The brief characteristics of current situation in land use

After completion of land privatisation in Azerbaijan Republic there was the following situation.
8.64 million hectare - the total area of Azerbaijan Republic, of which:
4.45 million hectare or 49.9% - agricultural land, including;

- 1.6 million-hectare - arable land;
- 2.6 million-hectare - pastures;
- 0.016 million hectare long-term plantings;
- 0.16 million hectare - haymaking and deposits.

By kinds of the property agricultural lands are distributed as follows:
45% (3.6 million hectare) - the state land fund which proprietor is the state;
33% (2.9 million hectare) - the land of municipalities;
22% (1.9 million hectare) - the private land.

Private sector and structural changes. Completion of the first stage of privatisation and starting second stage, in other words "big" privatisation enabled private sector expansion. If in 1995 share of private sector in GDP was 34%, at the present time it has reached to 70%. Dropping of industrial production in public sector by 8% was conducted by its increasing in private sector by 25%. This picture demonstrates developing power of private sector. I believe that at the near future private sector will determine of economic growth. Nevertheless there are a lot of serious problems in private sector. The point is that most privatised enterprises can’t adapt to the new economic conditions. We do need to pay attention to post-privatisation stage of enterprises.

In spite of development of private sector its share in budget receipts is not high. This indicator comes to 30%. The reason is that financial ability of business sector is limited. So we can make a conclusion that today financial opportunity of the government doesn't depend on private sector. But in the near future private sector will turn into main taxpayer and there is positive trend in this direction.

Agrarian reform and food security. It is self-evident that market economy formation without private ownership on land is not possible. That is why Azerbaijan immediately made a decision to start privatisation of public land fund. Toward this end in Azerbaijan was adopted Law on "Land reforms". It was radical step. You can ask me why I think so. Because conforming to this law land became object for purchase and sale. In my opinion this is the best way for effective and productive use of the land in the near future. Land privatisation resulted in increasing of agricultural products up-to 7% in 1999. But in 1995 we had 7% decline. Other result of land reform is expansion of individual, collective and tenant farmers. Their number has reached to 40000 in 1999. Currently private sector produces 98% of agricultural products.
At the same time I would like to talk about what kind of problem we have in agricultural sector. Main problems are insufficiency of financial resources, no access to farming techniques, lack of effective regulation and protection system for agriculture.
In Azerbaijan, agriculture is the second largest sector of the economy after oil and gas, contributing about 20 percent of GDP. In spite of important place of the agriculture in the national economy, this sector can’t guarantee of food security of Azerbaijan today. Food self-reliance in Azerbaijan is 84% on milk, 65% on meat and 75% on egg. At the present time as a consequence of this problem share of foods in import comes to approximately 70%.

The State land fund is not subject to sale and can be given only to rent for the term of from 10 years up to 99 years. Agricultural land is transferred to rent not more than 15 years then prolongation of the contract on rent is necessary. The state land is given for rent on the basis of the decree of local executive power to authority of which passes the co-ordination in Land Committee. All packages of documents should be submitted to the Cabinet of Ministers, which bears the special decision. During the co-ordination of the decree for tap of the land, the obligatory co-ordination with local bodies of the Ministry of Ecology and natural resources is required.

The municipal land can be transferred to rent within 15 years for use to destination by the special decision of municipality. In the contract the type of activity (the animal industries, plant growing, etc., it is defined the rent) is necessarily underlined. Pastures in the municipal property are divided on general-purpose pastures and the Land reserve municipal fund. The general purpose Land is not assessed also the control over their use carries out by municipality. Pastures transferred to rent should be used in accordance with destination and cannot be used for plant growing. With the purpose of manufacture of green forages use no more than 3% from the general rented territory is supposed. Pasture norms are defined on summer pastures no more 4-smal animals on 1 ha; at irrigation it is twice more. Norms on municipal pastures and haymaking are determined depending on vegetation, land productive layer, and other parameters up to 3 small heads and 1 head of cattle on 1 ha.

Now, the condition of pastures, especially communal using causes appreciably alarm as the significant part of summer pastures remained on an occupied territory (more than 37 % from total area of pastures). The increased loading on existing pastures and haymaking, in view of extensive technology (in the country there are no cultivated pastures), has led to that degradation of a vegetative and soil cover.

42,5% of the land or 3,67 ml. ha are subject to erosive processes. Among agricultural land erosive processes have mentioned 33,7 % of an arable land, 68,1 % - summer pastures, 15,2 % - haymaking, 15,9 % - long-term plantings and 26,0 % - woods.

2001’ Statistics shows presence in the country 2,075 million cattle and 6,463 million heads of fine horned livestock, for 01.01.03 these made 2,153 and 6,843 million. Proceeding from total of pastures and haymaking (2,4 million ha), loading on pastures makes 2,6 heads fine and 1,2 large horned livestock. If to take into account, that more than 35 % of pastures are in occupied zone the resulted statistical data specify non-observance of specifications of loading on pastures. The official statistical data not always take into account presence of cattle in private possession, especially in a countryside where many peasants do not specify the personal cattle in the reporting. As for personal cattle the general-purpose pastures of municipalities are used the situation with such land is much worse than with the rented pastures.

