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## НАСЛІДКИ ЗЕМЕЛЬНОЇ РЕФОРМИ В УКРАЇНІ НА ПРИКЛАДІ ГРУЗІЇ ТА МОЛДОВИ

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**Анотація.** Стаття спрямована на дослідження доцільності земельної реформи в Україні. Розглянуто процес та наслідки земельних реформ Грузії та Молдови. Виявлені показники розвитку сільськогосподарського сектору та ступінь залучення населення в ньому. Проаналізовано світовий досвід розподілу землі. Виявлено найбільш ефективну стратегію розвитку земельної реформи шляхом аналізу досліджень в сфері залежності ефективності використання земельних ділянок від розмірів домогосподарств, що їх обробляють. Порівняно ефективність агрохолдингів та сімейних господарств. Окреслено тенденції розподілу та розмірів ділянок у розвинених країнах. Проаналізовано поступове прийняття рішень у сфері розвитку земельної реформи та їх ефектів на успішність такої реформи в Грузії та Молдові.

Розглянуто нинішні рішення українського уряду на шляху до реформації земельного розподілу та користування земельними ресурсами. Окреслено паралелі нинішньої української земельної реформи, що базуються на досвіді Молдови та Грузії. Висунуто припущення про успішність та доцільність прийнятих рішень, що потенційно могли вступити в силу під час обговорення Верховною Радою України формату земельної реформи. Проаналізовано подальший розвиток земельного сектору згідно з поступовим набуттям чинності прийнятого законодавства. Розглянуто питання доцільності відкриття земельного ринку для іноземців. Перейнято досвід міжнародних партнерів та країн, що вже прийняли рішення про допуск чи не допуск іноземних контрагентів до національного ринку землі. Окреслено ступінь розвитку обліку та інвентаризації існуючих земельних ділянок та повноту наповнення земельного кадастру трьох досліджуваних країн.

Методом дослідження став аналіз актуального земельного устрою Грузії і Молдови шляхом вивчення статей щодо динаміки змін місцевого законодавства. Розглянуто основні економічні показники, що можуть свідчити про ступінь успішності проведених реформ в наведених країнах. Завдяки таким показникам при детальному аналізі останніх змін в законодавстві України було спрогнозовано та оцінено доцільність проведених реформ.

**Ключові слова:** земельна реформа, мораторій на продаж землі, земельна реформа в Грузії, земельна реформа в Молдові, земельна реформа в Україні, ефективність малих домогосподарств, розподіл землі, відкритий ринок землі, Україна

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## CONSEQUENCES OF LAND REFORM IN UKRAINE ON THE EXAMPLE OF GEORGIA AND MOLDOVA

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**Abstract.** The article is aimed at investigating the expediency of land reform in Ukraine. The process and consequences of land reforms in Georgia and Moldova are considered. The indicators of development of the agricultural sector and the degree of involvement of the population in it are revealed. The world experience of land distribution was analysed. The most effective strategy of land reform development by analysing the research in the dependence of efficiency of land plots utilization on the size of households that cultivate them was revealed. The efficiency of agrohholdings and family farms is compared. Determined trends in the distribution and size of plots in developed countries. Analysed the gradual adoption of decisions in the development of land reform and their effects on the success of such reform in Georgia and Moldova.

The current decisions of the Ukrainian government on the way to reforming land distribution and use of land resources are considered. Parallels of the current Ukrainian land reform based on the experience of Moldova and Georgia are identified. The assumption of success and expediency of the decisions taken, which could potentially come into force when the Verkhovna Rada of Ukraine discusses the format of the land reform, was put forward. Analysed the further development of the land sector according to the gradual entry into force of the adopted legislation. The issues of expediency of opening the land market to foreigners were considered. Penetrated the experience of international partners and countries already decided on the admission or non-admission of foreign contractors to the national land market. The degree of development of accounting and inventory of existing land plots and completeness of filling the land cadastre of the three countries under study was determined.

The research method was the analysis of the current land system of Georgia and Moldova by studying articles on the dynamics of changes in local legislation. The main economic indicators that may indicate the degree of success of the reforms in these countries are considered. Due to such indicators, a detailed analysis of the latest changes in the legislation of Ukraine predicted and assessed the feasibility of the reforms.

**Key words:** land reform, a moratorium on land sales, Georgia land reform, Moldova land reform, Ukraine land reform, small households efficiency, land distribution, open land market, Ukraine

