land from contamination by radioactive,

other substances and microorganisms; protection of agricultural land from overgrowing with trees and shrubs, weeds.

According to a new edition of article 14 of The Land Code of the Russian Federation, land plots contaminated with chemicals, including radioactive, other substances and microorganisms as well as buildings located on them can be used only in the order determined by the Government of the Russian Federation.

In 2016, The Federal Law of the Russian Federation issued on May 1, 2016 #119-FZ “On the peculiarities of the provision of land plots to citizens in the Far Eastern Federal District and on amendments to certain legislative acts of the Russian Federation” was entered into force.

The Federal Law #119-FZ establishes the procedure and conditions for the free provision of land plots located in the Far Eastern Federal District to citizens of the Russian Federation that are in state or municipal ownership and be free from the rights of third parties. At the same time, it provides for the possibility of a single provision of these land plots to citizens of the Russian Federation for any purposes not prohibited by the legislation of the Russian Federation in the amount not exceeding one hectare.

The Federal Law of the Russian Federation issued on July 3, 2016, # 237-FZ “On State Cadaster Valuation” amended by The Federal Law of the Russian Federation issued on July 29, 2017, # 274-FZ “On State Cadaster Valuation” is focused on improving procedures of the cadastral valuation. It introduces the Institute of cadastral surveyors. The Law also transfers the authority on determination of cadastral value to state budget institutions, which will deal with cadastral valuation on a regular basis.

According to the Law, these bodies should use a uniform methodology that will improve the quality of the state cadastral valuation. The Law was entered into force January 1, 2017. Article #19 of the Law devoted the peculiarities of conducting urgent cadastral valuation will enter into force on January 1, 2020.

In accordance with The Federal Law of the Russian Federation issued on July 29, 1998, #135 “On valuation activity in the Russian Federation” amended on November 28, 2018; the cadastral value of land is the result of the state cadastral valuation. According to article 24.19 of the Law, the cadastral valuation is responsibility of state organizations dealt with the issue.

A new methodology of real estate valuation based on market economy principles was introduced by The Order of the Ministry of Economic development of the Russian Federation issued on May 12, 2017, # 226 “On the approval of methodical instructions of the state cadastral assessment”.

In 2018, some legislative acts of the Russian Federation were amended, for example, The Land Code of the Russian Federation, The Federal Law of the Russian Federation 101-FZ issued on July 24, 2002, “On turnover of agricultural lands”, The Federal Law of the Russian Federation issued on December 29, 2006, #264-FZ “On development of agriculture” and other.

Along with Federal land legislation, a significant development of land legislation has been done at regional level, for example, in Orel Region or oblast. Orel oblast is located in the southwestern part of the central Russia, in the Central Russian upland. Orel oblast is a part and subject of the Russian Federation.

The Orel oblast’s land legislation is based on the federal as well as local regulations such as the following legislative acts:

- The Decree of the Head of Administration of Orel oblast # 616 issued on December 12, 1997, “On farm reorganization and land privatization”;
- The Target program on development of the legal basis of the Orel oblast land reform approved by the regional authorities on October 10, 1998;
- The Orel oblast Law issued on June 5, 2003, #331-OZ “On turnover of agricultural lands in Orel oblast”.

In 2017, the following legislative acts regulating land relations in the region were adopted.

- The Orel oblast Law issued on February 1, 2017, # 2074-OZ “On amendments to The Law of Orel oblast “On certain legal relations connected to the provision of land plots to citizens to ownership on the territory of Orel oblast”;
- The Orel oblast Law issued on March 6, 2017, # 2082-OZ “About determination of territories on which the parcels of land which are in state or municipal property are leased without tendering to the religious organizations, the Cossack societies entered in the state register of the Cossack societies in the Russian Federation”;
- The Orel oblast Law issued on April 10, 2017, # 2093-OZ “On amendment to The Decree of Orel oblast government “On turnover of agricultural lands in Orel oblast”;
- The Orel oblast Law issued on October 5, 2017, # 2153-OZ “About regulatory under separate relations of subsurface use on the territory of Orel oblast”;

