# Finnish Cooperation with Neighboring Areas for Developing Land Management in Russia

#### Arvo KOKKONEN, Finland

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#### SUMMARY

Finland has actively participated in supporting the political and economical processes of change in Central and Eastern Europe since the beginning of the 1990s. All Finnish government ministries and several governmental departments and agencies take part in the neighboring area cooperation. Regional and local actors, non-governmental organizations (NGOs), companies and educational institutions have played a key role in the implementation of neighboring area cooperation. The neighboring area cooperation has created a broad cooperation network covering all areas of the society. The principal target area of bilateral neighboring area cooperation is the Northwest region of the Russian Federation, especially the Republic of Karelia, the Leningrad and Murmansk oblasts and the city of St Petersburg. The objectives of neighboring area cooperation and the results of the activities require that cooperation is possible also with the central administration of Russia, especially in the context of projects interfacing with issues that fall under the competence of the central administration. Current cooperation has been developed in stages to be carried out as conventional cooperation among authorities.

The National Land Survey of Finland (NLS) has participated in the development cooperation of Russian land management since 1992 and the work continues. The main objective has been to generate a reliable and solid cadastral system that allows creating a safe property exchange and cadastral security system. What is concerned here is legislative, procedural and data systematic development that is carried out simultaneously.

The experience obtained from the cooperation emphasizes perseverance, program-based procedures and susceptibility to change, when the operating environment is subjected to change. Careful planning, familiarity with the culture and personal relations are required in order to successfully carry out development projects. In order to achieve goal set, it is important to accurately determine project plans and

stick to the plans. What is also necessary is to delimit the projects specifically.

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### 1. BACKGROUND OF NEIGHBOURING AREA COOPERATION

Neighbouring area cooperation between Finland and Russia has been carried out since 1992. The main objective of Finland's cooperation with its neighbouring areas is to promote balanced economic and social development in the area. The cooperation fosters administrative reforms and the renewal of the legal system. Finland has made efforts to reduce the risks related to the environment, improve social welfare and health care and to promote nuclear safety.

What is essential in neighbouring area cooperation is to reach an equal partnership regarding the implementation and funding of projects. Neighbouring area cooperation is focusing more than before on promoting economic cooperation. Attention is put especially on encouraging small and medium-sized businesses and on improving business relations as well as the efficiency of transportation and logistics in connection with border crossings. In Finland, the coordinating authority of neighbouring area cooperation is the Ministry for Foreign Affairs. In 2009, Finland used almost 6 million euros of the neighbouring area funds to promote the economic cooperation between Finland and Russia. In the budget for 2009, a total of 19.5 million euros is reserved for the neighbouring area cooperation controlled by the Ministry for Foreign Affairs.

The largest amount of the funds is allocated to the environment, nuclear and radiation safety, social welfare and health care and to the enforcement of civil society. The funds for neighbouring area cooperation are also used to support various projects included in the partnership programs pertaining to the Northern Dimension. Development projects related to training and administrative practices are carried out in almost every field, including education, agriculture, employment administration, local government and rescue service. Finland is engaged in several projects supporting cooperation related to the administration of justice. Transport connections in the neighbouring area and traffic safety are improved.

Projects carried out within the neighbouring area cooperation focus mainly on four neighbouring areas. Finland's neighbouring area cooperation is based on an agreement signed in 1992 between the Republic of Finland and the Russian Federation on cooperation in the Murmansk region, the Republic of Karelia, the city of St Petersburg and the Leningrad region.

## 2. DEVELOPMENT OF LAND MANAGEMENT AS A PART OF NEIGHBOURING AREA COOPERATION

Neighbouring area cooperation focusing on developing land management aims to support and launch processes of change, which allow solving problems associated with land management that have become apparent to the Russian Federation and local area authorities. The objective is specified and aligned owing to the changes that are taking place in the operating environment. What is taken into account when setting the objectives is the further action suggested by the UN/ECE's (United Nations Economic Commission for Europe) Committee on Land Management and based on the international assessment of land management in Russia made in 2003. The main goal is to improve the quality of credit markets, registered land ownership right and the reliability of property unit connections as well as the information service derived therefrom, and also to enhance cooperation between public authorities as well as data exchange. The development program complies with the principles of good governance drawn up by the World Bank.

