

WHITE PAPER

Strategy for the development of land relations in Ukraine



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Glossary

MoA	Ministry for Agricultural Policy and Food of Ukraine
SLC	State Land Cadastre
SGC	State Service of Ukraine for Geodesy, Cartography and Cadastre (StateGeoCadastre)
MoJ	Ministry of Justice of Ukraine
NSDI	National Infrastructure of Geospatial Data
SRPR	State Register of Property Rights
MCTD	Ministry for Communities and Territories Development of Ukraine
CMU	Cabinet of Ministries of Ukraine
MCIP	Ministry of Culture and Information Policy of Ukraine
MENR	Ministry of Ecology and Natural Resources of Ukraine
SES	State Emergency Service of Ukraine
VRU	Verkhovna Rada of Ukraine
SSS	State Statistics Service of Ukraine
MoE	Ministry for Development of Economy, Trade and Agriculture of Ukraine
SAR	State Agrarian Registry
SSA	State Space Agency of Ukraine

Part I

Land reform justification



1 A need for further reform

Ukraine is endowed with the largest agricultural land area and most fertile soils in Europe and in the world. Out of the total territory of 60 mn ha, 42.7 mn ha (70.8%) is agricultural land. Out of this 33 mn ha is the arable land, compared to 18 mn ha in France, 12 mn ha in Germany, and 11 mn ha in Poland. Ukraine also has one third of the world's endowment of black soil—a very fertile soil capable of producing high yields under the right conditions. In addition, Ukraine has a strategic location with access to agricultural markets in Europe, the Middle East, North Africa, and Asia. These factors should enable Ukraine to tap its agriculture potential to boost economic growth and improve living standards for the population.

Agricultural productivity in Ukraine, however, is only a fraction of that in other European countries and competitor countries. Agriculture value added per agricultural land hectare in 2019 was US\$355 in Ukraine, compared to US\$792 in Poland, \$502 in Brazil, US\$1316 in Germany, US\$1558 in France, and US\$456 in the US. The moratorium on agriculture land sales coupled with burdensome and inefficient land governance is a major impediment to attracting investment and unlocking productivity in agriculture. The moratorium undermines the security of land tenure and undermines incentives to undertake productivity enhancing investments and manage the land in a sustainable manner, such as through irrigation investments, perennials, and crop rotation. Limited investment undermines the ability of farmers to grow and move into employment-intensive products with higher value added. The moratorium also undermines the flow of financing to small and medium producers because land cannot be used as collateral. If the ownership of land cannot be transferred, it also cannot be used as collateral to obtaining financing. The lack of access to financing prevents many small and medium farmers from growing and moving into higher value-added products. The moratorium thus prevents millions of land owners from using their most valuable asset as collateral.

Like-wise agricultural productivity, land has not been playing a due role in supporting rural incomes and contributing to a sustainable development of rural areas. Current agricultural land rents in Ukraine are lower than in other European countries, which undermines livelihoods of a large number of rural landowners and discourages productive use of the land. The rental price of agricultural land per hectare in 2019 was \$80 in Ukraine, compared to \$194 in Hungary, \$165 in France, \$278 in Bulgaria, and \$917 in Netherlands and Italy. As a result, a large number of rural landowners are deprived a fair return on one of their most valuable assets. Moreover, despite land is a major resource and asset for rural communities, its contribution to local governments incomes is relatively low. Various land related revenues make up only up to 20% of their total budget incomes (including the transfers from the central government), which is driven by the absence of a full-functioning agricultural land sales market and price, land use inefficiency and non-transparency as well as high transactions costs. These undermines rural areas' sustainable development and provision of public goods and services, thus affecting quality and attractiveness of rural life.

2 General assessment of the land reform so far

After more than three decades of land reform, it is still far from being complete. A full-fledged agricultural land market in Ukraine is still yet to emerge: while rental agricultural land market has been the main channel of land transactions for agricultural producers and landowners, the market for sales and purchases is expected to start off only in July 2021, for it was virtually dysfunctional due to the moratorium on land sales and purchases that has been in place in Ukraine since 2001. Property rights to land were not sufficiently protected by uncompleted reform of the land cadastral and registration systems. Land governance has been highly centralized and local communities were restricted in using land for their development. On top of it is a resulting wide-spread corruption with land resources. All of the above bottlenecks substantially limit the access to finance for agricultural producers (especially for the small ones), undermine the security of land tenure and incentives to undertake productivity enhancing investments and manage the land in a sustainable manner. Limited investments undermine the ability of farmers to unlock productivity and move into employment-intensive products with higher value added.

Key land market reform milestones

Privatization of agricultural land

Land reform started in March 1991 with a decree “On Land Reform” when a state monopoly on lands was abandoned and all lands were declared to be subject to land reform. With a new version of the Land Code as of on March 13, 1992, the Parliament of Ukraine introduced collective ownership of land and transferred property rights and management of agricultural land (except some land in a state land reserve) from the traditional Soviet agricultural enterprises (collective and state enterprises – kolhospy and radhospy) into the collective ownership of their transformed peers – collective agricultural enterprises (CAEs). As a result, in January 1993, 99.5 percent of more than 11,000 CAEs received 27.6 million hectares of agricultural land in a collective property/ownership.

The transfer of the land into the collective property of CAEs, however, did not make its members real landowners. To strengthen the status of CAE members as co-owners of collective property, a distribution or privatization of the CAEs agricultural land among their members began in the fall 1994¹. Each CAE member was given an allotment (share) of land (corresponding to a virtual plot of specified size in an unspecified location), which was identified with a certificate. Land share was of 3.6 ha on average, depending on the size of the CAE and the number of workers. Owners of these allotments received the right to manage, physically identify and own them. As a result, 6.92 mn rural residents (about 16% of total population) — members of about 11,000 CAEs — received these certificates for more than 27 mn ha of agricultural land (about 45% of the total territory of Ukraine) in private ownership.

Distribution of land shares was deterred by a slow process of CAEs restructuring into the new forms of agricultural enterprises, for collective ownership was legally abandoned

¹ Presidential Decree №666/94 “On Urgent Measures to Speed Up of the Land Reform in Agricultural Production.” <https://zakon.rada.gov.ua/laws/show/666/94>

with a new Constitution of Ukraine that came in force in June 1996. Presidential Decree ² in December 1999 substantially speeded up the process of CAEs restructuring, so that in March 2000 virtually all CAEs turned into new legal forms of agricultural enterprises (private individual farms, corporate enterprises, limited liability companies, private enterprises etc). Some 4.5 mn ha of land of other designated use types were privatized by decisions of local governments. By today, virtually all land owners converted these land shares certificates into legally valid land deeds, and so became owners of land plots with specified locations and not just virtual ones. So in the beginning of 2000s, agricultural land ownership in Ukraine was already predominantly private. Out of 42.7 million hectares of agricultural land (or about 71% of Ukraine's territory) 32 mn ha comprised private ownership, 10.5 mn ha were in the state ownership and only about 30 thd ha is in communal ownership.

Multiple moratoriums on land sales and use

The new Land Code was adopted by the Parliament of Ukraine in 2002 ³ and it introduced a moratorium or ban on sales and purchases of 38.5 mn ha of agricultural land or 66% of Ukraine's territory and deprived almost 7 mln of Ukraine's citizens (or 16% of the entire population of Ukraine) from their constitutional right to dispose off their private property freely. In 2018 the European Court for Human Rights ⁴ has recognized the moratorium as a violation of property rights. Moratorium was also introduced on the change of the land use purpose, i.e. it could not be converted from agricultural to industrial use. On top of that, the Land Code also deprived local communities from the right to manage 10.5 mn ha of state land beyond their settlements and transferred it to the oblast level. Ten years later, the management of the state agricultural land beyond the settlements was centralized under the State Land Agency of Ukraine ⁵. Combined with a retained free privatization right of Ukraine's citizens, this resulted in a non-transparent use of state agricultural land, corruption, lost local budget revenues, and overall inefficient and non-sustainable use of land resources. In particular, in 2020 the State Service of Ukraine for Geodesy, Cartography and Cadastre (SGC) reported that only 750 thd of agricultural land left in the state ownership and could not find another 5 mln ha in their records after inventory.

A big step in the development of the land market was establishment of an digital SLC linked to the Registry of Rights and launch of the open public cadastral map in 2013.

² Presidential Decree №1529/99 "On Urgent Measures for Speeding Up Reformation of the Agricultural Sector of the Economy» as of 03.12.1999; <https://zakon.rada.gov.ua/laws/show/1529/99>

³ <https://zakon.rada.gov.ua/laws/show/2768-14/ed20011025#Text>

⁴ <https://hudoc.echr.coe.int/app/conversion/pdf?library=ECHR&id=003-6089956-7847640&filename=Judgment%20Zelenchuk%20and%20Tsytsyura%20v.%20Ukraine%20-%20ban%20on%20sale%20of%20agricultural%20land.pdf>

⁵ <https://zakon.rada.gov.ua/laws/show/5245-17#Text>

Modest land reform efforts in 2014-2018

The period after the Revolution of Dignity could be marked as very modest in terms of the land reform. With a launch of the national decentralization reform in 2014, about 1.68 mn ha of agricultural land were transferred from the state into a communal ownership of local communities by the end of 2019. This process continued in 2020.

To increase the efficiency of land use, auctions for selling rental rights for state and communal land were introduced in 2013. In 2015, the auctions became mandatory which led to a significant increase in the land prices and local budget revenues.

In 2015, a minimum duration of 7 years on lease contracts was introduced, thus dragging shorter term leases into informal arrangements. In 2017 and 2018, the legal status of lands of former collective agricultural enterprises was recognized as communal property, and unclaimed land shares (units) will be transferred to communal ownership by a court decision, if the owner or heir of the allotment (share) has not registered ownership before January 1, 2025 ⁶.

Transparency and access to information on land and related rights was somewhat improved by adopting the relevant normative base and infrastructure. That included multiple e-services that were introduced by the SGC and the Registry of Rights. Data exchange between the SLC and Registry of Rights was established; and procedures for mandatory check of background information before the land transactions were introduced by the end of 2018. Starting March 2015, notaries and several other categories of legal service providers have received an authority to register the rights for land and real estate in the SRPR. Prior to that, the registration was performed only by the state registrars causing significant delays and being a source of corruption.