- The Orel oblast Law issued on December 6, 2017, # 2184-OZ “About amendments of articles 6 and 7 of The Law of Orel oblast “About regulation of separate forest relations in the territory of Orel oblast”;
- The Decree of the Government of Orel oblast issued on August 31, 2017, #369 “About amendment of The Order of the Government of Orel oblast issued of June 20, 2017, #251 “About the approval of administrative regulations of providing by the Government of Orel oblast of the state service in providing the parcels of land from the agricultural lands owned by Orel oblast for implementation of private farming activity”.

According to The Orel oblast Law issued on February 1, 2017, # 2074-OZ “On amendments to The Law of Orel oblast “On certain legal relations connected to the provision of land plots to citizens to ownership on the territory of Orel oblast, lists of the parcels of land intended for providing in property free of charge to separate categories of citizens in the territory of the Orel oblast are formed by executive authority of the special competence of Orel oblast, local governments of urban districts of the region, local governments of urban settlements of Orel oblast, local self-government bodies of municipal districts of the region, local self-government bodies of rural settlements of Orel oblast.

The Orel oblast Law issued on March 6, 2017, # 2082-OZ “About determination of territories on which the parcels of land which are in state or municipal property are leased without tendering to the religious organizations, the Cossack societies entered in the state register of the Cossack societies in the Russian Federation” according to point 17 of para 2 of article 39.6 of The Land Code of the Russian Federation defines territories in which the parcels of land which are in the state or municipal property are leased without tendering to the religious organizations, the Cossack societies entered in the state register of the Cossack societies in the Russian Federation for implementation of agricultural production, preservation and development of a traditional way of life and managing of the Cossack societies.

The Orel oblast Law issued on April 10, 2017, # 2093-OZ “On amendment to The Decree of Orel oblast Government “On turnover of agricultural lands in Orel oblast” amended The Law of Orel oblast issued on June 5, 2003, #331-OZ “On turnover of agricultural lands in Orel oblast”. It introduced the following changes.

According to the point 3 para 1 of article 5 of The Federal Law of the Russian Federation issued on July 24, 2002, #101-FZ “On turnover of agricultural lands” the information about non-introduction by the owner within the term established by the point 1 para 1 of article 5 of The Federal Law alienation of the

parcel of land or the share in the right of common property to the parcel of land from lands of agricultural purpose transfer to the executive authority of the special competence of the Orel oblast performing functions on development of regional policy, legal regulations, and also law-enforcement functions in the field of state property, land relations.

According to point 1 of para 6 of article 6 of The Federal Law, the materials confirming non-elimination of the offenses specified in para 2 and 3 of article 6 of The Federal Law transfer to the Government of Orel oblast. The Government of Orel oblast within the period established by para 7 of article 6 of the Federal Law, applies to the court for the seizure of parcel of agricultural land and its sale from public auction based on paras 2 and 3 of article 6 of the Federal Law. Within the term established by para 8 of article 6 of The Federal Law from the date of entry into force of the judgment on withdrawal of the parcel of agricultural land and its sale from public auction based on paras 2 and 3 of article 6 of The Federal Law, the executive authority of special competence carries out concerning such parcel of land the procedures provided by para 8 of article 6 of the Federal Law. In case and term which are provided by para 14 of article 6 of The Federal Law, the Government of Orel oblast is obliged to get the parcel of land in state ownership of the region at the minimum price of biddings in the form of the public offer.