**Introduction.** The one of the strategic tasks of the government of each country is to increase the efficiency of the use of its resources. With regard to land resources, the experience of most countries shows the need for an open land market [1; 9]. An open land market encourages efficient land division. Land reform has had varying degrees of success depending on the country. Ukraine opened the land market on July 2021 and became one of the last countries to undertake such land reform [19]. Enough time has not yet passed and the success of such a reform can only be judged from the experience of other countries. Georgia and Moldova were chosen for this analysis as similar to Ukraine in terms of structure and economic heritage [20]. They have already passed land reform stage and now we can analyse their results. From 1991 there was a moratorium on the sale of land in Ukraine. On March 31, 2021, a law was passed that allowed Ukrainian citizens to sell their land, thereby opening up the land market. Since the land reform in Ukraine has just begun to gain momentum, there are almost no scientific publications on this topic. The topic of the consequences of land reform in Ukraine is still poorly researched. Existing scientific publications consider changes in the land legislation for the approximate period of the beginning of independence of Ukraine. There is not enough up-to-date information. Analysis of this sector is important for the further development of the economy of Ukraine. The massive agricultural reserves of Ukraine are very significant. The problem arises in the low efficiency of their use. Separately, the issue of Georgia was investigated by J. Ebanoidze, who in 2003 described in great detail the changes and consequences of land reform in Georgia [1]. The development of the land sector in Moldova was studied by the World Bank in 2006 [15]. P. D. Quinlan published his work in 2002 in which considered the reforms of Moldova in terms of land structure during Lucinschi policy [14]. Moldova's land reform is most accurately described in 2002 by the study from C. Csaki and Z. Lerman, in whose article land reform was specifically studied [9]. Ukrainian land reform is new and almost unexplored. Scientific research about Georgia and Moldova has not been updated for a long time either. This article will update the data for Georgia and Moldova, as well as explore Ukraine in context of land reform.

**Task definition.** The purpose of the study will be to analyse the existing changes in the land legislation of Ukraine. Using the experience of Moldova, Georgia and the world, it is necessary to determine the most effective strategy of land reform development in Ukraine. In the study, through the analysis of statistical data, it is important to point out the size and hidden potential of Ukraine as an agrarian state. This will draw attention to the agricultural sector of the economy, which is underdeveloped in Ukraine, but can give a huge leap in economic development with the proper reform of this sector.

**Results.** The similarities between the countries of Georgia, Moldova, and Ukraine can be seen in the graph of GDP per capita, which is approximately the same and lower for these three countries compared to Europe and Central Asia (fig. 1). The countries do share a common past legacy from the Soviet Union. They face the same problems, including the fight against corruption, as well as the question of the further effective development of the countries. On Figure 1, we see a decreasing trend in the differences in GDP per capita among the three countries. It is important to note that the economy of Ukraine was leading in this indicator in 1995 with \$3,987 per capita, but showed a smaller increase than Georgia and Moldova with \$1,306 per capita in 2020. The most rapid growth of this indicator shows Georgia, which was last in 1995 with 1884 dollars per person and reached 14,863 dollars per person in 2020. This rapid growth is associated with the active reform of

Georgian legislation, including the land reform, which in Georgia was the most complete and successful. Compared to the rest of the world, countries still have room for improvement. They can be categorized as developing countries rather than developed countries, judging by this indicator.

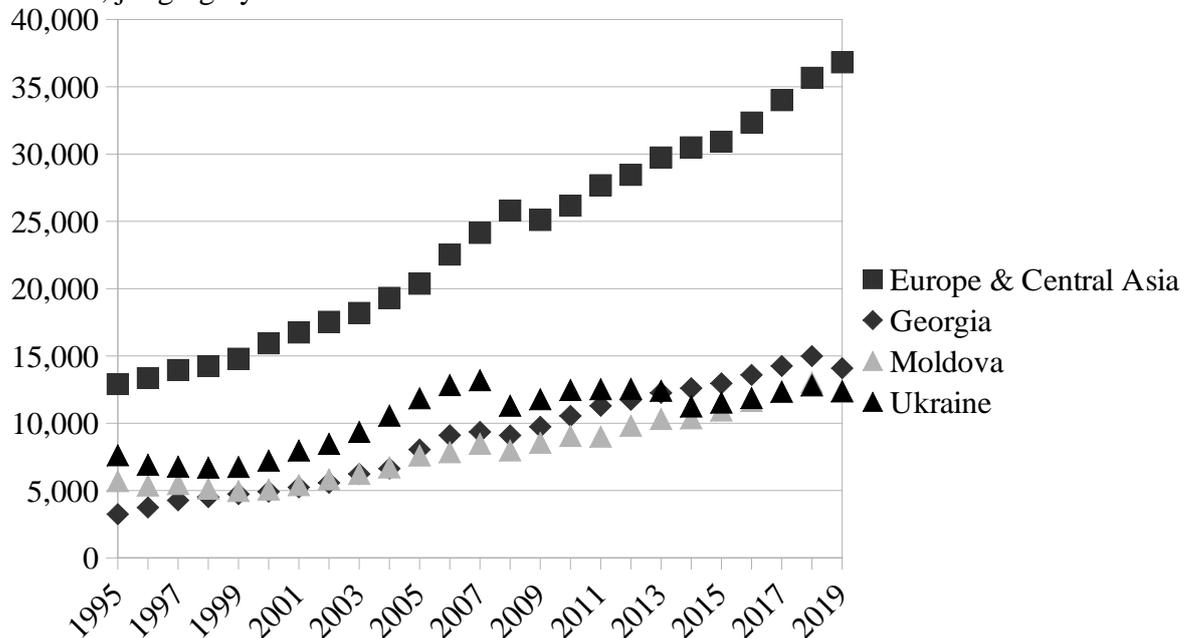


Fig. 1. GDP per capita in Georgia, Moldavia, Ukraine, Europe and Central Asia (US dollars) compiled by the author on the basis [2]

