

## LAND RESOURCES MANAGEMENT IN UKRAINE UNDER THE CONDITIONS OF THE LOCAL GOVERNMENT REFORMING

Ruslana TARATULA<sup>1</sup>, Nazar STUPEN<sup>2</sup>

<sup>1</sup>Lviv National Agrarian, Faculty of Land Management, St. Vladimir the Great, 1, Dubliany, Ukraine. Phone+380679001076, Email: ruslana.78@ukr.net

<sup>2</sup>Lviv Polytechnic National University, Ukraine, 6, Karpinskogo str., Lviv, Lviv region, 79000, Ukraine, Phone: +380673706682, E-mail: nazstupen@gmail.com

**Corresponding author:** ruslana.78@ukr.net

### Abstract

*The article considers theoretical aspects of the mechanisms of land resources management in Ukraine. The work determines main characteristics of land resources management and outlines the notion of land resources management of territorial communities under conditions of power decentralization. In the context, land resources management is currently viewed as important theoretical and methodological problem at different levels of power. The research concerns the main reasons for impossibility of established territorial communities to have lands at their disposal. Implementation of the state land policy expects from the bodies of state power working in the field of land relations, focused on rational use and protection of land, security of food safety of the country and creation of ecologically safe conditions for running of economic activity and living of people. Transition of lands to the control of amalgamated territorial communities is a common European practice of decentralization of rights and responsibilities. In terms of decentralization, the principal goal of the land reform is to secure sustainable social and economic development of the territories due to efficient management in the field of land use. Among the primary steps are the following, particularly the necessity to regulate the order concerning setting the boundaries of the area of amalgamated territorial communities and simplification of the procedure of development and approval of the documents concerning land organization in terms of determination of boundaries of administrative and territorial units. In Ukraine, there is no a legally approved general strategy of land resources and land relations development. Nevertheless, people have great expectations that they soon get the needed legislative documents, supporting adequate solution of the problems in the field of land relations, improving degree of trust of business people and society to the system of land relations.*

**Key words:** land resources, land resources management, territory, territorial community, decentralization

### INTRODUCTION

Land resources are not just a component of environment, a territory, where some people live and which supply administrative division of the country. Land resources are first economic resources, particularly agricultural lands, forests, mineral deposits [2].

Land resources management dates back to the ancient times, and thus, appearance and development of the science about processes of land resources management has an old history. However, the study is a relatively “young” branch and its development should be considered in the general context of social and economic management [3].

Unfortunately, in Ukraine, land is a factor of well-being and growth and, as a natural resource, is still underestimated. Under

conditions of power decentralization in Ukraine, the issues of land use are of particular importance. It is connected with land resources management at the current stage of land reform, which is being implemented in the country under almost uncontrolled establishment of land relations in the land sphere, contradictions of land laws. There is a threat of losses of land territories as social and cultural, ecological, economic and political wealth [10].

Decentralization is called a number one reform in Ukraine. Its main goal is to give authorities and resources to people for an optimal control of their personal development. The first stage of the reform, i.e. a financial one, has passed very quickly and successful. Budgets of communities have been considerably increased. However, the

communities will be able to create and perform real strategic programs of development only after obtaining control for the main resource, i.e. land.

Nowadays, tasks of transition of the authorities concerning land resources management have come into effect [9].

## MATERIALS AND METHODS

The present paper is examining the following basic scientific methods and approaches: dialectical approach, the system approach.

Using general scientific and economic methods of investigation, the work makes analysis of acting legislative acts, monographic publications, manuals, city programs of use and protection of lands, city-planning and land-surveying documents. The research also studies directions and mechanisms to improve the system of land resources management under conditions of power decentralization.

In the scientific literature, there is a notion of “mechanism of state regulation”. However, its essence is interpreted rather contradictory, which is confirmed by the analysis of works of such domestic and foreign specialists, as Horlachuk (2002), Dankevych (2017), Kostyshyn (2015), Malookyi (2016) [2, 4, 5, 8].

A great contribution to the development of some aspects of state regulation of land resources is made by Dorosh (2004), Kulinich (2016), Tretiak (2006) and others [3, 6, 13].

## RESULTS AND DISCUSSIONS

The problem of land resources management has always been an actual issue, because land is a basis for any production.

However, while in non-agricultural field, land is of passive, secondary importance, in agriculture and forest husbandry, it is the principal production means. The fact confirms the great importance of land.

Land has some peculiarities, which differ it from other production means. They are 1) land is a product of nature; 2) space restriction; 3) permanent location; 4) appropriate agricultural use of land results in

improvement of its fertility and productivity, etc. [5].