Unfortunately, for the last 10 years in the country works on studying of real situation in this sphere were not carried out and it was not possible to find more exact data.

The situation has worsened after realisation of ground reform. The transfer of ground to a private property and occurrence of plenty of small-scale enterprises has resulted in occurrence a little educated of the farmers. The basic part of the new proprietors do not know bases of agriculture and agrotechnics, badly are guided in questions of marketing. Absence of financial assets and state support even more have aggravated a situation. It today is sharpest worth problems:

·    low professional literacy of the farmers;
·    absence of financial assets;
The presence of the given situation in agriculture has resulted in deterioration of an ecological situation. Because of insufficient financing there was a destruction of state systems land-clearing. It has resulted to strong secondary pickling soil (more than 40 % irrigation of grounds), amplification of water and wind erosion, common degradation of a soil cover (erosion more than 60 % of grounds) is subjected. The loss has resulted 20 % of territory of republic in connection with Karabach by the conflict, in not normalised use of winter pastures and them degradation. Woods’s communal ownership of usage practically is lost. Though the official statistics specifies growth of production last years, this increase occurs at the expense of illegal use of grounds and their merciless operation. If the situation will not change, in nearest 5-7 years will take place a complete exhaustion of grounds and impoverishment of the farmers.

In this situation it is necessary to undertake the following steps:

- ensure initial support to the farmers on the part of the state (the available today privileges under the taxation do not create a condition for formation);
- raise an educational level of the farmers to propagandise among them natural and ground protective technologies, including organic agriculture;
- to assist both support creation of unions and associations of the farmers with development of marketing services;
- to assist in creation of the small processing enterprises aimed at communities. (at the present moment almost 40 % of production vanishes)

The decision of the most part of ecological problems and SD has regional character and requires of the co-ordinated efforts from the party contiguous of the states. Taking into account it, consider to extremely necessary creation of regional co-ordination structures uniting national structures (commission) and which are carrying out co-ordination of efforts of the states, international organisations directed on the decision transboundary, regional problems. Allotment of national structures SD by powers ensuring effective intersectional co-operation also is very important.

Were engaged problems SD, my organisation has come to the conclusion, that the presence of structure of management of process SD is very important. In Azerbaijan the governmental commission on SD is created, however its role is minimal. In 2002 at support World of Bank, the Government prepares the state program of struggle with poverty and economic development. The program is the first official document of such plan and it is possible to consider it as a significant step. At the same time, the program is insufficiently focused on SD and in it is poorly expressed intersectoral co-operation. The commission under this program headed by the Ministry of economic development has no sufficient powers on amplification (strengthening) intersectoral of co-operation and on management of realisation of the program.

Our experience shows, that in the circumstances most real and feasible, is the development local Agenda - 21 (on high level). The development and realisation of such programs will allow to involve (attract) in their realisation of the directly interested members of a society (community). The support and participation in such programs of the basic interested groups of the population will ensure (supply) a transparency of communities in a channel of steady development.

Suggestions and recommendations

1. It is necessary to perform study and analysis of a modern situation with pastures and haymaking in Republic (carrying out of inventory). With this purpose, it would be expedient to choose some typical sites
in different regions of Azerbaijan on which to lead complex studying a situation (a condition of vegetative and land cover, fodder capacity, a level of use, etc.). Carrying out of these researches will help to develop a comprehensive plan (program) of restoration and preservation of pastures.

2. Taking into account a critical situation with municipalities pastures of communal use where there was a strong change of ecosystem and impoverishment of the vegetative cover, it is necessary to lead studying of observance of specifications at allocation of the land under public use of municipalities and to prepare specific proposals on their use, in view of necessity of work on increase forage reserve pastures, them ameliorate and introduction of experience of use of highly productive kinds of plants (taking into account, that these land are not assessed, examine a question on introduction of the special tax on their use).

3. Taking into account the international positive experience and technologies ameliorate pastures, it is expedient to realise the pilot project on creation of an indicative facilities on rational development cattle breeding with use of training programs for local farmers.

4. Taking into account, that in the Land Code of Azerbaijan Republic the general principles are entered only, declarative character about use and protection of the Land in a state ownership and does not exist the effective mechanism of the state control over use and protection of the Land leased and all fund, there is necessity to develop and accept the State Law «About the state Land Fund» and normative materials on its use.

Carrying out of all complexes of actions is possible at realisation of this program by NGO or consultancy company, which is possessing experience of work in Azerbaijan. At present, our NGO has an operational experience with rural municipalities and at us good enough experience on co-operation with regional research centres (Regional Agrarian Scientific Centre in Goober) is saved up.