In 1992 Georgia accepted Decree No. 48, which marked the beginning of the land reform [18]. The basic principles of this reform were recognition and distribution of land to own land between the citizens of Georgia. Non-citizens had the right only to temporary use of land under lease agreements. All previous owners or their heirs got the right to receive their plots back. Nationally owned land was divided among the citizens of Georgia. The government provided a year's tax for land usage. The lands distribution contained: 1.25 hectares for farmers, 0.75 hectares for other rural residents, and 0.25 hectares for urban residents. New plot limits freed the country from the huge farming enterprises that owned large quantities of land. Such fundamental but spontaneous reform leads to consequences connected with the lack of legal guarantees. In 1993, Georgia enacted the Law on Property, which regulates the legal acts on private land [4]. Local authorities were authorized to issue acts of land ownership. But there was a large number of unregistered plots among citizens because of the complicated registration procedure. In 1999 the president of Georgia decreased the paperwork required during the registration of the plot by Order No. 327 [12]. Such order allowed to register plots with a square of more than 15 percent higher than allowed. From 1999 until 2003 year more than 1,7 million plots were registered. In 1997 started the privatization of non-agricultural plots [5]. All plots under private and multi-family houses were distributed among their owners – citizens of Georgia. The reform continued to improve in 1998 by Law No. 1663. All non-agricultural land privately owned by entrepreneurs was recognized as private [7]. Almost 100 percent of the housing stock has been transferred to private ownership. The main problems during the land reform in Georgia were improper accounting and processing of existing land databases. This was later corrected by centralized projects to update and organize land registers. Existing corruption created manipulative mechanisms and was one of the factors holding back

successful land reform in Georgia. Insufficient funding and control by the land registration authorities entailed additional unofficial expenses for the applicant when registering the site with the BTI. During the reform, Georgia received tremendous assistance and funding from international partner countries in the field of cadastral design, aerial photography, and land registration. European Union and the United States were the main Georgian investors in the land during the land reform. Along with the growth of the land market, Georgian banks began to use the land as the main guarantee of loans. There is also a shortage of truly qualified specialists in the field of land valuation and audit. Due to low control over their licensing and the lack of clear recognized valuation standards, there are frequent cases of tax fraud and “underpayment” due to underestimation of real cadastral prices. Land reform in Georgia has been successful, but there is a need to work out the allocation of land plots in a more efficient way. The land is often rented out by owners for profit rather than cultivated by them. Small areas, on average 0.22 hectares per person, do not allow households to use them effectively for their intended purpose [1]. The main issue for Georgia is the development of land reform through the consolidation of land and its further redistribution among citizens, especially farmers. The registration authorities in Georgia still do not have a clear division of responsibilities and are often under political and regional pressures. There is ambiguity and confusion in the current tax law, which leads to additional opportunities for corruption and tax evasion.

Land reform in Moldova provided for the transfer of land from the state to private ownership with the subsequent allocation of individual plots. The 1992 Land Code described and established the basic structure of privatization in Moldova [11]. After the adoption of the code, implementation of the reform was delayed until 1996, when the Constitutional Court decided to reorganize the agrarian sector [8]. This reform reduced state ownership of land, which was distributed to citizens. As a result, about 83 percent or 1.5 million hectares of land in Moldova was privatized in 2000 [9]. The average plot size was 1.5 hectares, but ownership remained only on paper and was not supported by a physical plot of land. However, in 1998 the government launched the "Nisporeny-Mayak" program, which was based on the complete privatization of land plots for all large farms, including the physical provision of land to shareholders and the distribution of property rights [14]. Only one-third of land share owners were able to register their land. In this regard, the government decided to abolish the requirement for mandatory registration. All farmers who had up to 20 hectares of land became legal entities that own that land. A quarter of all land is in the hands of small landowners. Because of the low efficiency of such landowners, it is necessary to develop a mechanism for transferring land from less efficient users to more efficient ones. The reform in Moldova has reduced the portion of land that is controlled by corporate farms to 50%. In Ukraine, this figure is 80% [15]. Still, such a figure is still very far from land ownership in a market economy, where the normal share of corporate plots is only 2%. Such reforms require support and allocation measures for the effective use of land. In the usual international sense, agriculture is characteristic of family-owned small businesses than of corporations. Large production cooperatives in Moldova have shown less efficiency than small family businesses [15]. The study "Moldova: Notes on Agricultural Policy" examined a statistical comparison of the productivity of small and large farms. The data showed that small farms are more efficient than large farms. The larger the farm, the less productive it can be. Just as in Georgia, the land reform in Moldova yielded positive results. The best results among the CIS countries are shown by those countries that successfully transitioned to individual family farms than those that resisted reform. The redistribution of land and its transition from large corporations to small businesses remains the future vectors of Moldovan development. Moldova is still not perfect in the concentration of land by large enterprises, especially

when compared to the EU. An important task for both Georgia and Moldova is to increase the average size of small individual enterprises. Large firms must take a back seat to political decisions. The goal of further land reform will be to increase productivity and reduce rural poverty. The incentive to create such conditions could be a simplification of administrative procedures and reduction of transaction fees for the re-registration of land. Households over 5 hectares have additional subsidies, which is counterproductive in the analysed effective land reform model [16]. Policies will become productive when conditions are created in which the most efficient farms can flourish. This can be achieved by improving the markets for land sales and leases and making them suitable for small family farmers. A large number of small businesses will open up new opportunities for smaller investors to locate their capital in Moldova. This also requires reducing transaction costs, increasing the availability of information and ensuring security of ownership.

