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AN INTERROGATION OF THE LAND CONSOLIDATION TRADITIONS OF THE PEOPLE'S REPUBLIC OF CHINA, GERMANY, THE NETHERLANDS AND RWANDA

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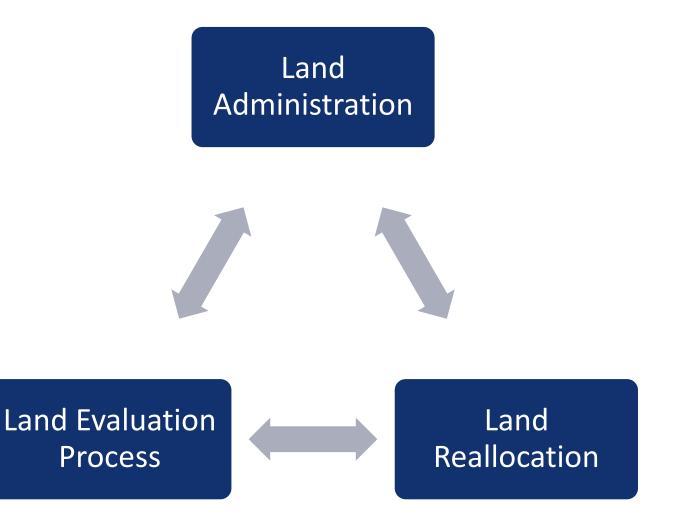


GIH Road Map

- Introduction of key Concepts
- 4 Case Studies:
- ✓ Germany
- ✓ Netherlands
- √ China
- ✓ Rwanda
- Key takeaways from the Study



GIH Key Processes in Land Consolidation:





Valuation of Land Consolidation

Market Value Approach

- Asset Appraisal
- Estimating Objective and Reasonable prices
- Technically mature and relevant approach

Agronomic Value Approach

- Influence on Profitability and Productivity
- Key factor contribution (Soil fertility, irrigation, climate etc)
- Relevant classification considerations



Germany: Value Added Approach?



- Land consolidation an important tool for development. (Sustainability)
- Land Consolidation Act.(FlurbG)
- Market value approach for buildings and Agronomic value approach for arable land as well as grassland.



Germany: Value Added Approach?

 The results of land valuation in this process are not absolute but allow for deviations within the tolerances allowed (Bundesamt für Justiz, 2008)

For arable land, there are two indices, the soil index
 (Bodenzahl), which refers to differences in spontaneous yield
 due to soil conditions, and the arable index (Ackerzahl), which
 also considers differences in yield due to natural conditions
 such as climate and topography.



Netherlands: From relative to Market Value?



- Long tradition of Land Consolidation practice(Over Centuries)
- Relative Value
 → Market
 Value
 → Determine
 difference between old and
 next allocation



Netherlands: From relative to Market Value?

 The Dutch land survey agency classifies soil findings into seven categories according to international standards set by the FAO. From one to seven, higher values mean better soil quality.

Before allocation:

Land Value(1) = area x average exchange class x value

After the allocation:

Land Value(2) = area x average exchange class x value

Difference of the valuation due to allocation:

Difference= Land Value (1) – Land Value (2)



The People's Republic of China: Consolidation or Compensation?



- Land Consolidation in the modern sense in China started in the late 1980s and has roughly gone through the initial development stage (1986-1997)
- Cost method
- Comparative method
- Hypothetical Development Method.

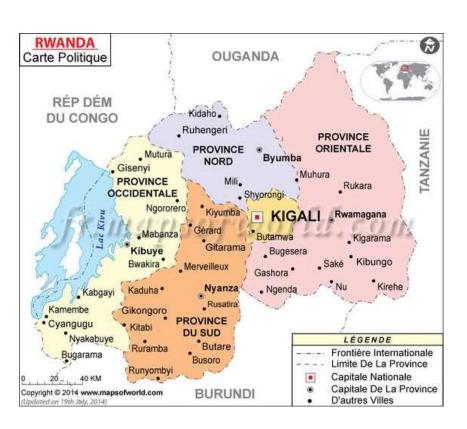


The People's Republic of China: Consolidation or Compensation?

- The current land consolidation in China is mainly divided into two kinds of land consolidation for agricultural land and urban land consolidation.
- There are two ways to get a return on investment in land consolidation:
- I. One is to get a corresponding return by operating and using the consolidated land parcels.
- II. The other is to sell all the consolidated land parcels and get a one-time return on investment.



Rwanda: A Land Management-Rural Development Nexus?



- Land Use consolidation was launched in Rwanda in 2007 and implemented in 2008 under the Crop Intensification Program (CIP) for Food Security.
- Simple Land use consolidation
- Modern Land use consolidation



Rwanda: A Land Management-Rural Development Nexus?

- The aspects of land use consolidation relevant to rural development include but not limited to food security, food specialization, boosting of small enterprises in transforming and marketing of crops. Attraction of investors (Partner with local communities to increase yields per parcel, thus translating to job creation and enhanced living conditions.
- A key characteristic of land use consolidation that is publicized to suit the customary tenure of land ownership in most Sun-Saharan countries owes to the fact that it does not involve swapping of land ownership and use rights.



GIH Key Takeaways

- Land consolidation has evolved in various regions across the globe.
- The role of the governments in land consolidation and its control provides an insight into the use of land consolidation.
- Valuation of land consolidation or other forms of it must take a wholistic perspective.

Thanks for your attention Danke !!! Xiexie !!! Met dank!!! Asante!!!