The Orel oblast Law issued on October 5, 2017, # 2153-OZ “About regulatory under separate relations of subsurface use on the territory of Orel oblast” defines the goals, principles and objectives of state regulation of subsoil use relations; delineates the responsibilities between the public authorities of Orel oblast in the field of regulation of subsoil use relations; defines the subsoil plots of local importance; the procedure for granting the use of subsoil plots of local significance and the use of common minerals extracted in such subsoil plots; the grounds for the emergence of the right to use subsoil plots of local importance; the terms of use of subsoil plots of local significance; rights of owners of land plots, land users, land owners, tenants of land plots for use for their own needs within the boundaries of land plots of common minerals and groundwater; rules for the use of geological information about the subsoil, the owner of which is the region.

The Orel oblast Law issued on December 6, 2017, # 2184-OZ “ About amendments of articles 6 and 7 of The Law of Orel oblast “ About regulation of separate forest relations in the territory of Orel oblast” expands rights of the executive body of state power of special competence of Orel oblast, authorized in the field of forests relations, among them are the exclusion from the state forest register of information about the forest areas stipulated by The Federal Law of the Russian Federation issued on December 4, 2006, # 201-FZ "On introduction of the Forest Code of the Russian Federation"; the implementation of

the protection of forests from fires, pollution and other negative impacts; acceptance of reports on protection of the woods from pollution and other negative influence represented by citizens, the legal entities performing actions for protection of the forests from pollution and other negative impact; implementation of approval of the scheme of the arrangement of the parcel of land on the cadastral plan of the territory at formation of the parcel of land from the lands which are in state-owned.

The Decree of the Government of Orel oblast issued on August 31, 2017, #369 “About amendment of The Order of The Government of Orel oblast issued of June 20, 2017, #251 “About the approval of administrative regulations of providing by the Government of Orel Oblast of the state service in providing the parcels of land from the agricultural lands owned by Orel oblast for implementation of private farming activity” reduces the period of consideration received by the Department of state property and land relations of Orel oblast of complaints of the failure of the Department, its officials to accept documents from the applicant or in correction of the admitted typing errors and errors in the documents issued as a result of the provision of public services, or complaints of violation of the deadline for making such corrections from 20 working days to 5 working days from the date of registration of the complaint.

## **INSTITUTIONAL FRAMEWORK**

On December 25, 2008, in accordance with the President of the Russian Federation Decree #1847 “On the Federal service of state registration, cadaster and cartography”, the Federal Service of Real Estate Cadaster as well as the Federal agency of geodesy and mapping was dissolved. According to the Decree, the Federal registration service was renamed into the Federal service for state registration, cadaster and cartography (Rosreestr).

The functions of mentioned above agencies were transferred to the Rosreestr, which is now under authority of the Ministry of Economic development of the Russian Federation. At regional level, local offices of the former Federal service of real estate cadaster as well as land cadaster chambers were transferred to the Rosreestr.

The Federal service of state registration, cadaster and cartography consists of the central office located in the capital of the Russian Federation- Moscow, 83 regional authorities, 83 branches of Federal cadastral chamber of Rosreestr and 24 regional offices of Centre of geodesy, cartography and spatial data

infrastructure as well as 87 branches of joint stock company “Rostechinventarizatsiya-Federal bureau of technical inventory”.

The Federal cadastral chamber is a subordinate institution of the Rosreestr. The institution was established in March 2001. Since 2009 it is under the jurisdiction of the Rosreestr. Branches of the Federal cadastral chamber operate in every region of the Russian Federation. The institution maintains the Unified state register of immovable property in terms of entering information about the boundaries of zones with special conditions for the use of the territory, cultural heritage sites, and borders of subjects of the Russian Federation, municipalities, settlements and other objects.

The Federal cadastral chamber provides information from the Unified state register of immovable property, accepts applications for cadastral registration and registration of rights, determines the cadastral value in the formation of real estate or when changing their characteristics.

Strategic objectives of the Centre of geodesy, cartography and spatial data infrastructure are modernization of the industry, creation of scientific and technical capabilities at the world level, ensuring quality provision of public services, execution of works of the federal importance.