Land reform acceleration since 2019

In 2019, after the new President and the Government came to power, the land reform got a new momentum and rolled out at an unprecedented scale. A landmark step was the adoption of the land turnover law (No. 552-IX) on March 31, 2020 that established a design for the land sales market that is to be expected to come in on July 1, 2021. It is in fact a huge opportunity to capitalize on the country's agricultural potential and reverse decline and depopulation of rural areas. Yet, a package of complementary laws, accompanying secondary legislation that would ensure laws' implementation, as well as corresponding institutional arrangements and institutional reform are needed to ensure a transparent, equitable and efficient market for agricultural land. Several important laws were adopted already, while others need to be passed in a second reading or are being in a development phase. The following key laws have been passed already:

- "On Amendments to Certain Legislative Acts of Ukraine on Combating Raiding" (No.340-IX) that allows for improved information exchange between the SRPR and SLC to protect property rights for land owners and users and prevent illegal takeovers and seizure of enterprises in the agricultural sector;
- "On National Infrastructure of Geospatial Data" (No. 554-IX) that allows for more transparency via creation of a national geoportal that will make geospatial data publicly available.

⁶ Law of Ukraine #2498-VIII of July 10, 2018

- “On Amendments to Certain Legislative Acts of Ukraine Concerning Land Use Planning” (No. 711-IX) that enhances local communities’ development via establishing community boundaries, simplified topographic, geodetic and cartographic works and improving procedures in the field of urban planning and land management;
- “On Amendments to Certain Laws of Ukraine on the Functioning of the State Agrarian Register and Improvement of State Support to Agricultural Producers” (No. 985-IX) that provides for improved mechanisms of state support distribution and monitoring.

A gradual process of land registration continues. As of February 2021, SLC had registered 73% of total land in Ukraine (43.8 mn ha or 22.5 mn land plots) and 75% of agricultural land in particular (32.1 mn ha or 15.1 mn land plots).

3 The vision of the land reform as a basis for further sustainable agricultural and rural development

The land reform, once completed and ensuring a transparent, equitable and efficient market for agricultural land, will pave the way for unleashing the country’s agricultural potential and rural economy, thus raising economic growth as well as living standards of all Ukrainian people by. Establishing a transparent and efficient land market would boost economic growth by an estimated 0.5 to 1.5 percent per year over a 5-year period. The main channel of impact on growth would be the expansion of producers with higher value added and the exit of producers with lower value added, as the price of land rises. To ensure that the land reform results in desired outcomes (in terms of increased investments, productivity and equitable economic outcomes) and mitigates the significant risks at land market opening (undermining access to land by current users, increasing the incidence of raider attacks, and depriving local Governments of future revenue by accelerating corrupt practices of disposing of public land), a quick and ambitious set of actions is needed to complete and enable functional the legal framework, set in motion institutional reform in the area of land governance, as well as to launch additional institutional infrastructure. Building upon a mix of problems mentioned above, further reform actions are needed in 3 broad areas that cascade afterwards in 7 strategic priorities:

1. Ensure land market transparency and efficiency. Lack of public access to information on land plots and territories and limited regular reporting makes it difficult to enforce the turnover law’s provisions, and is a source of asymmetric information resulting in increased costs of owning and using the land. Also the institutional set up in the land registration system is very much restricted, cumbersome and inefficient, full of multiple conflicts of interest, lacking integrity, interoperability of registry and SLC with other state electronic systems. That all have done a lot to undermine trust in public institutions dealing with land. This needs to be reversed via laws and institutional reform to streamline and fix cadastral and SRPR records in a transparent and participatory manner, streamline data exchange between the SLC and SRPR, providing an open access to cadastral and SRPR information, reforming institutional set up and institutions in land governance, establishing a land reform and land governance monitoring systems.
2. Empower amalgamated communities with land resources and tools for local development. Local governments need to be able to manage public land, protecting environmentally sensitive areas, issue and enforce land use plans, and auction lease

or ownership rights to transferable public land in a transparent. They need to be able to increase the land related taxes and fees and use them to provide social and other services at local level. Legislation framework to transfer responsibility for public land management to the local level, streamline land use planning, and use a land market price as a basis for the land related taxes and fees.

3. Ensure equitable land market outcomes by facilitating credit access and tailoring state support to small farmers. A key element in a design of the land market against a potential adverse equity impacts is a support to small farmers in a competition for land and taking effective measures to improve the functioning of financial markets. This is especially important taking into account that development of small scale farming has been substantially stifled by major policy and market failures over the last two decades. Even after moratorium lifting, rural financing will take time. Small farmers need to be able to access financial resources and technical support to invest and diversify into higher value added. Bridging this gap by reforming and targeting the state support to to the Small and Medium Enterprises (SMEs) would be a more appropriate use of tax payers' money.

4. Guiding principles of the reform development and implementation

Rule of law and respect of private property rights. All people and institutions are subject to and accountable to law that is fairly applied and enforced. The rights of individuals/groups to control, benefit from, invest in and transfer their property – are defined, full and protected.

Transparency, accountability and predictability. Public officials, civil servants, managers and directors of companies and organizations have the duty to act visibly, predictably and understandably and to manage and publish information in a responsible manner. Also public officials should be held accountable for their actions and there is redress when duties and commitments are not met. Monitoring and assessing intervention measures is a key for the evidence-based progress and policy making.

Market orientation and regulation. The production and exchange of goods is guided by market signals rather than through command and control instruments except in particular, justified cases. Laws, regulations and administrative procedures are kept to the necessary minimum.

Inclusiveness. All members of a community and communities themselves are involved in and have influence on decisions concerning them and their resources. People are treated without prejudice to any group or category they belong to (such as gender, nationality, religion, sexual orientation etc.). Parties are treated in a way that benefits as well as costs and burdens of interventions are shared fairly between parties. Development is encouraged in a sustainable way so that it meets the needs of the present without compromising the ability of future generations to meet their own needs, taking account of economic, social and environmental aspects.

5 Strategy Implementation Framework and Instruments

Overall land strategy framework

The overall land reform strategy builds upon the National Economic Strategy 2030 (NES2030) that was recently adopted by the Government of Ukraine. In particular, the land reform strategy complies with the following strategic priorities and areas of the NES2030, primarily with the Land market regulation area in the Strategic priority 'Ensuring stimulating and advisory agricultural policy'. This area includes establishing land governance monitoring system, deregulation of land relations, digitalization of land administrative services, land governance decentralization, facilitating the access to credits for stallholders by establishing a partial credit guarantee facility, land consolidation, de-shadowing of land relations through tax incentives, developing the national geodata infrastructure.

This strategy is also consistent with the Irrigation and drainage strategy of Ukraine till 2030 to leverage the benefits of the full-fledged and efficient land market functioning.

Strategy implementation framework

The overall coordination and responsibility for the implementation of the Land Strategy lies with the Ministry of Agrarian Policy and Food of Ukraine (MoA). The MoA will also ensure the following functions:

- Take the Strategy as a basis for the preparation of the draft program and strategic documents, draft laws and other regulations;
- Include the Strategy measures to implement the strategic priorities and corresponding objectives in the Action Plans of the Cabinet of Ministers of Ukraine and the relevant plans of the ministries;
- Bring the existing strategic documents of the Cabinet of Ministers of Ukraine, activity plans of ministries and other central executive bodies in line with this Strategy (in case of discrepancies).

The implementation of this Strategy is carried out on the basis of partnership, coordination and harmonization of the activities of all bodies and line ministries that ensure its implementation. A clear definition of tasks participants' implementation of the Strategy will help to distribute responsibility for decisions and their implementation. The line ministries will be invited to coordinate their actions in the framework of the Strategy, to analyse the progress and to report to the MoA in its responsibility to monitor and assess the implementation of the Strategy. They will be invited to contribute to the annual progress reports in their respective areas and initiate changes to the Action Plans in the areas of their responsibility, if needed.

The tool for implementing the Strategy is action plans for the implementation of the Strategy until 2022 and Inter-Ministerial Order on the Strategy Implementation.

Financial resources for the Strategy implementation are the State budget funds and funds from other sources not prohibited by law (including international technical assistance and financial resources of international financial organizations).

Part II

Main strategic priorities



Strategic priority 1

Improve access to, integrity and interoperability of registries

Rationale and Objectives

A landmark step in the land reform was the adoption of the land turnover law (No. 552-IX) on March 31, 2020 that established a design for the land sales market to come in on July 1, 2021. The land turnover law needs, however, some additional efforts in drafting and adopting secondary legislation to implement the provisions on land market design (concentration, eligibility, beneficiary restrictions etc) and facilitate further more efficient land use. Current institutional set up in the land registration system is, however, very much inefficient, lacking integrity, interoperability of registry and SLC with other public institutions registries and electronic systems. So the reliable operation and interoperability of the geographic information system of the SLC and SRPR are crucial for the successful implementation of land reform. On top of it, there is a lack of public access to information on land plots and territories which makes it difficult to enforce the turnover law's provisions. That all undermines trust in public institutions dealing with land and endangers the start and operation of the land sales market in an efficient and transparent way. A development and further implementation of the National Geospatial Data Infrastructure (NSDI), based on recently adopted Law "On National Infrastructure of Geospatial Data" (No. 554-IX) would allow for more transparency and public availability of the geospatial data.

Publicity of cadastral data is necessary for land management and land inventory, spatial planning of communities, ensuring control over land concentration, monitoring of land relations, as well as real estate appraisal.

Priority interventions

1.1 Implement restrictions mandated by turnover law (552-IX)

To enforce and make technically possible the turnover law's provisions, the software of the SLC must provide information interaction between the SLC, the SRPR, the Unified State Register of Legal Entities, Individuals – Entrepreneurs and Public Associations in order to obtain information on the total area of agricultural land owned by an individual, as well as legal entities of which he/she owns (shareholder, member), information on a final beneficiary etc.

1.2 Reduce incidence of raider attacks

Lack of integrity, possibility of duplication of records and outdated cartographic basis are increasing the scope for information asymmetry and fraudulent land transactions or activities (e.g. raider attacks) that can endanger land market. So updating the cartographic basis of the State Land Cadastre (orthophoto images are outdated and the main topographic map is missing), as well as the geodetic basis of the SLC (the coordinates of the points of the geodetic network should be published) is of high importance.

Current landownership is quite small scale and it requires substantial amount of time and resources to register land use rights, for example, for substantial agricultural land tracts. Such a small scale landownership also increases the costs of raider attacks via individual plots/owners in large land tracts. So the technical possibility of registration in the State Land Cadastre of agricultural lands tracts as a whole should minimize the risk of raiding and promote consolidated land use (the functionality for registration has not been created despite the law requirement from 2019).

