

Country presentation: Land consolidation in Denmark



Summary of main characteristics of the legal framework for land consolidation in Denmark with reference to the country summary.

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MAIN CHARACTERISTICS – Danish approach



Selected issues that characterize the Danish approach in land consolidation:

- Law on land consolidation is a framework law
- Broad scope of objectives
- Project based implementation
- Agreement based - assumes incentives
- All land registered – only occasional uncertainty on ownership

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LEGAL FRAMEWORK



The Danish land consolidation act is a framework law: It defines:

- The objectives for which LC can be applied
- The institutional actors
- The procedure

The law does not prescribe technical norms.

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INSTITUTIONAL ACTORS



Lead agency for land consolidation:

Ministry of Environment and Food / Danish Agricultural Agency: Responsible for land consolidation at national level, rural development, direct support to farmers. Special function: Secretariat for the LC commissions. (6.1)

LC commissions:

Two commissions. East and West Denmark: Approve the plan and give legal effect to all transactions, instruct the secretariat to implement the transactions that establish the new situation of ownership (6.2).

LC planner: Planning and negotiation. Staff from the Ministry and private firms. Deliver the case to the Secretariat (6.4).

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THE SECRETARIAT



The secretariat performs a crucial function in Danish land consolidation (6.3):

- Revision of agreements, maps, documentation,
- Organize the ruling sessions,
- Implement transactions,
- Observe rights of third parties, especially creditors,
- Cash flow, bank guaranties and deposits, payments,
- Outsource cadastral surveys to private surveyors,
- Final registration.

The secretariat is the foundation for the credibility of the land consolidation process.

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Uncertainty on ownership:



General certainty on ownership in Denmark: Land registers are reliable.

Occasionally: Adverse possession:

An owner has used a piece of land in good faith and unchallenged for more than 20 years can claim ownership. Some of these cases are small unclaimed parcels registered as such with cadastral ID (8.4).

Process: The LC commission has the mandate to adjudicate.

The secretariat advertises the claim prior to the ruling session. The claim is a separate item on the agenda for the ruling session. The secretariat reports that no claim has been made. Chairman of the commission asks if anyone has a claim on this land, which there is not => The Commission accepts the claim.

No uncertainty due to inheritances!

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LC in Environmental and infrastructure projects



Projects have their specific intervention mandate.

Environmental projects: Only empowered to implement by agreements (2.5).

Infrastructure projects: Expropriation mandate. Based on prior decision by municipality or the state.

Same effort in negotiation.

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LC in environmental projects



Environmental projects:

- Only empowered to implement by agreements.

Change in land use:

- The technical project defines the new landscape and new form of land use.
- Typically a servitude that excludes ploughing, use of fertilizer and pesticides, elimination of drainage means more humid areas.

Incentives / compensation:

- Continuation of subsidies,
- Sell and or buy other land,
- Pre-emption to sold land in project area,
- No transaction costs.

Coping with missing agreements: Phasing!

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LC in expropriations



Infrastructure projects: Expropriation mandate.

Based on prior decision by municipality or the state. Typically highways and major roads.

State expropriation:

- The expropriation commission is the implementing actor.
- The Commission is interested in reducing structural damage.
- Only mandate to expropriate the corridor + minor pieces of land. Other exchanges of land only by agreement.
- When detail design is known, a phase of negotiation of land consolidation in which owners and Commission have mutual interest.
- The possible exchange is presented to Commission as an "offer". The Commission sets the price at the expropriation session – later. Here there is a scope of negotiation.

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THE AGREEMENT FORM (28.2)



The image shows a complex agreement form titled "THE AGREEMENT FORM (28.2)". It contains several sections with headings in Norwegian, including "Opplysninger om kjøperen / kjøperne" (Information about the buyer/buyers), "Opplysninger om selgeren / selgerne" (Information about the seller/sellers), and "Opplysninger om eiendommen" (Information about the property). There are two large tables with columns for "Kommunenummer" (Municipality number), "Følge" (Parcel), "Areal" (Area), "Kategori" (Category), and "Kommunalt arealnummer" (Municipal area number). The form also includes various checkboxes, text boxes, and signature lines.

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Danish context and challenges



Danish land consolidation is performed in a market context:

Diffence in value can be evened out in cash – allows for structural change.

BUT:

- Structural change has established fewer and larger farm units (CS, Introduction) – less fragmentation in small parcels – but now in larger parcels over larger distances.
- Most of these are heavily mortgaged – limits liquidity to sell and buy.
- Large production buildings also limit mobility.
- Larger units requires more finance for land banking (6.2)

Challenge: The tradition of implementing areal related projects only by agreement encounters limitations. Expropriation mandate for environmental projects is still considered controversial.

Challenge: From Single purpose to multipurpose: There is debate on the need shift from projects based intervention to a more integrated land reform approach (Broad scope of objectives (1) but still single purpose implementation (4).



THANK YOU!