Important issues include implementation of the state land policy, its efficiency, expertise, appropriate management of land resources and their solution.

Nowadays, citizens of Ukraine have got millions of hectares of productive lands into ownership for extension of their private farms, organization of farming enterprises. Great area has been used for residential building, horticulture and vegetable growing, etc.

Increase of the number of business entities on land has initiated increase of land relations participants and intensified environmental problems. In its turn, it requires development of a new and improvement of the existing set of legislative documents concerning property forms, payment for land, mortgage, land protection, etc. It is now obvious that methods of land resources management, which have been established in the period of state ownership of land and are still used, do not meet modern requirements of market economy and do not satisfy needs of business subjects on land [5].

The notion of land resources management is formalized to the degree, which can supply its accurate and rather broad definition. Moreover, any definition of management relates to the notions, which are not generally formalized (system, goal, tasks, functions, etc.) [11].

The goal of management is a pre-determined result (conditions of an object). All instruments and methods of regulation of social-economic development and improvement of environmental conditions are focused to reach the goal. The intention to reach a goal always forces social-economic and ecological activity [13].

March 31, 2016, the Parliament registered a new project of law “About introduction of changes to some legal acts of Ukraine concerning expansion of authorities of local government bodies of land resources management and intensification of the state control for use and protection of land”. It was followed by approval of the law of Ukraine “About voluntary amalgamation of territorial communities” and establishment of 159

amalgamated communities at the end of the year [7].

That Law regulates relations, which are established in the process of voluntary amalgamation of territorial communities of villages, settlements and towns, as well as voluntary joining to the amalgamated territorial communities.

Adjacent territorial communities of villages, settlements and towns can be subjects for voluntary amalgamation of territorial communities.

An amalgamated territorial community with a town as an administrative center is called a town territorial community, with a settlement as its center – is a settlement territorial community and with a village, as a center – is a village territorial community [12].

Intensification of the position of territorial community with an authorized right to dispose the lands, which are within the settled territory and outside it, is one of the main tasks of the decentralization reform.

The issue of power decentralization is outlined in the Concept of reforming of local government and territorial organization of power in Ukraine, approved by the Resolution of the Cabinet of Ministers of Ukraine №333 of April 1, 2014 [1].

The Concept of reforming of local government and territorial organization of power in Ukraine says that one of the urgent problems of local government development is to wake up an interest of local government to solution of the problems in the field of land relations.

Nowadays, the issue of land relations is controlled by the bodies of local government only within settled places, i.e. approximately 4% of the territory of Ukraine, and 96% of land resources are at the disposal of executive bodies. That system should be changed, giving the principal share of land resources to the control of the bodies of local government, capable territorial communities, and another share should stay state-owned. Particularly 84% of land resources should be transferred to territorial communities, and 16% - to the Cabinet of Ministers of Ukraine (lands of the bed of territorial sea; lands under large and small rivers; exclusion area; lands of natural

reserved fund; lands of defense). Important position of the state is first in security of control for rational use of land resources.

The reform of territorial organization of power in Ukraine is an extremely important task, which, in spite of its complexity, should be performed in the nearest future. Application of the proposed approaches in the process of formation of administrative and territorial units of a basic level under improvement of land laws will simplify the corresponding administrative procedures and minimize the number of potential conflicts in the process of territories management and development of territorial communities [7].

The urgent task of land reform is to transfer state land to communities. Having obtained the appropriate rights, the communities will arrange, make inventory and sell the lease right for land at an open auction. Consequently, the communities will get a powerful financial resource for their development.

Thus, in the short term it is necessary:

To develop and introduce a strategy for interaction with the parliament in making of appropriate decisions concerning intensification of authorities of ATC in terms of disposal of land resources within their jurisdiction.

To help communities to make inventory of 100% land.

To define complex planning documents, which include architectural and land information at the level of community and the region.

To secure transition of land parcels of communal and state property to lease or sale through the mechanism of transparent online auctions [10].

Unfortunately, nowadays communities are in terrible conditions. The reason is in the imperfect system of management at the level of local government, which prevents engagement of a huge potential of population. Besides, it is very difficult to overcome the stereotypes, which have been established in the Soviet period. Many decades, people were persuaded that they did not need to think, they were said what to do. Under current conditions, another idea is required, i.e.

nobody will solve the problems of community, which are in its responsibility. However, such social thinking needs adequate conditions.

A bright example is demonstrated by modern Poland. The experience, accumulated by the neighbor concerning decentralization of state management, regionalism and local government is of great importance for Ukraine. It enables observation of the dynamics of democratic transformations and determination of peculiarities for improvement of power authorities' activity.