Since January 1, 2013 there has been a dual cadastral registration system in Ukraine with the State Land Cadastre containing the land plots records (including pre-2013 titles to land and its use) and SRPR that started accumulating land registration information only since 2013. To reliably guarantee the rights to land plots registered before 2013 and to reduce the risk of raider attacks, the information of the State Register of Lands must be transferred to the SRPR, and a mutual reconciliation of information from the SLC and the SRPR must be carried out.

1.3 Improve registry data quality, integrity, and accessibility

Register completeness, data quality and accuracy, integrity and its public accessibility is another dimension of reducing the information asymmetry in the land market. Currently there are only 22.4 million plots on the area of 43.8 mn ha (out of more than 60 mn ha), including 15 million agricultural plots, registered in the State Land Cadastre; land records for about 5 mn ha of state land are missing from the State Land Cadastre. This creates a fertile soil for raising a 'shadow economy' where land is used without documentation in ways that are not conducive to investment and long-term sustainability. There is also only information about the borders of 9,000 settlements out of 29,000. Public information on cadastral zoning (limits of 56 thousand cadastral zones and 378 thousand quarters) is not available either.

Ensuring public access of individuals and legal entities to land records via a functioning NSDI and geoportal can help up with enhancing data quality and integrity, including the information (with some additional technical support) on land use restrictions (including on valuable protected areas and immovable cultural heritage). Data exchange with other cadasters (protected areas, forests, defense lands, infrastructure facilities, satellite land monitoring, etc.) and its availability are also instrumental to ensure land data integrity and accuracy.

1.4 Adapt systems to allow registration of new types of transactions/rights

The land turnover law (No. 552-IX), the recently adopted bill №2194 and other supplementary land legislation provides for new types of land transactions and rights, including the transfer of emphyteusis rights, as well as the transfer of pre-emptive rights in land acquisition. Therefore, the software of the SRPR must be adapted to make this technically possible.

1.5 Regularly provide data on land prices based on market transactions

Public data on actual and historic sales prices is a cornerstone of transparency that is needed for land owners and courts to determine a "fair" value, for Banks to use land as collateral; and for the public sector to assess the success of reform and properly plan land use. Up to date price information should be provided freely and regularly to the public in aggregate form and to real estate professionals and banks for a fee.

Normative land value (NLV) is set to be a minimum price for agricultural land purchase and sales transactions. So it is important to have the NLV easily available by digitizing the processes of normative monetary valuation of lands, improving the relevant methodology & cadastral services. A special geoportal on the NLV of agricultural land (which was piloted until 2021) will be instrumental in this regard, including the publication of soil quality maps.

Regular registration and publication of land transaction prices would accumulate a necessary information to kick start mass valuation of land and real estate in Ukraine that would establish a fair and market base for land and property related taxation.

1.6 Improve legal awareness and resolution of land-related disputes

To protect rights of land owners, land users and local governments, legal awareness and resolution of land disputes should be improved, including an information campaign on land rights among the population and local officials, as well as monitoring requests for information on free legal aid in land matters (FLA) and litigation.

1.7 Improve further land governance framework

Land use in Ukraine is very much fragmented (average land plot is 3,6 ha) and involves substantial transaction costs for farmers to manage large tracts of land. For example, a medium size agricultural enterprise (2 to 10 thousand ha of land area) should sign lease agreements with more than a thousand land owners. Introduction of the land sales market will mitigate this problem and will kick start a gradual consolidation of land ownership. However, this development will take time and additional improvements on land use consolidation are needed to bring about efficiency improvements.

Lifting of the land sales moratorium will unlock incentives for long-term capital investments, including in irrigation systems to improve agricultural productivity, sustainable land use and mitigate adverse climate change effects. Most of the irrigated area in Ukraine is concentrated in the southern part of the country and the irrigated area has declined from 2.2 million ha in 2003 to current less than 0.5 million ha. Some more work on improving the institutional environment of irrigation sector is needed to fully realize the benefits of the land market opening. In particular, the management of irrigated and drained lands and systems is very much fragmented and inefficient to unlock a sustainable flow of capital investments. Introducing the institution of Water Users' Organizations into the legislation framework and into operation will be instrumental for developing of the irrigated and drained lands and systems.

Implementation and Action Plan Matrix

Name and description of the actions/measures	Expected results	Responsible institution	Deadline	Deliverables and indicators of fulfilment (KPI)
1.1 Implement restrictions mandated by turnover law (552-IX)				
1.1.1 Introduce effective information interaction between the State Land Cadastre, the State Register of Civil Status Acts, the SRPR and the Unified State Register of Legal Entities, Individual Entrepreneurs and Public Associations, which will provide notaries with information on the total area of agricultural land owned by natural person, as well as ownership in legal and final beneficiary	Land turnover law provisions can be technically ensured	SGC, MoJ, MoA	July 1, 2021	Software operates
1.1.2 Registration of the State Border in the State Land Cadastre	Control over land acquisition within 50 km to the border	SGC, MoA	June 2021 (according to law № 1175-IX)	100% of the boundaries established by international agreements are displayed in the SLC
1.2 Reduce incidence of raider attacks				
1.2.1 Update the cartographic basis of the SLC	Improving the reliability of registration of land plots	SGC, MoA	January 1, 2023	Orthophotomaps and topographic maps updated annually on 33% of the country's territory
1.2.2 Geodetic basis of the SLC published	Improving land surveying	SGC, MoA	September 1, 2021	Geodetic network data published as open data

Name and description of the actions/measures	Expected results	Responsible institution	Deadline	Deliverables and indicators of fulfilment (KPI)
1.2.3 Technical possibility of registration in the State Land Cadastre of agricultural land massifs	Reduce agribusiness risks and decreasing transaction costs	SGC, MoA	August 1, 2021	Software operates
1.2.4 State Register of Lands (pre-2013 land registration records) data transfer to the SRPR	Protection of land rights registered before 2013	SGC, MoJ, MoA	December 2021 (according to the Government Action Plan for 2021)	100% data transferred from the SGC to MoJ
1.2.5 Distributed storage of the State Land Cadastre database	Improving the reliability of storage of cadastral data	SGC, MoJ, MoA, MoDT	January 1, 2022	At least three mirrors of the State Land Cadastre database have been created

1.3 Improve registry data quality, integrity, and accessibility

1.3.1 Procedure for the functioning of the NSDI approved	Public data access and systems interoperability	SGC, MoA, CMU	June, 2021	Resolution of the Cabinet of Ministers adopted
1.3.2 National geoportal launched	Public access to geodata	SGC, MoA	June, 2021	Software operates
1.3.3 State Land Cadastre open data portal launched	Public access to the SLC data and land monitoring	SGC, MoA	June, 2021	Software works, regular two-week updates

Name and description of the actions/measures	Expected results	Responsible institution	Deadline	Deliverables and indicators of fulfilment (KPI)
1.3.4 Borders of the territories of communities and districts formed in 2020 are displayed in the State Land Cadastre and publicly available; information on the boundaries of territorial communities, villages, settlements, cities is in the SLC	Ensuring efficient land decentralization and transfer; better planning and tax collection	SGC, MCD, MoA	July, 2022	100% of community boundaries are displayed in the cadastral system (By July 2021 it is planned to introduce 24% of the boundaries of administrative-territorial units according to the Government Action Plan 2021)
1.3.5 Conduct a full inventory of land management documentation and entering information about land plots into the SLC	More efficient land management	SGC, MoA	January, 2024	100% of public land is registered in the SLC
1.3.6 The boundaries of sensitive natural areas are displayed in the SLC [in the Strategic priority 6]	More efficient nature protection	SGC, MENR	December, 2021 January, 2024	100% of agricultural lands and 16% of other categories of state-owned lands are registered in the SLC 100% non-agricultural state-owned land
1.3.7 The boundaries of cultural heritage sites are displayed in the SLC [in the Strategic priority 6]	More efficient heritage protection	SGC, MoC	January, 2023	100% of the boundaries with the available documentation are displayed in the inventory

Name and description of the actions/measures	Expected results	Responsible institution	Deadline	Deliverables and indicators of fulfilment (KPI)
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1.4 Adapt systems to allow registration of new types of transactions/rights

1.4.1 SRPR software update	Implementation of new types of land transactions with preemptive rights	Moj	July, 2021	Software operates
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1.5 Regularly provide data on land prices based on market transactions

1.5.1 Regular publication as open data sets of information of the SLC (in the form of open data sets of information of the SLC on registered land plots, indicating the cadastral number, purpose, area, ownership, land owners and land users (individuals are depersonalized; legal entities with their code in the Unified State Register), prices (values) of the plot, the date of acquisition of property rights)	More transparency, opening the doors for land governance monitoring	SGC, MoA, Moj	July, 2021	Software works, regular two-week updates with SLC dump
1.5.2 Normative monetary valuation of lands methodology updated	Fairer taxation and facilitation of the minimum price provision in the land turnover law	SGC, MoA, CMU	June, 2021	Resolution of the Cabinet of Ministers adopted
1.5.3 Geoportal on the normative monetary valuation of agricultural land operates	Openness of data on land valuation and facilitation of the minimum price provision in the land turnover law	SGC, MoA	July, 2021	Software operates

Name and description of the actions/measures	Expected results	Responsible institution	Deadline	Deliverables and indicators of fulfilment (KPI)
1.5.4 Mass real estate valuation pilot launched	Fair market land value as a basis for fair real estate taxation	SGC, MoA, MoJ, CMU	September, 2022	Resolution of the Cabinet of Ministers adopted, software operates

1.6 Improve legal awareness and resolution of land-related disputes

1.6.1 Information campaign on land rights launched	Minimizing land disputes	SGC, MoA, MoJ, CMU	June, 2021	The number of land disputes is reduced by 20% annually
1.6.2 Creation of a special electronic training course for notaries on agricultural land market issues	Enhancing the ability of notaries to conduct transactions with agricultural land	MoJ, SGC, MoA	August, 2021	No complaints about the refusal of notaries to certify transactions
1.6.3 Creation of a special electronic training course for registrars on agricultural land market issues	Enhancing the ability of registrars to conduct transactions with agricultural land	MoJ, SGC, MoA	August, 2021	The number of complaints after registrations is reduced by 20% annually

1.7 Improve further land governance framework

1.7.1 Facilitate land consolidation – develop and adopt a draft law on land consolidation	Improving the efficiency of land use/decreasing transaction costs	MoA, VRU	December, 2021	Law adopted and signed by the President
1.7.2 Facilitate efficient land use for developing irrigation system by introducing Water users association institution into the legislation framework – develop and adopt a corresponding law	Facilitate a development of irrigation system	MoA, VRU	December, 2021	Law adopted and signed by the President

Strategic priority 2

Establish & operate agrarian registry

Rationale and Objectives

Persistent asymmetric information problems in agriculture substantially increase transaction costs in the sector, resulting in market failures, inefficient and unfair distribution of public support and inhibit productivity growth in the sector. This strategic priority aims at establishing a full functioning and effective State agrarian registry as a tool for reducing information asymmetry in the sector that would result in reducing banking lending costs to farmers via improving information available about farms' performance and characteristics (including the land records), in establishing more targeted, effective and accountable state support, and facilitating the access to export markets

A comprehensive SAR is an opportunity and effective tool to rectify this situation by:

- 1) making information about the farmers more transparent and thus reducing banks' lending cost additionally, the AR offers an efficient way to identify landowners and leasers having erroneous or incomplete parcel records or even lacking registration of parcels and leases. Improving farms' resources records is also a way to decrease the shadow agricultural economy and to help local governments in mobilizing tax resources to provide public goods and services;
- 2) making more effective and accountable implementation of state support programs towards promotion and support of agricultural productivity/ diversification; moreover, AR facilitates a support to small and medium farmers, a group that is mostly invisible in official statistics and hardly benefitting from State services and support despite being an important contributor to production and employment in the sector
- 3) facilitating access to EU Markets as an AR makes it easier to meet tracing requirements and demonstrate that production environmental regulations have been respected.