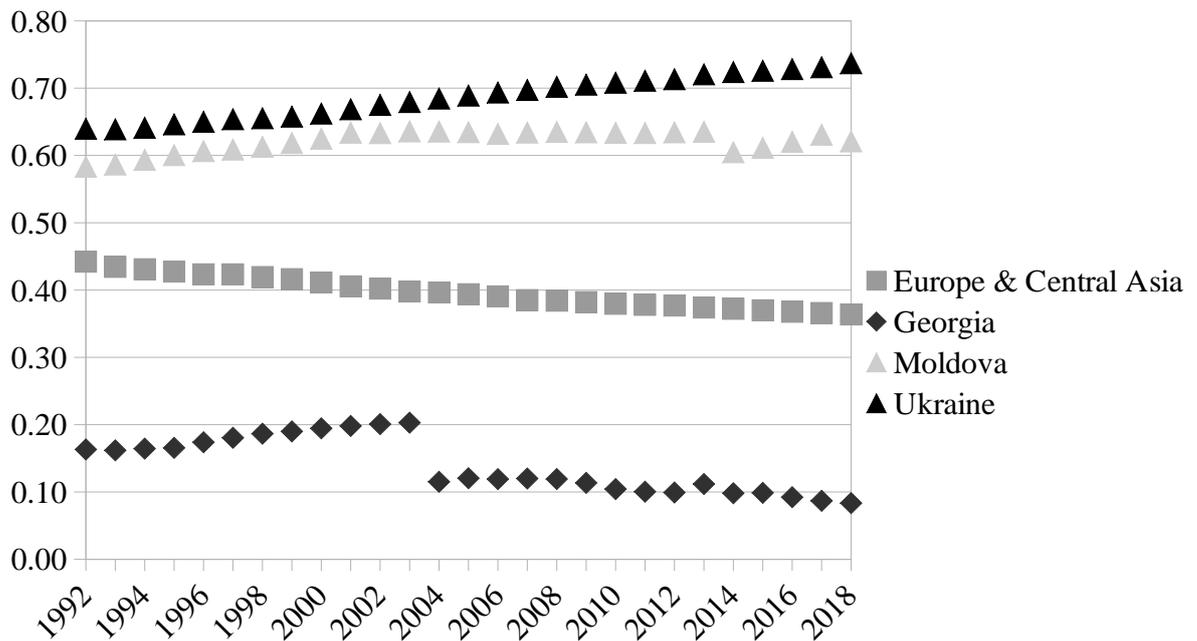


Fig. 2. Arable land in Georgia, Moldavia, Ukraine, Europe and Central Asia (hectares per person) compiled by the author on the basis [20]

In spite of the insignificant growth of GDP per capita (fig. 1), Ukraine has a huge potential, which is embedded in agriculture. Looking at Figure 2, you can see a huge figure for the number of hectares of arable land per person in Ukraine, which is 0.737 hectares per person. In Moldova this figure is 0.621 hectares, in Georgia 0.083, in Europe and Central Asia 0.346 hectares per person. As we can see, Ukraine is indeed rich in agricultural land. The country's topography and climate create all the conditions for agriculture. It is also worth noting the enormous productivity of Ukrainian land. In Figure 3 we see the dominance of Ukraine's yield index over Georgia, Moldova, Europe and Central Asia. While the cereal yield in Ukraine in 2018 was 4,825 kilograms per hectare, in Europe and Asia the figure was 3,833 kilograms, in Moldova 3,683 kilograms, and in Georgia 2,536 kilograms per hectare.