Activities of the Centre of geodesy, cartography and spatial data infrastructure are geodesy; cartography; spatial data infrastructure; geographic information systems (GIS); metrological support of geodetic and cartographic works; industry standardization. Having a unique scientific base, the staff of the institution was established to satisfy the demand of public authorities, legal entities and individuals for cartographic and geodetic products. Development of GIS is also one of the priorities of the Center.

Joint stock company “Rostechinventarizatsiya-Federal bureau of technical inventory” is the largest enterprise in the Russian Federation dealt with technical issues related to land and real estate. The regional network of the enterprise covers all territory of the Russian Federation. Joint stock company “Rostechinventarizatsiya - Federal bureau of technical inventory” is the modern enterprise equipped with high-tech production equipment.

A notable achievement of the company in the field of geographic information systems is the creation and development of a network of reference stations that ensure the accuracy of measurements in the course of cadastral works and a significant reduction in the timing of work.

Main activities of the company are technical inventory of capital construction projects; land use planning works; cadastral works focused on issue of the boundary plan and the technical plan as well as the act of inspection; valuation of immovable and movable property; technical evaluation of the state of capital construction projects; architectural and construction design; engineering surveys in construction; energy sector surveys; preservation of cultural heritage; legal support in respect of real estate. The company was established in 1967. Now it is joint stock company. The company is owned by the Russian Federation.

In accordance with The Federal Law of the Russian Federation issued on July 3, 2016, # 237-FZ “On State Cadaster Valuation” amended by The Federal Law of the Russian Federation issued on July 29, 2017, # 274-FZ “On State Cadaster Valuation” the state real estate cadaster valuation centers were founded in the regions of the Russian Federation.

## REGIONAL LAND POLICIES

Development of agricultural land consolidation in the Russian Federation is mostly depended on regional land policies. One of the successful examples of them is the Orel oblast land policy. As we mentioned before the Orel oblast land policy is based on legal framework included the Federal Legislation as well as local regulations.

Orel oblast agricultural land was amounted 2, 031.3 thousand hectares in 2017 (See Table 9). However, the total agricultural land area has been reduced in the region. Compared to 2008 the agricultural land area decreased by 75.3 thousand hectares from 2,106.6 thousand hectares to 2,031.3 hectares, or by 3.6 percent in 2017. Compared to 2008 the share of agricultural land area in the total land area in the region decreased by 3.1 percentage points from 85.5% to 82.4% in 2017.

**Table 9. Land categories, Orel oblast, 2008-2017**

Item	2017		2008		2017/ 2008, %
	1000 hectares	%	1000 hectares	%	
Agricultural land	2,031.3	82.4	2,106.6	85.5	96.4
Urban land	197.9	8.0	196.0	7.9	101.0
Industrial land	23.2	1.0	22.6	.9	102.6
Special protected regime land	35.5	1.4	32.1	1.3	110.6
Forest land	169.8	6.9	100.0	4.1	169.8
Water land	1.5	-	1.2	-	125.0
Reserve land	6.0	.3	6.7	.3	89.6
Total	2,465.2	100.0	2,465.2	100.0	100.0

Source: Orelreestr, 2018

Break down of Orel oblast's land in 2017 is shown in Table 10. As we can see from Table 10 the cropland was amounted 74.2 % of the agricultural land in the region in 2017. It was not changed in 2017 compared to 2015. The share of the farmland in the total agricultural land area was amounted 93.3% in the region in 2017. It was not changed in 2017 compared to 2015 too.

**Table 10. Breakdown of Orel oblast's land, 2017, 1000 hectares**

Item	Area	Farm land <sup>3</sup>	Crop land	Forest land	Water land	Building site land	Road land
Agricultural land	2,031.3	1,896.3	1,507.9	62.9	12.1	4.9	38.2
Urban land	197.9	143.2	57.1	10.6	2.6	14.7	22.4
Industrial land	23.2	2.8	.8	4.8	1.3	2.2	10.8
Special protected regime land	35.5	2.0	.7	32.9	.1	-	.4
Forest land	169.8	1.7	.2	166.1	.6	.1	.6
Water land	1.5	-	-	-	1.5	-	-
Reserve land	6.0	5.1	3.3	-	-	-	.4
Total	2,465.2	2,051.1	1,570.0	277.3	18.2	21.9	72.8

Source: Orelreestr, 2018

Breakdown of the farmland in Orel oblast in 2017 is shown in Table 11. As we can see from Table 11 the share of cropland was amounted 76.5 % of the total farmland in the region in 2017.