Технічно ДАР об'єднує всі дані з розрізнених реєстрів в одній онлайн-системі навколо фермера та земельної ділянки, що дає змогу представити інформацію за принципом «єдиного вікна для фермерського господарства». У країнах ЄС реєстри фермерських господарств є загальноприйнятими і дають змогу здійснювати унікальну ідентифікацію фермерського господарства та земельної ділянки на всій території певної країни. Реєстри фермерських господарств відрізняються у різних країнах, але, зазвичай, містять інформацію про фермерів або їхні підприємства (ім'я, прізвище, адреса, електронна пошта, телефон тощо), земельні ділянки (покрив ґрунту / використання земельних ділянок та інші морфологічні характеристики земельної ділянки (наприклад, системи зрошення, екологічний стан або наявність заповідних зон) та тварин. Інші реєстри можуть збирати додаткову інформацію, зокрема про с/г техніку, використання робочої сили (повна чи сезонна зайнятість), страхування або інші соціально-економічні деталі.

Technically, the AR brings together all data in dispersed registries in one on-line system organized by farmer and parcel, resulting in a "single farm holding view". In the EU, farm registries are common and allow for unique farm and parcel identification throughout a country's territory. Farm registers differ between countries and generally include

information on the farmers or their enterprise (name, surname, address, email, phone, etc.), land parcels (land cover/use and other morphology land information, (such as irrigation, environmental condition or protected areas) and animals. While other farm registers, may collect additional information such as, machinery, labor (full time, seasonal), insurance or socio-economic details.

Governments use farm registries data for analyzing the agricultural sector, identify policies and programs for improving productivity, sustainability and welfare, and identifying farmers qualifying for specific policies and programs who will then be contacted directly. The European Commission is using member states registries for implementing the Integrated Administration Control System (IACS) ⁷

Priority interventions

2.1 Develop and establish a regulatory framework to use the AR

The Law of Ukraine #985-IX as of 05.11.2020 introduced the amendments into the agricultural state support regulatory framework and established a legal basis for the AR. This framework, however, needs to be operationalized by corresponding CMU regulations. Also each individual program of the state support needs to be fine-tuned, workflows changed and relevant Ministerial Orders need to be adjusted to make the AR instrumental for the state support purposes. Besides protocols of information exchange between AR and other registries and databases should be developed and approved.

2.2 Create, pilot & evaluate AR software to improve completeness & quality of land records

AR is an innovative tool, though it will need to gain a trust and confidence with all the stakeholders concerned, primarily with the farmers. So piloting the AR on a lower scale, developing and testing necessary software and technical procedures would secure its reliability and trust on a national scale. Two AR pilots have been already undertaken: the sign-up software was tested in 18 amalgamated communities in February 2020 and the automated error correction was tested in 53 amalgamated communities in Sep-Nov 2020; pilot version of the AR can found at www.ar.gov.ua. So far 20 software modules have been envisaged in the AR architecture, out of which 11 have been already developed and tested, including the modules for user sign up, data exchange with the key registers, reporting etc. 9 more resource and time demanding software modules are still to be developed and tested/piloted, including the data exchange module with the State Tax Service, SSS, automatic lease registrations, farmers' payment module etc. Land records and land rights registration were one of the major motivations of the farmers to use the AR in the pilots. This would require automatization with the SRPR of the Ministry of Justice and its online registration, which is yet to be developed and operationalized by the Ministry itself. On the other hand, administration of the AR is critical to ensure its operability and trust. There should be an appropriate infrastructure established that includes a data center, call-center supported by a network of local representative offices (presumably in the

⁷ as established by EU Regulations No 1306/2013 (article 68.1), no 640/2014 and No 809/2014.

local administrations agricultural departments). Existing network of SNAPs (Centers for administrative services provision) should also be explored and used more in details for cost-effectiveness reasons.

Taking into account the above rationale, the following steps are to be undertaken:

- Establish technical capacity for administrating agrarian registry
- Develop & deploy automated registration of unregistered leases in AR signup process
- Assess efficacy of piloting against agreed KPIs using admin. data & user feedback

2.3. National roll out of AR sign-up with error correction & lease registry updating

An option of automated land records error correction and access to state services through the AR sign up is another important lesson learn from the two AR pilots mentioned above. This might be achieved through filing the requests by farmers in the AR and via interoperability between the AR and the SLC and documents exchange with the SGC. This would require both technical and regulatory amendments work. So the following work streams are suggested:

- Establish governance structure, objectives & institutional responsibilities
- Conduct national awareness campaign
- Roll-out & evaluate registry establishment jointly with local gov't/SNAPS
- Design & implement routine AR updating procedure

2.4 Establish and implement procedures for channeling the state support via the AR

Accessing and administrating/monitoring of the farmers' state support is considered to be in the corner of the AR and this has been also indicated by farmers' during the previous two AR pilots. This would require developing a separate payment module, piloting it on a limited number of state support programs and streamlining secondary legislation/certifying the software to make such a facility fully operational.

Populating registry via making the AR use mandatory for the state support purposes will be one of the key challenges to get desired outputs. All Ministerial orders on state support programs should be adjusted.

Current state support system is considered to be inefficient and thus requiring some more efficient instrument to leverage private investments, participation and targeting. This could be achieved via developing and implementing matching grants into the current state support system and into the AR facility.

- Develop & certify software for AR state support application & fund disbursement
- Pilot application, payment, and audit modules in a limited context
- Refine state support programs for transparency & leveraging private participation
- Scale up farmer support module & make it default/mandatory for state support

2.5 Expansion of AR into a one-stop online marketplace & farmer support center *centerφερμερπια*

Once the above functions and technical options have been implemented and operationalized, the AR could be linked to other agricultural service providers (e.g. financial institutions and agricultural input providers) so that the AR is scaled up to the one-stop marketplace and farmer support center.

Implementation and Action Plan Matrix

Name and description of the actions/measures	Expected results	Responsible institution	Deadline	Deliverables and indicators of fulfilment (KPI)
2.1 Develop and establish a regulatory framework to use the AR				
2.1.1 Develop and approve a Resolution of the Cabinet of Ministers of Ukraine on the management and administration of the AR to implement the Law of Ukraine #985-IX (as of 05.11.2020) that introduces the AR into a legislation framework of Ukraine	Legal basis for AR and its operation is ready	MoA/CMU	June 2021	CMU resolution adopted
2.1.2 Agree on implementation plan for agrarian registry with roll out administered via the administrative service centers	AR administration structure is developed and agreed upon	MoA	June 2021	Technical document/report
2.2 Create, pilot & evaluate AR software to improve completeness & quality of land records				
2.2.1 Establish technical capacity for administrating agrarian registry	AR administration structure established	MoA/MDT	July 2021	Server/data center at Diia (MDT) Technical support team established Call-center established
2.2.2 Develop & deploy online registration of unregistered leases in AR signup process	Online lease registration available	MoJ/MoA	November 2021	Online registration module developed and launched Its integration to the AR

Name and description of the actions/measures	Expected results	Responsible institution	Deadline	Deliverables and indicators of fulfilment (KPI)
2.2.3 Assess efficacy of piloting (of online registration) against agreed KPIs using admin. data & user feedback	Online lease registration facility bottleneck identified and addressed	MoA	December 2021	Report on the pilot

2.3 National roll out of AR sign-up with error correction & lease registry updating

2.3.1 Establish governance structure, objectives & institutional responsibilities	Online error correction through AR available	MoA/SGC	August 2021	Order of the MoA adopted Error correction land surveyors team established
2.3.2 Conduct national awareness campaign	At least 75% of farmers are aware about the AR and its value	MoA	July-August 2021	Report on the campaign
2.3.3 Roll-out & evaluate registry establishment jointly with local gov't/SNAPS	Cost-effective administration of the AR	MoA	September 2021	CMU resolution (see 2.1.1) Evaluation report
2.3.4 Design & implement routine AR updating procedure (maintaining, updating and supporting the AR)	AR is technically up-to-date, trusted and functional	MoA	August 2021	Procedure description/Order of the MoA

2.4 Establish/implement procedures for AR operation

2.4.1 Develop & certify software for AR state support application & fund disbursement	State support is channeled through the AR	MoA	November 2021 (payment module) April 2022 (module certified)	Module developed Certificate from the Complex system for information protection (module certified)
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Name and description of the actions/measures	Expected results	Responsible institution	Deadline	Deliverables and indicators of fulfilment (KPI)
2.4.2 Pilot application, payment, and audit modules in a limited context	Robust payment module: technical bottlenecks identified and addressed	MoA	November-December 2021	Pilot report
2.4.3 Refine state support programs for transparency & leveraging private participation	More value to taxpayers money via reshuffling agricultural state support system towards matching grants	MoA	November 2021	Agricultural state support performance reviewed (report) Matching grant program developed and adopted (program description + MoA Order)
2.4.4 Scale up farmer support module & make it default/mandatory for state support	All state support programs are channeled through the AR	MoA	December 2021	Scaled-up payment module and Report

2.5 Explore expansion of AR into a one-stop online marketplace & farmer support center

2.5.1 Explore expansion of AR into a one-stop online marketplace & farmer support center	Farmers use AR as one-stop marketplace for accessing state support, agricultural inputs and output markets; down- and upstream agricultural value chain players access farmers	MoA	February 2022	Technical report MoA Order
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Strategic priority 3 Improve cadastral quality, completeness & interoperability to reduce corruption

Rationale and Objectives

Reliable and well-functioning information system on land records of the State Land Cadastre and its interaction with other state registers, information systems is of fundamental importance for protecting the rights for land for citizens and legal entities, for land related taxes' collection, for land turnover control and for public confidence in land reform. The desired land market outcomes are conditioned on the cadastral data quality and completeness and on the flexibility of the information system (i.e. modern IT system and solutions availability) to incorporate a dynamic external technical requirements and land related regulatory framework. The State Land Cadastre, its data quality and integrity and is a backbone for developing each strategic area of this Strategy and thus is crucial for the successful implementation of land reform.