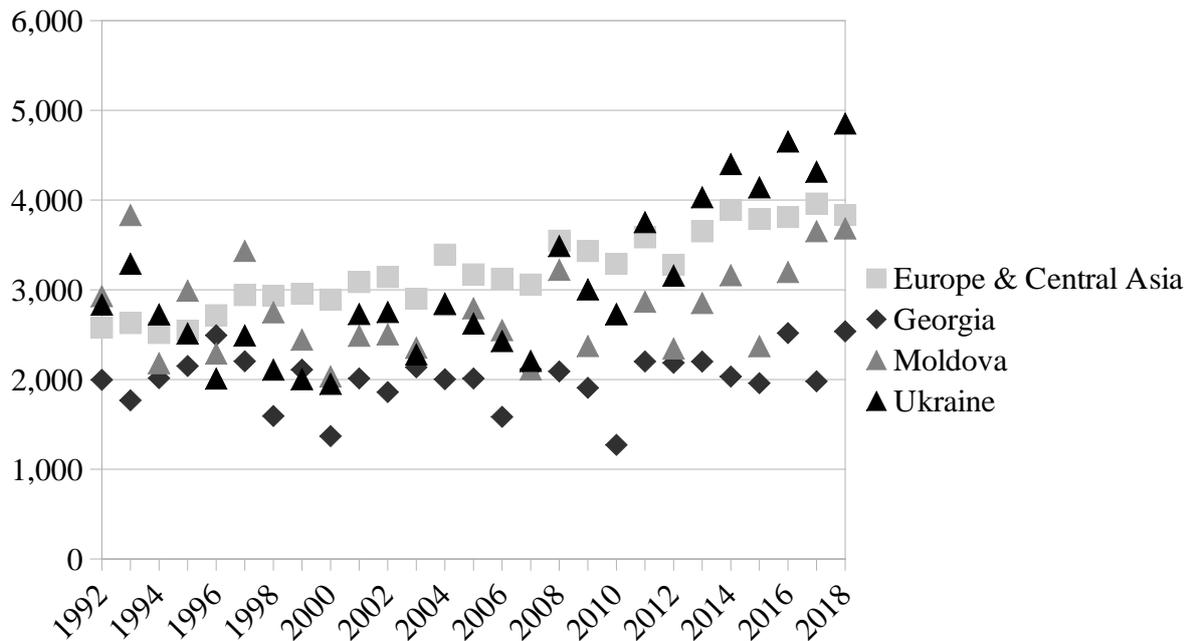


Fig. 3. Cereal yield in Georgia, Moldavia, Ukraine, Europe and Central Asia (kg per hectare) compiled by the author on the basis [23]

Ukraine covers an area of 60.3 million hectares, of which 41.4 million hectares are agricultural land [10]. 31 million hectares of agricultural land are privately owned, accounting for almost 75% of all land. 56% of private land and 8% of public land are leased. Only 29% of land is cultivated by its owners. 7% is not processed at all. 15% of Ukrainian lands are cultivated by agricultural holdings that have foreign capital in their structure. Instead, only 3.8 million of the 41.4 million hectares of agricultural land are cultivated by farms. The average rent for one hectare is 4 thousand hryvnias per year. The moratorium on land sales has hindered the development of the land market since 1991, which prohibits the purchase and sale of land (paragraph 14 of the Transitional Provisions of the Land Code of Ukraine). The main problem in the distribution of land resources is agricultural holdings, which have grown due to the lack of alternative land buyers and tenants. In 2013, the State Cadastre of Ukraine was created, which still does not have complete information on the current distribution of land plots. Shadow rent also creates negative consequences for filling the budget of Ukraine. The main priority of land reform should be redistribution, namely the introduction of mechanisms to stimulate the fragmentation of large concentrations of land in one hand. A large amount of land in the hands of agricultural holdings reduces the quality of the harvest and the efficiency of land use. Less attention is paid to the environmental friendliness of products and soil health. The main buyers of raw materials from such holdings are foreign partners. The priority is to stimulate Ukrainian enterprises to process the national harvest to create the final product. This allows you to create the final product with a much higher margin as an alternative to simply selling raw materials abroad. The moratorium on land restrains mechanisms for overcoming poverty in settlements and urban centers. Due to the lack of an open market and adequate pricing policy, agricultural holdings often rent land from local farmers at a price much lower than the real one. Peasants, having no alternative offers, are forced to accept such offers. On the other hand, the tax burden demotivates the rural population to self-cultivate their own land. The current legislation does not increase

the tax burden for large agricultural holdings and does not reduce it for owners of small plots of land.