**Table 11. Breakdown of farmland<sup>4</sup>, Orel oblast, 2017, 1000 hectares**

Item	Area	%
Cropland	1,570.0	76.5
Perennial	25.3	1.2
Hay field land	58.6	2.9
Pasture	341.5	16.7
Idle land	55.7	2.7
Total	2,051.1	100

Source: Orelreestr, 2018

The private land ownership plays a dominant role in the regional land tenure (See Table 12). However, compared to 2015 the private land area decreased by 18.6 thousand hectares from 1,216.7 thousand hectares to 1,198.1 thousand hectares, or by 1.5 % in 2017. The share of private land in the total regional land area compared to 2015 decreased by .8 percentage points from 49.4% to 48.6% in 2017.

<sup>3</sup> Includes cropland, perennial, pasture, hay fields land as well as idle land available in Agricultural Land Category

<sup>4</sup> Includes farmland available in all land categories

At the same time, the area of land owned by legal entities increased by 29.1 thousand hectares in 2017 compared to 2015 from 261.7 thousand hectares to 290.8 thousand hectares, or by 11.1 %. The share of the land owned by legal entities compared to 2015 it increased by 1.2 percentage points from 10.6% to 11.8% of the total land in the region in 2017. The state and municipal land decreased by 10.5 thousand hectares in 2017 compared to 2015 from 986.8 thousand hectares to 976.3 thousand hectares, or by 1.1 %. The share of the state and municipal land compared to 2015 it decreased by .4 percentage points from 40.0% to 39.6% of the total land area in the region in 2017.

The private land ownership plays a dominant role in the regional agricultural land tenure too. It consists mostly of land shares owned by the former collective and state farmers (See Table 12). The private agricultural land area decreased in 2017 compared to 2015 by 18.7 thousand hectares from 1,156.4 thousand hectares to 1,137.7 thousand hectares, or by 1.6%. The share of private land ownership compared to 2015 decreased by .9 percentage points from 56.9% to 56.0% of the total regional agricultural land in 2017.

The state and municipal land area decreased in 2017 compared to 2015 by 10.8 thousand hectares from 616.2 thousand hectares to 605.4 thousand hectares, or by 1.8 %. The share of the state and municipal owned land compared to 2015 decreased by .5 percentage points from 30.3% to 29.8% in 2017.

The land area owned by legal entities increased in 2017 compared to 2015 by 29.1 thousand hectares from 259.1 thousand hectares to 288.2 thousand hectares, or by 11.2 %. The share of the land owned by legal entities compared to 2015 increased by 1.4 percentage points from 12.8% to 14.2% of the total agricultural land in the region in 2017.

**Table 12. Land tenure, Orel oblast, 2017, 1000 hectares**

Item	Total	Private ownership	Ownership of legal entities	State and municipal ownership				
				Total	Citizens		Legal entities	
					In use	Lease	In use	Lease
Agricultural land	2,031.3	1,137.7	288.2	605.4	-	1.0	29.2	15.6
Urban land	197.9	60.1	1.7	136.1	.3	.3	6.7	1.8
Industrial land	23.2	.3	.9	22.0	-	-	8.9	2.0
Special protected regime land	35.5	-	-	35.5	-	-	33.2	-
Forest land	169.8	-	-	169.8	-	-	-	-
Water land	1.5	-	-	1.5	-	-	0.3	-
Reserve land	6.0	-	-	6.0	-	-	-	-
Total	2,465.2	1,198.1	290.8	976.3	.3	1.3	78.3	19.4

Source: Orelreestr, 2018

Break down of Orel oblast's land use of private farms and citizens are shown in Table 13. In general, as we can see from Table 13 the private land use tends to increase in the region. The total area of land used by private farms amounted increased by 11.2 thousand hectares from 201 thousand hectares to 212.2 thousand hectares or by 5.6 % in 2017 compared to 2015. The share of the private farms land use in the total regional agricultural land increased by .5 percentage points from 9.9 % to 10.4 % in 2017 compared to 2015.