The development of land management as neighbouring area cooperation can be divided into three stages:

- During the first stage, 1992-2001, emphasis was put on the Republic of Karelia where the procedure focused on registering land and introducing operative field measurements.

- In the second stage, 2002-2006, the procedures agreed upon in the previous stage were continued in the regions of Leningrad and Murmansk. It was essential to confirm the previously introduced practices and to further develop the software.

- The third stage, 2007-2009, focused on supporting the processes of change to solve problems associated with land management. The target areas were still the same neighbouring areas of Finland.

In addition to the neighbouring area cooperation the National Land Survey of Finland has carried out a training period referred to as Role, Functions and Structure of Land Services according to the LARIS program funded by the World Bank in 1999. The training course introduced the Finnish property management system to four expert groups, described different regional organizing methods and financing mechanisms. Each group included 12 experts from the Russian Federation. Some of the special experts have later participated in other neighbouring area cooperation projects.

#### **3.** THE DEVELOPMENT OF THE KARELIAN CADASTRE 1992 - 2001

The project plan to develop a cadastral system in the Republic of Karelia was completed in 1994 by means of funding granted by the Ministry of Agriculture and Forestry. Cooperation with the Karelian cadastral authorities began as a pilot project in 1995. A broader Karelian cadastral project was introduced in 1998. The aim was to improve land ownership conditions in Karelia in order to update the registers and maps associated with land, also locally. The

National Land Survey implemented the TACIS Land Registration in Karelia, Russia project, which aimed to set up a cadastral system for registering small land areas assigned for private persons and intended to be used for subsistence agriculture. Conveyances had been registered but since the maps were not up to date, the manual register could not show the owner, the size of the area or the location of the area. The project aimed to create the cadastre of altogether five districts (Sortavala, Lahdenpohja, Olonetsi, Pitkäranta and Muezerskii). At the same time our Swedish colleagues carried out a similar project for developing a cadastral register in the Republic of Karelia. The number of administrative districts in the Republic of Karelia adds up to 17.

In 1990's projects were characterized by a large portion of practical training. The idea was to teach the local personnel to use new measuring methods and new registration software. Training was arranged locally in the districts and study visits were also organised to Finland in order to learn more about the Finnish cadastral system. The results of the project were excellent and at the turn of the century when the EU/TACIS-project was completed, follow-up and further training were arranged to make sure that the new skills were distributed. The leaders of the Republic of Karelia and the local government strongly supported the project. The object to locally maintain a reliable cadastral register is now on solid basis.

# 4. THE OPERATION EXPANDS AND DEEPENS IN THE NEIGHBOURING AREAS 2002 - 2006

The Ministry for Foreign Affairs in Finland used some of the neighbouring area cooperation funds to support the development of the cadastral register system in the Republic of Karelia. The operation was expanded to include the region of Murmansk and Leningrad districts. It was observed during the first project that the establishment of a training centre could be the solution to arrange practical training for a large number of participants. The project enabled the opening of an appropriately equipped training facility in Petroskoy. The object of the continuation project was to secure the competence of the trainers at local level. Experts conducted visits to provide further training in practical matters. The continuation project was referred to as Land management and assessment in Russia. What was also pointed out in training was the content of mass valuation as a basis of property taxation.

During the continuation project, the somewhat slow development of legislation, the concentration of federal guidance and the centralization of developing data systems resulted in closer collaboration also with the central administration in Moscow.

A Memorandum of Understanding between the National Land Survey of Finland and the Russian Federal Real Estate Cadastre Agency was signed in 2003, in which the general objectives of the central agencies were agreed upon for a period of three years. The Memorandum of Understanding significantly improved the realization of neighbouring area cooperation, as the agreement provided the support of the Russian Federation to the projects. Since then, the Memorandum of Understanding has been renewed every three years and the contents have been checked according to prevailing circumstances.