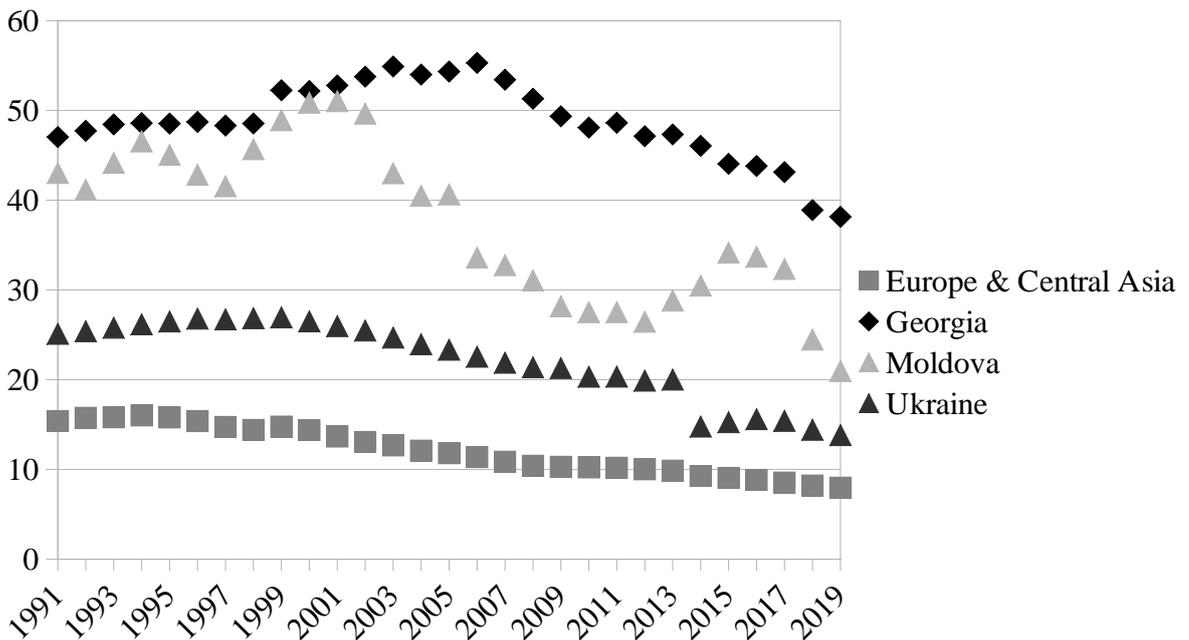


Fig. 4. Agriculture Employment in Georgia, Moldavia, Ukraine, Europe and Central Asia (% of total employment) compiled by the author on the basis [6]

The enormous opportunities stipulated earlier (Figures 2 and 3) are offset by low employment in the agricultural sector. This figure is very small, which indicates the low involvement of the population in the agricultural sector, in which Ukraine has one of the most powerful potential. Only 13% of the total number of workers in Ukraine are engaged in agriculture. Whereas in Georgia the figure is 38 percent and in Moldova about 21 percent. Globally, this figure seems to be normal, as Europe and Central Asia have this figure at 8 percent. It is necessary to take into account our previous analysis (Figures 2 and 3) and note that Ukraine has one of the greatest potential of agriculture, almost did not develop it before. Also on the missed opportunities in the agricultural sector indicates the low level of the rural population of Ukraine (Figure 5). This indicates the outflow of population to large cities due to ineffective development policies in rural areas. Ukraine has a rural population rate of 30 percent, which corresponds to Europe and North Asia with a rate of 27 percent. These regions do not have similar land resources and specialization in agriculture would not bring them the same benefits as it could for Ukraine. In Moldova the figure is 57 percent and in Georgia 40 percent. The lack of high-paying jobs in Ukraine forces citizens to temporarily migrate to work abroad [3]. Often these jobs are related to harvesting crops, as well as to the agricultural industry. Ukrainian conditions for farmers are not efficient, resulting in the loss of potential jobs and an exodus of the labor force. Such seasonal or permanent migrants work in foreign enterprises (especially in Poland), whose products we end up importing. This is very unprofitable from an economic point of view. The vector of agricultural development will allow us to slow down this trend. It is important to create such conditions that it will be profitable for seasonal migrants to cultivate land in Ukraine. Income from this will be much higher than from the simple lease or transfer of land into the exploitation of agricultural holdings. The current legislation is not adapted to farming and does not allow profitable use of land plots. The combination of laws provokes the creation of huge

agroholdings, which is not an effective solution. The advantages or disadvantages of agriholdings over small households will be discussed below.

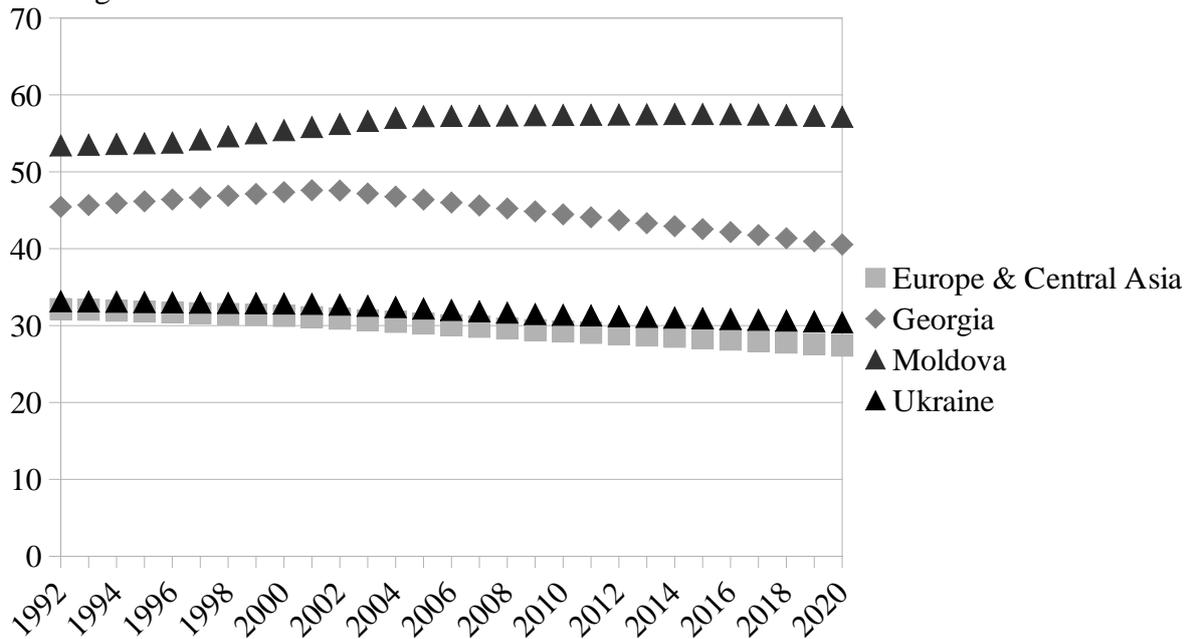


Fig. 5. Rural population in Georgia, Moldavia, Ukraine, Europe and Central Asia (% of total population) compiled by the author on the basis [22]