The total area of personal subsidiary farms of citizens increased in 2017 compared to 1990 by 43.1 thousand hectares, or by more than 2 times. The total area of land shares owned by the former collective and state farmers as well as land used for grazing and haymaking amounted decreased by 5.1 thousand hectares from 289.4 thousand hectares to 284.3 thousand hectares or by 1.8 % in 2017 compared to 2015.

**Table 13. Land use of private farms and citizens, Orel oblast, 1990-2017**

Item	Year	Total land, 1000 hectares	including	including	Total land, 2017/1990, (+,-) 1000 hectares
			Farmland, 1000 hectares	Cropland, 1000 hectares	
Private farms	1990	-	-	-	-
	2017	212.2	211.3	194.1	+212.2
Personal subsidiary farms of citizens	1990	42.0	39.9	33.6	-
	2017	85.1	82.2	74.2	+43.1
Individual housing	1990	-	-	-	-
	2017	4.9	2.4	1.9	+4.9
Collective horticulture	1990	3.7	3.7	-	-
	2017	9.9	8.8	.1	+6.2
Collective vegetable growing	1990	2.7	2.7	2.7	-
	2017	2.4	2.4	2.4	-.3
Land shares, grazing, haymaking land and etc.	1990	-	-	-	-
	2017	284.3	283.8	126.0	+284.3
Total	1990	48.4	46.3	36.3	-
	2017	598.8	590.9	398.7	+550.4

Source: Orelreestr, 2018

Most of the land uses by private farms is private owned land. It amounted 80.4 thousand hectares, or 37.9 % of total private farms land use in 2017 (See Table 14).

In 2017, they also rented 6.8 thousand hectares of land owned by legal entities and 49.8 thousand hectares of land owned by state and municipalities. It amounted respectively 3.2 % and 23.5 % of the private farms total land use in 2017.

**Table 14. Land use of private farms and citizens, Orel oblast, 2017, 1000 hectares**

Item	Total	Private ownership	Ownership of legal entities	State and municipal ownership
Private farms	212.2	80.4	6.8	49.8
Individual entrepreneurs	12.3	3.2	-	6.3
Personal subsidiary farms of citizens	84.7	64.3	-	20.4
Service land	.4	-	-	.4
Horticulture	9.9	7.4	-	2.5
Vegetable growing	2.4	.4	-	2.0
Housing	4.9	3.7	-	1.2
Livestock and grazing	149.4	-	-	149.4
Owners of land plots	32.5	32.5	-	-
Owners of land shares	90.1	90.1	-	-
Total	598.8	282.0	6.8	232.0

Source: Orelreestr, 2018

The main role in Orel oblast agricultural land use plays joint stock companies and partnerships (See Table 15). They occupied 1,306.5 thousand hectares, or 86.4% of agricultural land use of parastatals in the region in 2017.

Compared to 2015 the joint stock companies and partnerships land use increased by 1.5 thousand hectares from 1,305 to 1,306,5 and 5 or by .1 % in 2017. The share of joint stock companies and partnerships in regional parastatal's land use increased by .4 points in 2017 from 86.0 to 86.4% compared to 2015. They also rented most of agricultural land shares amounted 746 thousand hectares, or 89.8 % of their total area rented by parastatals in the region in 2017.