For instance, sources of budget filling of a Polish municipality and Ukrainian village council, for discharge of their responsibilities, are similar, including taxes for land and income tax from citizens. However, in a municipality there are approximately 5-7 thousand of people, while in 46% of village councils, there less than a thousand. Having analyzed the situation, the authors of the work come to the conclusion that, within the present territorial organization, it is practically impossible to make calculation and records of the efficiency of budget cost utilization. The present budget system exists not for a citizen, who needs services, but for the infrastructure. Besides, there is no a clear distinguishing between state and communal property. Land reform is not completed and thus, the second source of budget filling cannot be fully engaged [9].

A law concerning voluntary joining of communities came into force on March 18, 2017 and the newspaper of the Supreme Council "Holos Ukrainy" published the Law of Ukraine "About introduction of changes to some legislative acts of Ukraine (concerning voluntary joining of territorial communities)" (project of the law № 4772). Thus, the Law is officially in force.

The Law simplifies the procedure of voluntary amalgamation of territorial communities, gives right for communities to join the existing one at a simplified procedure. It will support establishment of capable communities according to the approved Prospective plans without violating the Methods of such communities' formation. The changes are represented by the

parameters, which are to be reached for a community to become a capable one. Such community should be established around a center, determined by a Prospective plan of formation of the territories of the region communities. It should include at least half of the number of residents, expected by the Prospective plan. The each next territorial community joins the community at simplified procedures. The joint territorial communities can also elect delegates to the council of the amalgamated community, while head of the amalgamated community is not elected. Thus, the council of a new-established community will include representatives of all territories.

Transfer of land to the disposal of amalgamated territorial communities is a common European practice of rights and responsibilities decentralization.

In terms of decentralization, the principal goal of the land reform is to secure sustainable social and economic development of the territories through efficient management in the field of land use.

The primary steps expect the necessary regulation of the order to determine boundaries of the territory of amalgamated territorial communities and simplification of the procedure of development and approval of the document concerning land organization, particularly determination of boundaries of administrative-territorial units [4].

The next step is to adopt the Resolution of the Cabinet of Ministers of Ukraine of June 7, 2017 № 413 "Strategy of improvement of the mechanism of management in the field of use and protection of agricultural lands of state property and disposal of them".

The general part says that nowadays there is an urgent need to determine an efficient mechanism of management in the field of use and protection of agricultural lands of state property, prevention of excessive use, reduction of social tension in the field.

Ukraine possesses a considerable land-resource potential. As of January 1, 2017, land fund of Ukraine constituted 60,3 million hectare, or approximately 6 % of the territory of Europe.

Agricultural lands constitute almost 19% of the general European ones, including arable

land – almost 27%. Indicator of the area of agricultural lands, in calculation per one person, is the highest among the European countries and makes 0.9 hectare, including 0.7 hectare of arable land (the average indicator of European countries constitutes 0.44 and 0.25 hectare respectively).

In total, the area of agricultural lands takes 42.7 million hectare, or 70% of the total area of Ukraine, and area of arable land – 32.5 million hectare, or 78.4% of all agricultural lands, 13.1% pastures, 5.8% hay fields, 2.1% perennials, 0.6% grassland (Fig. 1).

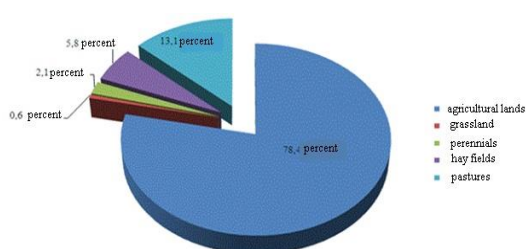


Fig. 1. Structure of agricultural lands  
 Source: [10]

Area of black land soil in Ukraine occupies from 15.6 million to 17.4 million hectares, or approximately 8% of the world reserves. Of them of agricultural lands by the form of property: 74.8% private, 25.1% state, 0.1% communal; of them arable land: 84.3% private, 15.6% state, 0.1% communal (Fig. 2).

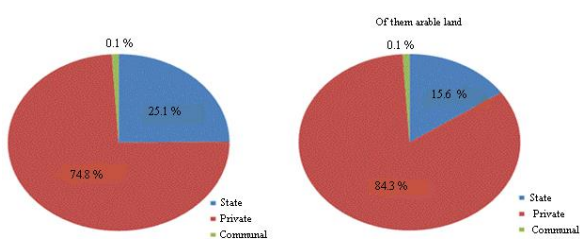


Fig. 2. Distribution of agricultural lands by the form of property  
 Source: [10]

In the structure of land resources of the country and land use, one can observe substantial disproportion, which can make threat for environment and living conditions in case of their intensification, as well as reduce efficiency of economic activity and sustainable development of the national economy in total.

