

# State governance of land relations

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## Abstract

The necessity of institutional regulation of circulation of agricultural land in Ukraine under modern conditions is revealed. The basic principles of improving government regulation of circulation of agricultural land in Ukraine are proposed.

*Keywords:* the lands' circulation, government regulation, institution, valuation

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## 1 Introduction

The work of individual scientists and scientific schools of higher educational institutions doesn't give the system deep scientific research in land and agrarian sector that also forms institutional trap of further evolution in the land and agrarian relations in Ukraine. Economics, agricultural science and system of land use significantly behind the needs by the real economy.

## 2 Overview

Land, as a means of production and labor subject, should ideally have free access, and be in the hands of the manufacturer who uses it most effectively. But land is not capital in a pure sense, it is the basis on society; natural resource and not belong to the business, to the country and the people. Land markets are restricted by state boundaries and outside the communities, in most local. International agribusiness requires the free land market by the way of latifundism.

The East Germany cooperatives, economy of Belarus, successors of the Collective Agricultural Enterprise in Ukraine that have survived the economic and administrative pressure and farmers who wasn't tempted by division of property holdings and who saved integral property complexes, are working successfully [1]. Even Ukraine's agrohholdings mostly rely on integral property complexes and organizational basis of former collective farms and state farms, organizing activities of industrial clusters.

For the last 30 years, the prices for agricultural land in Europe have tripled, and range from 5 to 25 thousand euros per hectare, while under construction, land prices have increased 16 times. The average tax on arable land in Europe is 200 euros and renting prices is 400 euro for 1 hectare. In the US the rental payments for 1 hectare per year is 3-4% of the value of land, or 350 US dollars, in Ukraine the rent is 10-15% of the value of land [2] and 2.5 thousand UAH for 1 hectare a year.

The land market exists in the world, but it controlled and localized with absolute benefits for local people - peasants, farmers and domestic agricultural producers. The turnover of lands of agricultural purpose should work for the society of

Ukraine, and not on the profits of international corporations.

## 3 Decision

The land granted with a general power of attorney are contracts of emphyteusis. You need to create regulatory mechanisms of a civilized circulation of land defining the moratorium on the free sale of agricultural land outside the settlements, as the emergency provision of the Land code of Ukraine, which corresponds to article 13 of the Constitution of Ukraine, and guarantees the right of land ownership to the Ukrainian people.

Ukraine needs a New Land and Agrarian codes that change the land and agrarian legislation in the public interest.

Some aspects of the formation of land circulation require specific development and improvement, especially:

- To limit the right of land lease with a maximum term of 20 years acting in the interests of the landlords;
- Also limit the transfer of agricultural land under contracts of emphyteusis;
- To stop the right of free privatization of land ;
- To determine the gradual formation of lands' circulation of agricultural purpose;
- In the first phase (1-5 years) should carry out the land acquisition of private property by the State Fund of lands, and local governments.
- In the second phase (5-10 years) should allow redemption of units to individuals, as a redemption share in the jointly-shared ownership, shares in jointly-joint ownership (forming neighbor's prevailing right of the farmers);
- In the third stage, after 10 years, it is necessary to define regulatory special status to the subject of the law on land market, the local farmers and farmers working in their favor.

## 4 Conclusion

Without waiting for systemic changes in legislation, it is necessary to make legal decisions and to improve substantially the land and agrarian relations, passing on of

agricultural land outside the settlements for community property that will further the redistribution of land exclusively for the benefit of local farmers, farmers and agribusinesses. Specified will provide the right to lease state and communal lands and within rural councils and communities solely to

local producers, current and registered on the territory of the local government (community).

There is a need for the government to develop and build the infrastructure for the circulation of land by creating a State Fund lands and the State land Bank.

## **References**

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