The development of the State Land Cadastre and the openness of land data in Ukraine has gone through several stages. Since 2003, the accumulation of land cadastral information in electronic form has begun in Ukraine. Since 2013, the State Land Cadastre should function as a single state geographic information system of information about lands located within the state border of Ukraine, their purpose, quantitative and qualitative characteristics of lands, their assessment, distribution of land owners and users. A new stage in the development of the cadastral system should begin in 2021 as a result of the introduction of the National Infrastructure of Geospatial Data and the legislative definition of full openness of cadastral data.

Currently the State Land Cadastre data quality and integrity could be characterized in the following way:

1. Issues already mentioned and covered in the Strategic priority 1 with respect to interoperability with other registers
 - 1.1. Cartographic basis of the SLC is not complete (so far the orthophoto images are obsolete, the basic topographic map is missing);
 - 1.2. Geodata basis of the SLC is missing: no coordinates of points of the geodata network
 - 1.3. State border of Ukraine: no information;
 - 1.4. Administrative-territorial units (there is only information about the boundaries of 8.8 thousand settlements out of 29.8 thousand; the boundaries of the newly formed territories of communities and districts are missing);
 - 1.5. Cadastral zoning (boundaries of 56 thousand cadastral zones and 378 thousand quarters);
 - 1.6. Restrictions on land use (there is no information on a small number of single objects);
 - 1.7. Registered land plots (there are only 22.4 million plots on the area of 43.8 mln ha out of 60 mln ha, including 15 million agricultural plots) including registration of state land;
 - 1.8. Normative monetary valuation of lands of settlements is not complete (4.5 thousand settlements);

- 1.9. Normative monetary valuation of agricultural lands, including soil map and soil bonitet (special geoportal was in experimental operation until 2021, now disabled);
- 1.10. Tracts of agricultural lands (functionality for registration has not been created since 2019);
- 1.11. Information obtained as a result of data exchange with other cadastres (protected areas, forests, defense land, infrastructure facilities, satellite land monitoring, etc.).
2. Issues relevant specifically with respect to the SGC software and data quality
 - 2.1. Current SGC's survey monopoly in training, accreditation (licensing) of land surveyors, auctioneers and valuers (including approving the membership of professional qualification committees), distribution of work orders for state land, providing access to information and assessment of work. It creates incentives for gaining rents, limiting competition in the sector and potentially compromising the quality of the data in the SGC
 - 2.2. Integrity of the SGC software and data quality is of a key importance. The technical audit of the State Land Cadastre has not been conducted for 10 years already. The approaching opening of the land market and the possible increased technical load on the State Land Cadastre have highlighted the need for its technical audit. In general, the State Land Cadastre can be attributed to the critical infrastructure of the state, so any problems in it can have a negative economic impact. The IT audit of the State Land Cadastre should include an audit of infrastructure, software, IT security, IT processes, and business data.

Priority interventions

3.1 Ensure integrity of SGC software & data

Technical audit of the State Land Cadastre system is required to identify the actual state of serviceability of equipment, its ability to work under load and determine the threshold values of allowable load, the actual state of the software and the level of flexibility of its architecture; the state of database structures, their architecture and relevant industry standards; state of data, their completeness and integrity; state of IT security; quality of support / testing / implementation and development processes; determining the optimal composition of technical staff.

3.2. Eliminate SGC's survey monopoly by regulating private sector participation

To increase the system flexibility and decrease a scope for corruption, the data from the State Land Cadastre should be open not only to the state but also to the private sector. Representatives of legal professions, such as private executors and arbitration trustees, have already been admitted to the State Land Cadastre. Certified land surveyors also need to be granted access. The openness of cadastral data is currently important for land surveyors who perform land management work and conduct land inventories.

3.3 Develop, implement & monitor strategy to reduce land-related corruption at all levels

The sphere of land management and administration in Ukraine is quite corrupt. To address this, land implementation corruption strategies need to be developed, implemented and monitored at all levels.

3.4. Regulate & implement land market monitoring system

The Law of Ukraine «On Amendments to Certain Legislative Acts of Ukraine Concerning the Conditions of Circulation of Agricultural Lands» № 552-IX of 31.03.2020 creates restrictions on the acquirers of ownership of agricultural land and the forgiveness of land acquired by them. The notary should check the compliance with the restrictions on the area of land before concluding contracts of sale of land according to the information from the State Land Cadastre, the SRPR. To ensure a transparent market for agricultural land, it is necessary to create a regulatory framework and information resource to verify compliance by buyers with the requirements for the acquirer of land and the area of land that can be acquired.



Implementation and Action Plan Matrix

Name and description of the actions/measures	Expected results	Responsible institution	Deadline	Deliverables and indicators of fulfilment (KPI)
3.1 Ensure integrity of SGC software & data				
3.1.1 Start auditing the information system of the State Land Cadastre.	Identification of functions that are provided by law, but not implemented in the system.	SGC, MoA	July 1, 2021	Software operates
3.1.2 Completion of technical and software used for maintaining the State Land Cadastre.	The state land cadastre has been brought in line with the legislation.	SGC, MoA	July 1, 2021	Software operates
3.2 Eliminate SGC's survey monopoly by regulating private sector participation				
3.2.1 Provide access to the information of the State Land Cadastre to certified land surveying engineers	Certified land surveying engineers have open access to the information of the State Land Cadastre	SGC, MoA	July 1, 2021	Access granted
3.3 Develop, implement & monitor strategy to reduce land-related corruption at all levels				
3.3.1 Developed and adopted Strategy to reduce corruption in land relations.	Reducing the level of corruption in land relations	SGC, MoA	January 1, 2022	Resolution of the Cabinet of Ministers adopted
3.4 Regulate & implement land market monitoring system				
3.4.1. Development and adoption of the Procedure for verification of compliance of the purchaser or owner of agricultural land	Checks buyers and owners of agricultural	MoJ, SGC, MoA, CMU	June 1, 2021	Resolution of the Cabinet of Ministers adopted

Strategic priority 4

Improve mortgage lending & smallholders to access credit

Rationale and Objectives

As tradable land is an ideal collateral, functioning land markets can unlock large amounts of mortgage lending. This would benefit small producers who mainly operate own land and who could access credit to invest in intensification and high value-added crops if the moratorium were lifted. Lack of familiarity with and perceived high risk of SMEs sector may, however, prevent banks from providing credit in the initial period after market opening, potentially undermining SMEs' competitiveness, market participation, and growth.

Limited access to finance, particularly bank credit, is a long-standing hurdle for SMEs, including those engaged in agricultural production, with varying severity of financing constraints across different countries. Smallholders in Ukraine produce more than 50% of total agricultural output, including 9% produced by more than 30 thds legally registered individual farmers and 41.5% by more than 4 mln natural persons - household farmers.

The conducted studies show that most of small farmers in Ukraine (that cultivate up to 500 ha) are underbanked and do not have access even to basic banking services. Currently, the banks are mainly working with the farmers cultivating 400-500ha and above, engaged in the grain and oilseed business, and very few small farmers are able to get financing from banks. An increasingly popular form of government intervention worldwide is represented by Partial Credit Guarantee schemes (PCGs). Set up by the governments with the purpose of covering some portion of the losses incurred by lenders when SME borrowers default on loans, public PCGs can alleviate the problems faced by SMEs seeking financing, thus contributing to their development. To facilitate easier credit flow to smallholder farmers via mortgage instruments, further government interventions are required to remove the remaining impediments for mortgage crediting and collateral foreclosure process. While a lot of progress has been made to enhance the collateral enforcement framework, some further actions are required to enhance the out-of-court collateral foreclosure, strengthen the rights and efficiency of Private Bailiffs, as well as enable the concept of secondary mortgage and timely update of collateral information in the State Registry of Property Rights.

Access to information is yet another important factor for banks to ease access to finance for small farmers. The obstacles of information exchange between banks and State Registers should be removed to make the process of loan application approval less time consuming and affordable.

Priority interventions

4.1 Establish PCG fund to reduce the risk of bank lending to agricultural SMEs

It is suggested to establish the PCG fund in the form of non-bank financial institution with state participation, under the supervision of National Bank of Ukraine. The fund should be created by the special law to enable independent governance structure, as international practice shows that the most successful PCG companies are those which are ring-fenced from political influence and have an independent supervisory boards and professional senior management. The independent governance structure is also essential to enable PCG fund's cooperation with International Financial Institutions and foreign reinsurance companies, which will facilitate much higher leverage for the company.

The PCG fund will have clearly defined and transparent eligibility and qualification criteria for borrowers and participating credit instruments. It is envisaged that the PCG fund will provide 50% credit risk coverage for the loan amount with maximum tenor of 10 years. The pricing of the guarantee will be set in a way to cover both default risks and administrative costs, to ensure the financial sustainability of the funds.

4.2. Improve regulatory framework for land-based mortgage lending

Removing the remaining impediments for mortgage crediting and collateral foreclosure process will facilitate further easier credit flow to smallholder farmers. Technically banks can sell foreclosed collateral by making use of state law enforcement authorities without taking it in ownership. But in many cases, it is less costly and complex to take the foreclosed collateral on their balance sheet and sell it directly. So it is suggested to further enhance the out-of-court collateral foreclosure, specifically via more effective use of Notary writs. Amendments to the CMU Resolution #1172 and follow up actions by main stakeholders like MOJ and Notary Chamber of Ukraine are required.

More reforms are required to further strengthen the operating framework for Private Bailiffs, to enhance their capability and make them more efficient. It is important to finalize and adopt the legislative amendments governing the PB activities. Among other things, the legislative amendments should enable the easy access to the profession, substantial increase of the number of operating PBs and balance their rights with those of state bailiffs. The amendments should also enhance the disciplinary practices and supervision over PBs.

To enable the usage of the secondary mortgage instrument, further steps are required. Amendments to the Law on Mortgages and the Land Code will clarify the transfer mechanism of property rights for foreclosed land in case the land plot and the building on it belong to different owners.