### 5. MANAGING PROCESSES OF CHANGE CONCERNING LAND ADMINISTRATION 2007 - 2009

The aim of the project for developing land management for years 2007 - 2009 was to support and introduce processes of change that allow solving the problems associated with land management in the Russian Federation and local regions. The project was divided into three subprojects, whereof the first one was carried out as a pilot project to determine unclear joint owners of collective farms, to solve any unclarities related to the ownership of collective farms in collaboration with the judicial administration, to form real properties and to determine or valuate the value of agricultural land. In the second subproject a geographic information project was carried out in the city of Tosno as a pilot project. What was concerned in the project resulted in a new operational model that can be transferred and copied to different regions. The third subproject focused on teaching Russian experts about the Finnish cadastral system. The training included a theoretic part on land administration in Finland arranged by Helsinki University of Technology and a more practical part arranged by the National Land Survey. The number of groups to be trained and taught was three, each comprising 5-7 participants. The duration of the training period was 6 weeks.

The decree laid down by the president of the Russian Federation renamed the Federal Registration Service Rosregistratsia to the Federal Service for State Registration, Cadastre and Mapping, Rosreestr on 25 December 2008. During the project, meetings between the heads of the agencies have been arranged, where the Finns and the Russians have compared experiences gained from joining agencies, as a similar reorganization of tasks was carried out in Finland in the beginning of 2010.

## 6. NEW REQUIREMENTS FOR LAND MANAGEMENT 2010 - 2012

A development project for 2006 - 2011 funded by the World Bank is currently in progress in Russia. The project aims to create a common automated federal cadastre. At the same time, the renewal of the organization described above is taking place. The object of the reforms to be carried out in the agency is to create a uniform registration and cadastral system to be able to provide the citizens with high-quality services related to proprietary rights and also public services as advantageously as possible.

In the coming years the aim of the neighbouring area cooperation between Finland and Russia is to concentrate on simplifying the registration process. Thus, the customers would be able to simultaneously submit an application to the cadastral register and apply for the registration of rights. The idea is to create a unified federal property information system (UFPIS) and to allow distributing the multipurpose data from it. The contents of the future neighbouring area cooperation project will focus on training experts, promoting joint use of geographic information, developing institutional and organizational land management and improving customer service.

#### 7. A FINNISH STANDPOINT ON WHAT THE PROJECTS TAUGHT US

The National Land Survey of Finland has carried out neighbouring area cooperation with Russia to develop land management for nearly twenty years. Above the different stages and their contents have been described that can be distinguished in the cooperation. As to the experiences of the Finnish party, we can point out the following

- When such a huge country like Russia is concerned, it is appropriate to concentrate on one particular geographic region, and in land management only on specific sectors. In order to obtain the most useful end result regarding the overall situation, it is beneficial for the project that it is included in a larger entity, such as a development program. This allows us to take both federal and regional interests into account.
- Personal recognition is of importance. It is useful that the persons are committed to the project for a few of years. This holds true for both parties.
- Cultural knowledge and relations are essential. Both parties have to be familiar with respective concepts, procedures, legislative principles, administrative structures etc.
- The project must firmly but if necessary flexibly follow the project plan.
- The project organization has to attend to the implementation of the plan. The coordinators or the project manager assume responsibility for the implementation of the project and report to the Steering Committee.
- In land management projects it is necessary to act cross-administratively, meaning that if different administrative sectors carry out specific projects, they must be known by the other party, and the other party must also be informed of your particular projects. Communication is of vital importance both internally and externally.
- In general, projects are delayed in the beginning, not at the end. Unless an exceptional case is concerned projects are not to be rewarded with extended time. To divide the project in subprojects provides efficiency. Records must be kept of expenses and the budget must not be exceeded.
- During the project one always has to keep in mind the frame of reference of the project. For what general purpose has the land management development project been created?
- Information about projects carried out in other countries at the same time is useful in order to coordinate the projects as efficiently as possible.
- Memorandums of Understanding (MoU) between government agencies are highly significant when projects are initiated and funding is ensured. The MoUs provide the framework for the projects.
- The political decision-makers have to be kept informed on how the projects proceed.

#### **BIOGRAPHICAL NOTES**

Arvo Kokkonen, born 1956. Graduated in 1981 as M.Sc. (surveying) in the Helsinki University of Technology. Head of surveying unit in Haapajärvi municipality 1982 - 1986. Chief District Surveyor of Kalajokilaakso District Office 1987 - 1996. Since 1996 Deputy Director General in National Land Survey of Finland. Survey Councellor in the Ministry of Agriculture and Forestry of Finland 2003 - 2005.

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