The resonance of land reform in Ukraine was provoked by sharp and chaotic attempts to adopt a number of important changes without a detailed analysis of their consequences. On October 1, 2019, the Verkhovna Rada of Ukraine received bill No. 2194, which was proposed to be voted on in the first reading [19]. The bill proposed to completely remove restrictions on the purchase and use of land by foreigners. In this bill the procedure of obligatory land expertise has disappeared, and the powers in the field of land relations have been transferred to local authorities and district councils. It proposed to introduce the concept of "preemptive right of purchase", which was assigned to the last tenant of the land. It was proposed to eliminate the procedure for appealing against decisions of local government bodies in court on land issues. Lack of control in the land market under the conditions we have today can be fatal and lead to completely unpredictable results. The bill was to destroy the mechanisms of regulation and control of the land market, to open access to it to foreigners, which is impractical in the absence of clear regulations and complete land registers. Blurring and lack of clarity in legislation is a potential source of corruption and misinterpretation. The bill did not solve the problem of land distribution, but only caused arbitrariness in the market, as well as endangered the national security of Ukraine and its territories. The work of opponents of such a bill proved to be productive.

Law № 552-IX, already adopted in the second reading, has undergone significant changes and created more rational changes in land legislation. According to it, foreigners can acquire ownership of land only if such a decision is approved in a referendum. Amendments that do not depend on the decision of the referendum have become expedient. There is a ban on the acquisition of land by legal entities whose ultimate beneficiaries are foreign states or whose ultimate beneficiaries cannot be identified. On the way to the fragmentation of land resources, quotas were introduced for the maximum area of land plots - up to ten thousand hectares for both private and legal entities. From January 1, 2024, the total area of plots for individuals will be reduced to one hundred hectares. It is

important to note the restriction of the total area of agricultural land for legal entities, the land area of which may not exceed the total quota of all its participants. All land payments according to the law will be made in non-cash form. The sale of agricultural lands of state and communal property is prohibited. In case of non-compliance with the conditions of the boundary area, confiscation of plots is envisaged. Banks will be able to acquire agricultural land as collateral, and citizens with the right of life use will be able to buy land with installments of up to 10 years. The final law outlined specific limits on the maximum possible areas of ownership, which will positively contribute to the dilution of land concentration in one hand. This will increase the efficiency of land distribution. After the mass confiscation of the excess quota, a large concentration of state-owned land should be expected to be put up for auction. In the experience of other countries, the right decision would be to launch a mechanism for distributing land among its citizens, rather than selling it. The policy of redeeming land by lifetime users, rather than acquiring it free of charge, is also questionable. Article 13 of the Constitution of Ukraine states on the right of ownership: "The land, its mineral wealth, atmosphere, water and other natural resources within the territory of Ukraine, the natural resources of its continental shelf, and the exclusive (maritime) economic zone, are objects of the right of property of the Ukrainian people." It is the gratuitous redistribution of land among citizens, not its sale, that will lead to the efficient distribution of land plots. Every farmer living in a village or city center will always have the opportunity to live on the harvest on their plot. The problem of poverty and the outflow of population from small settlements will be partially solved. Mechanisms for confiscating and selling this land by the state have been developed. In the short term, this will give a profit to the budget at the expense of the person who bought such a plot. Not everyone will be able to buy a plot at real prices offered by the state. Free distribution of plots among citizens of Ukraine and recognition of rights to use as property rights will give much more in the medium and long terms. Confiscation and further sale of land will provoke the concentration of land in the hands of the state. The law provides for the resolution of such consequences through a possible referendum on the admission of foreigners to the land market. Without a complete redistribution of land among its citizens, opening the market to foreigners is not an appropriate solution.

The best experience of foreign countries, namely Georgia, speaks of the expediency of dividing the land among their citizens and closing the land market from foreigners. The decision to admit foreigners to the land market will create competition, which will negatively affect the development of national products. At the stage of land concentration in the hands of the state, it is important to create mechanisms for free or almost free distribution of land between farmers who are really ready to grow their product in such areas. The practice of Georgia is relevant, when a large amount of land was divided among its citizens according to established quotas, and the open land market later distributed such plots among those who really need them. Stimulation of micro-farming and discouragement of agricultural holdings will lead to efficient use of land resources. The agricultural sector accounts for 16 percent of Ukraine's GDP in 2019 [21]. 34 percent of agriculture comes to households and 66 percent to businesses. Ukraine, like Moldova, has a very large lack of statistical data and records of land distribution. Ukrainian regulators are demanding reforms and a reassessment of the cadastre of existing land to present a complete picture of land reserves. In addition to the previously described research on Moldova related to the advantage and superiority of small family households over large land holdings, there are also global studies of this issue. One such study was conducted by P. Rosset "On the Benefits of Small Farms" [13]. In his study, he also noted the higher productivity of small households, based on data from different countries. The conclusion is true for both developed and developing economies. This is mainly due to the tendency of