In Ukraine, 92% of the territory are engaged in economic activity. Employment degree is extremely high and constitutes 54% (in the developed countries of Europe it constitutes nearly 35%). Actual forests cover only 16% of the territory of Ukraine that is insufficient for ecological balance (the average indicator of European countries is 25-30%) (Fig. 3).

Excessive employment of lands (above 54% of the land fund of Ukraine), including the land on slopes, has caused deterioration of ecologically balanced correlation of agricultural lands, forest and water objects. It has made a negative impact on stability of agro-landscapes and caused a considerable anthropological load on ecological sphere.

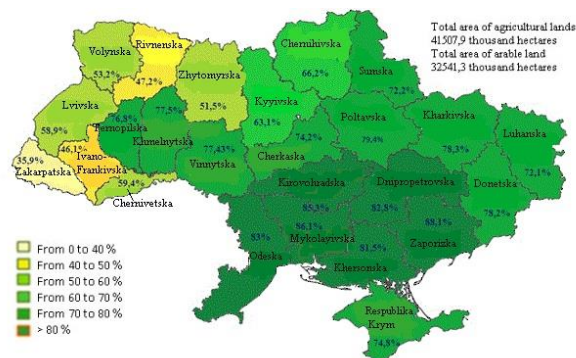


Fig. 3. Employment of agricultural lands in the regions of Ukraine

Note: data on the Resolution of the Cabinet of Ministers of Ukraine of June 7, 2017. Kyiv.

The issue of implementation of the state land policy, its efficiency, expertise, appropriate management of land resources is of urgent importance.

Implementation of the state policy expects that bodies of state power carry activity in the field of land relations, focused on rational use and protection of lands, security of food safety of the country and creation of ecologically safe conditions for running of economic activity and living of citizens. Quality of the state land policy is determined with consideration of the criteria (requirements) of appropriate state management of land resources, which are described in the Recommendations of Food and Agriculture Organization of the UNO (FAO).

According to the recommendations of the European economic Commission of the UNO on the issues of land resources management, appropriate state management of land resources requires performance of the measures concerning:

- legally approved definition of the essence of land, forms and character of property, forms of use and rights for land, restrictions and obligations, which should be registered;
- commercial use of the system of land resources management according to a long-term financial model, a system of legal normative regulation and administrative management, as well as orientation of the system of land resources management for satisfaction of consumers demand;
- security of transparent activity of the system of land resources management, a reliable, free, low-cost access to land information for all subjects of the market;
- performance of continuous monitoring, estimation and control for efficiency, integrity and transparency of the system of land resources management with consideration of the indicators, depicting expenditures of funds and time for performance of each transaction with land, as well as the degree of needs satisfaction.

Results of analysis of the present situation in Ukraine supply the conclusion that nowadays those measures are not completely performed. However, the expected results from Implementation of the Strategy will secure:

- functional efficiency and transparent system of management in the field of use and protection of agricultural lands of state property with consideration of decisions and recommendations of the 35<sup>th</sup> session of the Committee about the global food safety and development of rural regions by improving of the system of land use;
- rational use of agricultural lands of state property with consideration of the interests of society, territorial communities and the state;
- optimization of the structure and area of the lands of state property and system of land use;
- updating of the data of the State land cadaster;

- performance of the conservation of degraded, low-productive and technologically polluted lands and recultivation of deteriorated lands;
- improvement of the mechanism of management in the field of use and protection of land, keeping and reproduction of soil fertility;
- stop of economic use of ecologically dangerous, economically inefficient land parcels and their grassing or foresting;
- reduction of the level of corruption and minimization of social tension in the field of land relations;
- increase of efficiency of the state land policy, accelerated implementation of the land reform [10].

## CONCLUSIONS

Considering everything mentioned above, one can make a conclusion, that the state land policy is at the stage of formation and does not completely correspond the European and world criteria and requirements concerning appropriate land resources management.

In Ukraine, there is no legally approved general strategy of development of land resources and land relations. However, there are great expectations that we soon get the wished legislative documents, which will contribute to solution of the problems in the field of land relations, improve the trust of business people and society to the system of land relations.

Nevertheless, there is a positive fact that nowadays, on the territory of Ukraine, more than three thousand villages have amalgamated and 665 territorial communities have been established. The reform is in the progress.

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