**Table 15. Land use of parastatals, Orel oblast, 2017, 1000 hectares**

Item	Area	Land shares	Including not claimed land shares	Legal entities land ownership	State and municipal land ownership
Joint stock companies and partnerships	1,306.5	746.0	137.2	153.9	284.5
Production coops	136.7	81.1	29.3	7.4	41.9
State and municipal enterprises	6.1	.2	-	-	5.9
Research Institutions	27.3	-	-	-	27.3
Subsidiary farms	18.6	2.4	-	2.2	10.0
Other	16.0	1.3	-	8.3	4.2
Total	1,511.2	831.0	166.5	171.8	373.8

Source: Orelreestr, 2018

Compared to 2015 the production coops land use decreased by 6.8 thousand hectares from 143.5 thousand hectares to 136.7 thousand hectares or by 4.7 % in 2017. The share of production coops in parastatal's land use decreased by .5 percentage points from 9.5% to 9.0% in 2017 compared to 2015. The state and municipal enterprises, research institutions and subsidiary farms as well as other parastatals occupied 68 thousand hectares or 4.1 % of agricultural land use area of parastatals in Orel oblast in 2017.

In 2017, there were 1,294 private farms in the region. The number of private farms has been decreased. In 2017 compared to 1994 the number of the private farms decreased by 26.2% in Orel oblast. However, their total area and cropland have been increased. In 2017 compared to 1994 the total land area of the private farms increased by 2.4 times in the region. In 2017, the average size of the private farm was amounted 163.8 hectares. In 2017, it increased by more than 3.2 times compared to 1994 due to land consolidation (See Table 16). This trend reflects the process of further development of consolidation of agricultural lands in Orel oblast.

**Table 16. Private farms, Orel oblast, 1994-2017**

Item	2017	2015	2010	2000	1994	2017/ 1994,%
Number of farms	1,294	1,292	1,247	1,420	1,754	73.8
Total land area, 1000 hectares	212.2	201.0	177.5	124.6	89.2	2.4 times
Average land size, hectares	163.8	155.6	142.3	87.7	50.8	3.2 times

Source: Orelreestr, 2018

The land market in Orel oblast has been steadily developed despite of the increase in the cadastral value of land (See Table 17). As we can see from Table 17, most of land involved in land market transactions in Orel oblast in 2017 was agricultural land. It indicates that agricultural land consolidation process has been developed in the region based on agricultural land market.

**Table 17. Land market transactions, Orel oblast, 2017**

Item	Number of transactions/hectares			
	Total	including		
		Urban land	Industrial land	Agricultural land
Selling of state and municipal owned land	1,885/26,644	1,547/354	48/30	290/26,260
Selling of lands by citizens and legal entities	2,700/52,560	2,062/401	-	638/52,159
Leasing of state and municipal owned land	6,706/83,532	5,523/2,453	106/129	1,077/80,950
Land granting	3,567/5,194	3,329/714	11/2	227/4,478
Land heritage	2,005/3,774	1,783/435	-	222/3,339
Land mortgage	16/6	16/6	-	-
Other	114/3,058	73/82	-	41/2,976
Total	16,993/174,768	14,333/4,445	165/161	2,495/170,162

Source: Orelreestr, 2018

## **CONCLUSION**

The following measures must be implemented to strengthen the organizational as well as institutional sustainability of agricultural land consolidation development in the Russian Federation:

- The agricultural land consolidation legislation must be revised and improved both at federal as well as regional level;
- The institutional framework for implementation of agricultural land consolidation must be improved both at federal as well as regional level too;
- The agricultural land auctions must be introduced to stimulate development of agricultural land market and agricultural land consolidation in the regions of the Russian Federation;
- The training and retraining programs related to agricultural land consolidation development issues must be introduced;
- The public relation campaign to strengthen people’s ability to understand the role and importance of agricultural land consolidation development must be initiated;
- The pilot projects focused on agricultural land consolidation development should be launched in some of the regions of the Russian Federation to make demonstration effect;
- The agricultural land consolidation development experience should be collected, scrutinized and disseminated.

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