large enterprises to plant monocultures, while private farmers tend to mix them up and use the land more efficiently. The bare ground between the rows of crops, which small farmers usually sow with other crops, is often overgrown with harmful weeds. Such consequences require additional costs and reduce the efficiency of land use. A mix of crops ends up yielding much more per unit of land. The distribution of land among the population will stimulate agriculture and raise the quality of products to a higher ecological level. It is also important to stimulate domestic further products, namely the processing of raw materials into the final product.

**Conclusion.** As analysed, Ukraine has a huge amount of agricultural land. Ukraine has one of the largest reserves of agricultural land per person, namely 0.737 hectares per person. Yields are also the highest of all the countries analysed, namely 4,825 kilograms per hectare for cereals, while the European and Central Asian average is 3,833 kilograms per hectare. Ukraine's strategy of specialising in agriculture seems to be a winning one judging by the indicators analysed. However, earlier legislation in Ukraine did not allow the agricultural sector to develop. Only 29 percent of the land in Ukraine is cultivated by their owners. Most of the land is owned or rented by agricultural holdings. The study found that small households are many times more efficient than large agricultural holdings. A moratorium on the sale of land, as well as land legislation that previously existed did not allow Ukraine to effectively distribute land plots among small households. Such factors have stimulated the concentration of land in the hands of agricultural holdings is counterproductive. Moldova and Georgia have long since opened the land market for their citizens, which made it possible to more efficiently distribute land between them. It has become a good practice in these countries to distribute land to farmers, as well as to recognize early ownership of it. The countries refused to open the land market for foreigners, as this could entail negative consequences. Such as the threat to national security as well as the leakage of profits from national farmers to foreign counterparts. It was decided to raise the efficiency of the land by distributing it among its citizens. This made it possible to strengthen the agricultural sector. Simplification of land registration has also positively influenced the general state of the land market. The negative side was corruption in the registration of land, which was caused by the low funding of the accounting authorities, as well as the lack of a specific distribution of responsibilities among them. In carrying out the land reform, Ukraine showed excessive impulsiveness, which could lead to unpleasant consequences. We are talking about bill number 2194, which in fact opened an unprepared land market for foreign citizens and did not make any improvements in other areas of land legislation. An alternative, already real law number 552-IX was adopted and is more rational. It is aimed primarily at limiting the ownership of large land plots. Such a law gradually introduces norms that until 2024 agricultural holdings of citizens up to 100 hectares. More important is the limitation for agricultural holdings, which will gradually be able to have only 10 thousand hectares. The number of hectares in an agricultural holding cannot be more than the total norm of all its members, that is, one co-founder can bring only 100 hectares of land to the agricultural holding, which are due to him by law. The issue of further distribution of the confiscated land plots remains unresolved. The state plans to put them up for auction and is in no hurry to give out land free of charge to potential effective users. This law does not recognize the right to permanent use of land, but only allows its owners to redeem it with such a right. This practice contradicts the positive experience of land distribution among citizens in Moldova and Georgia. The possibility of opening the land market for foreigners through a referendum in 2024 also remains dubious. At that time, a large number of seized plots will accumulate in state ownership, which foreign counterparties will be able to redeem, if we proceed from the adopted law. This practice is not a successful experience for the CIS

countries. On the contrary, a good vector for a turn will be a competent redistribution of such areas among its citizens. In general, the adopted law can be called productive, especially in comparison with the potential bill that was not adopted. Such productivity will remain exactly until the moment of further decisions on the use of land resources, which will be in the hands of the state. The adopted law postponed the decision on foreigners' access to the Ukrainian land market for another 5 years, until 2024 (the reform began in 2019). Georgia and Moldova have shown efficiency in the use of land resources by their citizens. This experience is applicable to Ukraine. It is at least too early to talk about the opening of access for foreigners to the land market and is not typical for the CIS countries. Land resources of Ukraine allow local residents to receive large profits from agriculture. An obstacle to such development is the ineffective distribution of land, a large tax burden on farmers, as well as their insufficient support from subsidies from the state. The vector of small households owned by Ukrainian citizens is the most promising if we rely on the experience of other states.

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### ФОРМУВАННЯ ЗЕМЕЛЬНИХ ВІДНОСИН ОБ'ЄДНАНИХ ТЕРИТОРІАЛЬНИХ ГРОМАД РЕГІОНУ У КОНТЕКСТІ ДЕЦЕНТРАЛІЗАЦІЇ

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**Анотація.** Стаття направлена на дослідження земельних питань, які є важливою складовою розвитку земельних відносин сільськогосподарських підприємств Івано-Франківської області. Визначено, що найбільш доцільним напрямком вирішення проблеми розвитку земельних відносин сільськогосподарських підприємств регіону стають території, які