4.3 Improve banks' access to reliable information to assess client risk

Access to reliable information on collateral is essential for a quicker and affordable credit flow to SMEs. Easy access for the banks to State Registers and improvements of registers' functionality is required to make the process of loan application approval less time consuming and expensive. In the context of land reform, it would be essential to enable banks' access specifically to Farmers Registry. Also, legislative amendments allowing timely reflection of Changes to the collateral characteristics in the SRPR are required.

4.4 Increase small farmers' financial literacy and ability to formulate credit proposals

Smallholders have hard times to put together sufficiently good accounting and financial reports. Partly this is driven by the fact that virtually all agricultural producers use a simplified taxation system and reporting, but mainly because of the lack of financial literacy skills or ability to outsource it. As a result, this creates a serious bottleneck for attracting financing. Support to financial literacy training and knowledge transfer is needed to increase the target group's awareness of diversification options and enable them to put together bankable investment proposals.

4.5 Leverage state support programs for credit market access by small & medium farmers

The development of small scale farming has been substantially stifled by major policy and market failures over the last two decades. Market failures have been limiting the access to the market and to financing, exacerbated by the land sales moratorium. Policy failure is that since 2000s, agricultural policy and support have been implicitly favoring large scale agriculture so that the smallholders have had a little space for their further development. To allow small (emerging) farmers compete on an equal footing with larger and established players and correct for a long-lasting policy failure, reshuffling current highly inefficient, distortive and unfair state support towards a simple and targeted support to facilitate capital upgrade and diversification may be needed. Bridging this gap by providing investment grants to SMEs, possibly administered by banks together with PCG resources, would be a more appropriate use of state subsidies which have been largely to the benefit of large operators and being questioning on equity ground. Targeting capital investments should be a priority, but working capital financing should not be completely excluded either. To pursue more diversified and higher margins agricultural production structure, oilseeds, grains and poultry farms should be excluded from the target farms. Regular evaluation and auditing of the program will be essential.

Implementation and Action Plan Matrix

Name and description of the actions/measures	Expected results	Responsible institution	Deadline	Deliverables and indicators of fulfilment (KPI)
4.1 Establish PCG fund to reduce the risk of bank lending to agricultural SMEs				
4.1.1 Adoption of the Partial Credit Guarantee Fund (PCGF) law	PCGF is in the legal framework	VRU	June, 2021	The law is enacted and published
4.1.2 Amending Budget Law 2021 to enable PCGF capital replenishment	PCGF capital is available	VRU	July, 2021	Required financing is reflected in the Budget Law for 2021
4.1.3 Adoption of CMU resolutions on PCGF establishment (in total 4 CMU resolutions are required)	PCGF legal framework implementation	CMU	July, 2021	CMU resolutions are published
4.1.4 Preparation of PCGF internal bylaws	PCGF internal procedures available	MoA	June, 2021	The internal PCGF normative acts have been published
4.1.5 Establishment of the PCGF	PCGF is established	MoA	September, 2021	The legal entity is established
4.1.6 Selection of the PCGF Supervisory Board	PCGF Supervisory Board available	MoA	September, 2021	Supervisory Board members are registered by NBU
4.1.7 Selection of the Management Team	PCGF management available	PCGF Supervisory Board	October, 2021	Management is registered by NBU
4.1.8 PCGF obtains NBU License	PCGF can provide financial services	PCGF, NBU	January, 2022	NBU license received
4.1.9 Signing of agreements with participating banks	PCG network is established	PCGF	March, 2022	First guarantees issued

Name and description of the actions/measures	Expected results	Responsible institution	Deadline	Deliverables and indicators of fulfilment (KPI)
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4.2. Improve regulatory framework for land-based mortgage lending

4.2.1 Consultations with MOJ and Notary Chamber of Ukraine (NC)	The list of documents required for notaries to confirm the debt indisputability is defined	WB, CMU, MOJ, NC	June, 2021	Amendments to CMU resolution #1172 are agreed
4.2.2 Revision of CMU Resolution #1172	See above	CMU, MOJ	July, 2021	Amendments to CMU resolution #1172 are adopted
4.2.3 Legislative amendments governing the activities of Private Bailiffs are adopted	Level playing field for PBs	CMU, MOJ, VRU	January, 2022	Amendments to legislation framework on PBs are agreed and adopted
4.2.4 Amendments to the Law on State Registration of Property Rights and the Encumbrances are adopted	Secondary mortgage is enabled, Timely update of collateral characteristics in the registry	MOJ, VRU	January, 2022	Amendments to the Law are adopted
4.2.5 Banks got access to Agrarian Registry [linked to the SP 2.5.1]	Improved information access for the banks	CMU	April, 2022	CMU resolution is adopted

4.4 Increase small farmers' financial literacy and ability to formulate credit proposals

4.4.1 Develop a knowledge transfer and financial literacy voucher grant program	Establish a vehicle to scale up a knowledge and financial literacy of small farmers	MoA	October, 2021	A detailed program available
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Name and description of the actions/measures	Expected results	Responsible institution	Deadline	Deliverables and indicators of fulfilment (KPI)
4.4.2 Embed a program into the existing state support legislative framework	Make the voucher grant program available for farmers	MoA	January, 2022	Order of the MoA

4.5 Leverage state support programs for credit market access by small & medium farmers

4.5.1 Agricultural support reform/ assessment study	Diagnostic of the agricultural expenditures	MoA	October, 2021	A study is available
4.5.2 Develop a strategy for a reformed agricultural support system and its implementation	Options/program for creating a better value for taxpayers money	MoA	December, 2021	Strategy and Action Plan available
4.5.3 Develop a matching grant program	Introduce more efficient instrument of farmers' support	MoA	January, 2022	A detailed program available
4.5.4 Embed a program into the existing state support legislative framework as a pilot	Make the instrument available to farmers	MoA	January, 2022	Order of the MoA
4.5.5 Pilot a program	Identify local constraints for an efficient implementation of the support instrument.	MoA	June, 2022	Order of the MoA
4.5.6 Evaluate and scale up a program	Identify ways to go about the constraints to have the instrument scaled up to national level	MoA	December, 2021	Evaluation report/ study; Order of the MoA

Strategic priority 5

Enhance local communities' ability to plan & manage land for local benefit

Rationale and Objectives

Land has not been playing a due role in supporting rural incomes and contributing to rural communities' incomes and their sustainable development. Introduction of the full-fledged agricultural land market will mitigate this to some extent, but further steps to improve local communities' capacity, toolkit and resources to ensure their sustainable development are needed. 'Decentralization reform' that began with the adoption of the Cabinet of Ministers Decree № 333-r on April 1, 2014, naturally paves a way for such steps in the areas of decentralization of the land governance and resources.

Since 2002 local communities and governments were deprived from managing public land beyond their settlements and addressing issues in the field of land relations. So transferring back public land in the ownership and under the management of local communities should improve the efficiency of public land usage to the benefit of local communities. So far, about 4 mn ha of the state agricultural land were transferred into the communal ownership of amalgamated communities. On the other hand, requiring and ensuring a comprehensive territory planning for local communities is considered as a tool for more efficient planning of economic and territorial development of communities. This was made possible in 2020 after the Verkhovna Rada of Ukraine adopted of the Law «On Amendments to Certain Legislative Acts of Ukraine on Land Use Planning» (№ 711-IX) and the Decree of the President of Ukraine № 449/2020 «On some measures to accelerate reforms in the field of land relations» on October 15, 2020.

Entry into force of the Law "On Amendments to the Land Code of Ukraine" and Other Legislative Acts on Improving the Management and Deregulation System in the Sphere of Land Relations" (draft law #2194) and adoption of the draft Law № 4664 "On the Procedure for Resolving Issues of Administrative-territorial Organization of Ukraine» with a corresponding supplementary secondary legislation will complete the formation of the legislative framework in this area.

Priority interventions

5.1 Enable local governments to benefit from public land within their boundaries

Authority for planning the development or tax collection remains vague as long as local administrative units (rayons, amalgamated communities, settlements - cities, towns, villages) lack clearly defined boundaries. The issue of administrative boundaries was covered under the Strategic Priority 1. Availability of boundaries also facilitates a transfer of state land to communal property planned under the Law "On Amendments to the Land Code of Ukraine" and Other Legislative Acts on Improving the Management and Deregulation System in the Sphere of Land Relations" (draft law #2194).

Development and approval by local communities of comprehensive plans and other urban planning documentation at the local level (general plans of settlements, detailed plans of territories within and outside settlements) is the next step. This documentation should become the basis for making sound management decisions on strategic, tactical, and operational issues. Project decisions of this documentation should be implemented through the formation of communities' strategies (for 7 years), socio-economic development programs (for 1-3 years), and local budgets. Provision of land plots for developing purposes and change their purpose will comply the local development plans. This will ensure sustainable development of the community and effective management of all lands within it, regardless of ownership type. As the development of urban planning documentation takes into account state social standards, requirements of state and industry norms and rules in urban planning, land management, environmental protection, natural and man-made safety, as well as the aspirations of local residents, businesses and potential investors. The Ministry for Communities and Territories Development of Ukraine should conduct an active information campaign, explaining to local communities the need and effectiveness of land use and socio-economic development planning solely on the basis of urban planning documentation.

5.2 Provide a transparent framework for land use planning at different levels

Land use planning takes place at three levels: state, regional and local. Such planning is carried out taking into account public, civil and private interests. Land use planning at the local level must take into account the requirements for land use at the state and regional levels. To ensure transparent procedures for such consideration and control over its observance, it is necessary to digitize project activities on land use planning and ensure the publication of its results. It is especially important to address this issue at the local level, where the allocation of land for a specific purpose, including the location of specific objects, takes place. This requires the provision of communities with:

- up-to-date cartographic basis M (scale) 1:10 000, made in a vector form in the state geodetic coordinate system USK-2000
- open information on planning of perspective land use at the state and regional levels
- reliable and up-to-date data of administrative and statistical nature.

The solution of the first task is under the responsibility of the StateGeoCadastre. The second issue lies within the competence of the StateGeoCadastre, the Ministry for Communities and Territories Development of Ukraine, regional and district state administrations, and needs to be filled with relevant data of the State Land Cadastre and urban cadastres of state and regional levels with ensuring their publication. Free access of local self-government bodies of territorial communities to the data of the State Land Cadastre should ensure the process of land use planning at the local level with reliable and complete data on modern land use in terms of land categories, lands, forms of ownership, purpose, presence of regime-forming objects and zones of restrictions in land use, information of the State address register, information on land plots. At the same time, such access should take place in the mode of free export of geospatial data and metadata for the purpose of their analytical processing, transformation and implementation of other activities with such data. Urban cadastres of the state and regional levels should provide territorial communities with information on project decisions of the General scheme for planning the Ukrainian territory, schemes for planning the oblasts and districts territories, which

provide information regarding the location of objects of state and regional significance within the territory of the community or adjacent territories, which may affect the land use of the community.

The most effective way to address the third issue is to join the efforts of many central executive bodies and their territorial units in creating a national geospatial data infrastructure. This will ensure the regular publication of the information in the form of open data sets by each administration, needed for territorial communities to plan their prospective efficient land use. This will require substantial coordination efforts.

5.3 Enhance local governments' ability to increase land-related tax income

The development of urban planning documentation at the local level under the requirements of Law №711 significantly strengthens the ability of local governments to increase land tax. This is made possible via the following channels:

- during the development of a comprehensive land use plans, local authorities will be able to increase the tax base of the community via:
 - identification of land plots without a state registration of their ownership and use
 - identification of the improvements that increase the regulatory monetary valuation of land. Data on land improvements, primarily on the objects of engineering and transport infrastructure, will stimulate an increase in land fees.
- establishment of the general plan of functional purpose (the most effective functional usage) of the community territory based on the developed comprehensive plans. The gradual change of the land plots' purpose aiming at bringing the functional purpose of the territories in line with the established town-planning documentation will also lead to an increase in land related revenues.
- formation of land plots based on the development of detailed plans of the territory or their planning decisions as a part of a comprehensive plan.

The StateGeoCadastre and the Ministry for Communities and Territories Development of Ukraine should conduct an active awareness campaign among territorial communities to encourage comprehensive development of urban planning documentation and normative monetary valuation of land plots. Disclosure of urban planning documentation will increase the investment attractiveness of the community and thus the local budget revenues from land fees.

Implementation and Action Plan Matrix

Name and description of actions / measures	Expected results	Responsible institution	Deadline	Results and performance indicators (KPIs)
5.1 Enable local governments to use public land within their boundaries				
5.1.1 Adoption of draft Law № 4664 “On the Procedure for Resolving Issues of Administrative-territorial Organization of Ukraine” by Verkhovna Rada of Ukraine	The procedure for establishing the boundaries of villages and settlements is available	MCTD, VRU	July, 2021	Adopted Law
5.1.2 Adoption of resolution regarding the Procedure for establishing and changing the boundaries of villages and settlements by the Cabinet of Ministers of Ukraine	The procedure for establishing the boundaries of villages and settlements is standardized	MCTD, CMU	July, 2021	Adopted by the Cabinet of Ministers of Ukraine resolution
5.1.3 Resolutions “Procedure for development, update, amendments and approval of urban development documentation”, “On approval of the classification of land use restrictions, that may be established by a comprehensive spatial development plan”, “The procedure for examination of urban planning documentation” by the Cabinet of Ministers of Ukraine	Standardization of procedures for development and approval of urban planning documentation	MCTD, SGC, CMU	July, 2021	CMU Resolution adopted
5.1.4 Resolution «On amendments to the procedure for maintaining the State Land Cadastre on entering extract information from urban development documentation» by the CMU	Filling the SLC with information on functional zones and all restrictions on land use (including in the sphere of construction), specified in the town-planning documentation	SGC, CMU	July, 2021	CMU Resolution adopted

Name and description of actions / measures	Expected results	Responsible institution	Deadline	Results and performance indicators (KPIs)
5.1.5 Development of the Methodology for development of complex plans of spatial development of territories of territorial communities, general plans of settlements, detailed plans of territories according to requirements of the Law № 711	Methodology for developing urban planning documentation at the local level is unified. Proposals for amendments to the Land Code of Ukraine, the Civil Protection Code of Ukraine, the laws of Ukraine «On regulation of urban planning activities», «On protection of cultural heritage», «On strategic environmental assessment»	MCTD, SGC, MCIP, MENR, SES	July, 2021	Approved methodology by a joint order of the MCTD, the SGC, MCIP, MENR, SES. Proposals to amend the legislation have been prepared
5.1.6 Development of pricing rules during the development of urban planning documentation at the local level	Unification of pricing rules during the development of urban planning documentation at the local level to determine the conditions for providing a subvention from the state budget to local budgets for the development of comprehensive spatial development plans of territorial communities, as well as to prevent dumping in public procurement of urban planning documentation at the local level	MCTD	August, 2021	Adoption of pricing rules by order of the MCTD (amendments to the order of 08.08.2013 № 374)

Name and description of actions / measures	Expected results	Responsible institution	Deadline	Results and performance indicators (KPIs)
5.1.7 Amendments to the Methodical recommendations on the formation and implementation of forecast and program documents of socio-economic development of the united territorial community	Consideration of project decisions of town-planning documentation at formation of forecast and program documents of social and economic development by territorial communities	MCTD	September, 2021	Amendments to order of the MCTD (order of 30.03.2016 № 75)

5.2 Provide a transparent framework for land use planning at different levels

5.2.1 Adoption of the draft Law № 3337 «On Amendments to the Law of Ukraine «On regulation of urban development» on the General scheme for planning the Ukrainian territory by the VRU	The procedure for developing the General scheme for planning the Ukrainian territory as an interactive system of a set of geospatial models that determine the strategy of spatial development of the state is regulated by law.	VRU	November, 2021	Adopted Law
5.2.2 Creation of urban cadastre at the state level	Publication of the General scheme for planning the Ukrainian territory	MCTD	December, 2022	Disclosure of information on long-term land use planning at the state level in order to obtain a list of state interests in planning long-term land use at the regional and local levels automatically

Name and description of actions / measures	Expected results	Responsible institution	Deadline	Results and performance indicators (KPIs)
5.2.3 Creation of an urban cadastre at the regional level	Publication of regional and district planning schemes	RSA, DSA	December, 2022	Disclosure of 100% of information on long-term land use planning at the regional level in order to obtain a list of regional interests when planning long-term land use at the local level automatically
5.2.4 Development of requirements to the cartographic basis for development of complex plans of spatial development of territorial communities territories	Standardization of requirements for the thematic map	MCTD, SGC	July, 2021	The requirements are approved by a joint order of the MCTD and the SGC
5.2.5 Filling the SLC with information necessary for the development of urban planning documentation at the state, regional and local levels	Providing up-to-date spatial planning inputs at all levels	SGC	September, 2022	Filling the SLC with 100% of the information provided by the Law of Ukraine "On the State Land Cadastre"

Name and description of actions / measures	Expected results	Responsible institution	Deadline	Results and performance indicators (KPIs)
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5.3 Strengthen the capacity of local governments to increase land tax revenues

5.3.1 Development of urban planning documentation at the local level	Increasing the tax base of territorial communities	local authorities	December, 2024	100% of amalgamated territorial communities have urban planning documentation
5.3.2 Adoption of the Classifier of types of land plot purpose, types of functional purpose of territories and the relationship between them by the CMU	Standardized rules of Classifier' application with definition of lands categories and types of the ground areas purpose which can be established within the corresponding functional zone	SGC, MCDT, CMU	December, 2024	100% of amalgamated territorial communities have urban planning documentation
5.3.3 Adoption of the Classifier of types of land plot purpose, types of functional purpose of territories and the relationship between them by the CMU	Standardized rules of Classifier' application with definition of lands categories and types of the ground areas purpose which can be established within the corresponding functional zone	SGC, MCDT, CMU	July, 2021	Adopted by the CMU resolution

Strategic priority 6

Protect and manage environmentally sensitive lands

Rationale and Objectives

Balancing economic development with environmental protection and protection of environmentally sensitive areas (ESAs) is conducive for a sustainable development of communities and increasing the quality of life. The ESAs provide ecological, recreational, and cultural benefits to a community, some of them could be converted in a source of additional income streams. Uncontrolled economic development may lead to an irreversible loss of ESAs. For communities, therefore, it is important to identify the geographical distribution of ESAs and their boundaries and include/register this information in the SLC and in communities' local comprehensive plans, and specify land-use strategies and regulations for protecting them. This information should be open and free via NSDI facility.

ESAs (including the Nature Reserve Fund of Ukraine - NRF) are landscape elements or places which are vital to the long-term maintenance of biological diversity, soil, water or other natural resources both on the site and in a regional context. They include wildlife habitat areas, steep slopes, wetlands, and prime agricultural lands. The NRF is under governance of Ministry of Environmental Protection and Natural Resources of Ukraine. As of 2020, the NRF area consists of 8512 territories and objects of a total area of 4.4 mn ha or about 6.8% of Ukraine's territory. The official website of the Ramsar Convention reported about 50 wetlands of international importance with a total area of 802.6 thousand hectares in Ukraine.

The ecological network of Ukraine (includes areas of natural landscapes subject to special protection, and territories and objects of the reserve fund, resort and health-improving, recreational, water protection, field protection territories and other types of objects) make up an approximate area of 23 million hectares. The Emerald Network includes the Areas of Special Conservation Interest and includes 377 territories with a total area of 8.1 mn ha in Ukraine.

So far only a small share of the ESAs is reflected on the public cadastral map based on the results of information exchange between cadasters. The Transparent Land Governance program helps to create geodata and verify the boundaries of 7108 ESAs objects based on available paper documents. The Emerald Network is displayed as an information layer on the public cadastral map. A small number of environmental restrictions on land use are registered as objects of the State Land Cadastre.

Priority interventions

6.1 Include the environmentally sensitive areas & cultural objects on public cadastral map and develop streamlined regulations for enforcement

Digitization and verification of the exact boundaries of the ESAs and their further inclusion into SLC should be pursued, including further publication of geospatial datasets through the National Geospatial Data Portal and the Nature Reserve Fund Portal (if developed by the Ministry of Environment). A national inventory of wetlands and peatlands should be conducted. The information of the Red and Green Books of Ukraine should be translated into geospatial data sets.

There is a problem with cultural objects in that when a historical settlement does not have a defined area, the reference plan is the only fixation document in which such an area should be defined. This approach is not correct for these objects should be mapped accurately. A pilot project is currently underway in Vinnytsia Oblast, the objects have been mapped and are ready to be displayed on the Public Cadastral Map. Today there are about 170,000 objects of immovable cultural heritage in Ukraine. The procedure for registering such objects is incredibly complicated and bureaucratic. Monumental and cultural restrictions are currently practically not registered in the State Land Cadastre.

6.2. Monitor use of environmentally & culturally valuable lands & quickly deal with violations

In order to ensure monitoring and control over the protection of ecologically and culturally valuable lands, it is necessary to monitor the ESAs use using modern technologies, such as remote sensing of land, which will ensure a rapid response to violations. The received data of satellite monitoring of the Earth's surface should acquire the status of official evidence of the committed offense.



Implementation and Action Plan Matrix

Name and description of the actions/measures	Expected results	Responsible institution	Deadline	Deliverables and indicators of fulfilment (KPI)
6.1 Include ESAs & cultural objects on public cadastral map and develop streamlined regulations for enforcement				
6.1.1 Boundaries of protected areas and restrictions on their use must be officially registered and reflected in the State Land Cadastre	The data are displayed on the Public cadastral map.	MENR	January, 2023	100% of the boundaries of the Nature Reserve Fund have been digitized
6.1.2 Fixing the exact boundaries of the Emerald Network on the Public cadastral map	The exact boundaries are reflected on the Public cadastral map.	MENR	January, 2023	The exact boundaries of 100% of the objects of the Emerald Network are included in the Public cadastral map
6.1.3 National inventory of wetlands and peatlands	Information on all wetlands and peatlands is included in the Public cadastral map	MENR	January, 2023	100% of wetlands and peatlands are inventoried
6.1.4 Formation of sets of geospatial data on objects of the Red Book of Ukraine and the Green Book of Ukraine	Geospatial datasets are generated and published	MENR	January, 2023	100% of the objects of the Red Book of Ukraine and the Green Book of Ukraine are formed into geospatial data sets
6.1.5 Creation of technical possibility of registration of restrictions and objects of the Nature Reserve Fund in the State Land Cadastre	Registration of restrictions and objects of the Nature Reserve Fund in the State Land Cadastre is possible	SGC, MoA	January, 2023	Software operates

Name and description of the actions/measures	Expected results	Responsible institution	Deadline	Deliverables and indicators of fulfilment (KPI)
6.1.6 Registration of objects of cultural heritage and restrictions in the State Land Cadastre and their display on the Public Cadastral Map	Objects of cultural heritage and restrictions are registered in the State Land Cadastre and reflected on the Public Cadastral Map	MCIP, SGC, MoA	December, 2023	100% of cultural heritage sites and restrictions are registered in the State Land Cadastre.
6.1.7 Pilot project to determination cultural heritage restrictions on land use on the basis of technical land surveying documentation	Practical testing of the mechanism of fixing the boundaries of monument protection restrictions	MCIP	August, 2021	Pilot projects have been implemented in the following areas: Bilogorodka village in the Kyiv region Tustan Historical and Cultural Reserve in the Lviv region

6.2 Monitor use of environmentally & culturally valuable lands & quickly deal with violations

6.2.1 Development and adoption of regulations on monitoring and control of environmentally & culturally valuable lands using data from Remote Sensing of the Earth.	Legal regulation is created	MNER, SSA, MCIP, CMU	December, 2022	The resolution of the Cabinet of Ministers is adopted
6.2.2 Launch of a pilot project on monitoring and control of environmentally & culturally valuable lands using data from Remote Sensing of the Earth.	Remote land sensing information is used to detect violations in the field of environmentally & culturally valuable lands protection	MNER, SSA, MCIP	December, 2022	The pilot project works in 2 regions of Ukraine

Strategic priority 7

Provide communication support for land reform

Rationale and Objectives

This strategic priority aims at creating efficient communication framework (messages, channels & tools, strategies, action plans) that will provide communication support to the land market opening and roll-out of the State Agrarian Registry, raise public profile of land reform, secure and promote its positive impacts, ensure transparency and accountability of the land reform implementation with wide engagement and integration of stakeholders, and mitigate potential communication risks.

In 2020, numerous communication efforts were facilitated to secure development and adoption of the so-called land reform laws package starting with the law on the agricultural land turnover. However, sociological surveys demonstrate that negative attitudes towards the land sales market prevail, moreover⁸ the attitude somewhat worsened in 2020 compared to 2019. A lack of information about the aim and benefits of the land reform, its key legal provisions, stages of implementation, key outputs and impacts is one of the main reasons for that.

It is crucial to launch a major communication campaign as soon as the remainder of the legislative package (i.e., draft laws 2194, 2195, and 3205) is passed. It is also essential to track the impact of this campaign on people's awareness as well as perceptions about the land market. This will help make sure that the lack of knowledge and understanding of the land reform and its benefits is addressed by the campaign and will not undermine their ability to benefit from the positive impacts of reform.

To protect the achievements and secure future developments, joint coordinated efforts of the Government, civil society, local authorities, business are needed to make communication activities more targeted and efficient.

Priority interventions

7.1 Challenging myths and increasing awareness among the general public

In order to improve public perception of land reform the government needs to develop and implement comprehensive communication campaigns that will focus on addressing key myths around land reform, increasing awareness about the goals, stages, design, and impacts of the land reform at all levels, informing public on the Strategy for the development of land relations and its implementation.

Rural households and family farms, small and medium farmers, local governments, and the general public, who are the most numerous and the least aware groups of stakeholders,

⁸ The Democratic Initiatives Foundation, Opening of the land market: Changes in public perception in 2019–2020: <https://dif.org.ua/article/vidkrittya-rinku-silskogospodarskoi-zemli-yak-zminilysya-suspilni-nastroi-protiyagom-20192020-rr>

will be key target audiences of communication campaigns. It is also essential to work with potential land reform ambassadors — looking for more touchpoints with civil society, professional and business communities and building coalitions of supporters around shared goals and values.

During implementation of the strategy the government will ensure that all official land related communication is well coordinated through one focal point – Ministry of Agrarian Policy and Food – to make communication more consistent and efficient, set priorities, make use of all available communication channels, and attract international technical aid if needed.

7.2. Citizens' legal education and support

Over the last year, five new laws (Land turnover law (No. 552-IX), "On Amendments to Certain Legislative Acts of Ukraine on Combating Raiding" (No.340-IX), "On National Infrastructure of Geospatial Data" (No. 554-IX), "On Amendments to Certain Legislative Acts of Ukraine Concerning Land Use Planning" (No. 711-IX), and "On Amendments to Certain Laws of Ukraine on the Functioning of the State Agrarian Register and Improvement of State Support to Agricultural Producers" (No. 985-IX)) were adopted. Two more laws (on deregulation, electronic land auctions) were adopted recently and are awaiting signing by the president, and one draft law on establishment of PCG Fund is likely to be adopted soon. To execute the laws the Cabinet of Ministers of Ukraine (CMU) will have to adopt over 50 regulations. The scale of changes is unprecedented. Therefore, it is essential to educate people on relevant land legislation changes and their implications for their everyday life and business activities. Besides, it is crucial to provide citizens with legal support and consultations on land-related issues to prevent undermining positive impacts of reform.

Free Legal Aid (<https://www.legalaid.gov.ua/>) is essential for legal support of smallholders in land-related cases and raising legal literacy and awareness among target audiences by informing people on key milestones and outputs of the land reform, educating them on their rights, and explaining procedures for receiving public services. The government needs to provide all available support to promote FLA among target audiences, inform people on the opportunities for getting consultations and legal support, support and coordinate FLA nationwide educational campaign on the land reform.

7.3 Managing expectations of key stakeholders and mitigating risks

To ensure swift and proper implementation of land reform, Ukrainian government jointly with international partners, initiated the development of the Strategy for the development of land relations. When adopted, the roadmap will be publicly presented and discussed with key stakeholders. Providing regular information feeds on the Strategy implementation and establishing communication channels and instruments for public monitoring based on the set of objective KPIs will allow the Government to properly manage stakeholders' expectations.

The government will also work to develop a set of relevant messages for each target group explaining the final benefits of land reform in simple language based on their interests. To disseminate information efficiently the Government will use existing channels of communication both formal and informal and create new based on residence, age, occupation, habits, values, interests of each target group.

7.4 Stakeholders engagement and establishing a coalition for the transparent land market

The level of interest and involvement of NGOs and citizens in solving land-related issues is insufficient. Targeted communication activities explaining benefits and engaging key stakeholders to more proactive dialogue with central and local governments are essential. At the same time, establishing the group of third-party supporters (coalition) will help to sustain achievements, debunk myths and speculations and promote land reform among the general public. The Government will initiate development and publishing of a land reform agenda, that will be open for all NGOs to support and contribute.

The government will also seek opportunities to conduct public consultations with civil society on combatting land related corruption and increasing transparency & efficiency of land governance, protection of land holders' rights and raising quality of public land related services.

7.5 Promotion of the State Agrarian Registry

The State Agrarian Registry ([https://ar.gov.ua/;](https://ar.gov.ua/)) was launched in pilot mode in February 2020 (see Strategic priority 2 on the SAR more in details). As part of the pilot, the information portal was launched; manuals, instructions, and communication materials were developed. For further roll-out of SAR, it is essential to launch a large-scale communication campaign aimed at increasing awareness about the SAR and trust towards it among farmers is implemented.

Regular newsfeeds and educational materials on land reform, access to finance and state support should be produced and disseminated through a wide range of communication channels, including the SAR web page, official Government information resources, FLA, national and local mass media, social networks, messengers and others. The government will work to provide training opportunities for local governments, farmers, and bankers about SAR functionality and services. Considering that Internet penetration in rural areas is uneven, providing consultations by phone and access to print materials in public spaces (village councils, post offices, railway stations, centers of administration services) is also necessary.

7.6 Monitoring public perception and evaluating efficiency of communication campaigns

The government will establish regular monitoring of publications on land related issues in the national and regional media, will analyze media coverage and take necessary actions to notify responsible state bodies of the issues and risks to follow up.

The government will also follow all relevant opinion polls to track public perceptions and assess efficiency of communication campaign; and will establish the system of monitoring of FLA cases to ensure that the causes of the lack of knowledge and understanding of land reform and its benefits are identified and can be addressed

Implementation and Action Plan Matrix

Name and description of the actions/measures	Expected results	Responsible institution	Deadline	Deliverables and indicators of fulfilment (KPI)
7.1 Challenging myths and increasing awareness among the general public				
7.1.1 Develop and approve by a CMU order the Land reform communication strategy for 2021-2024	Single and consistent strategy	MoA, MCIP, CMU	June, 2021	CMU order adopted
7.1.2 Develop and approve by a CMU resolution the action plan for the implementation of the Land reform communication strategy in 2021	Coordinated and efficient communication activities	MoA, MCIP, CMU	June, 2021	CMU resolution adopted
7.1.3 Launch a large-scale communication campaign to support the land market opening	Improved public perception of land reform	MoA, MCIP	July, 2021	Action plan for 2021 implemented
7.1.4 Develop and approve by a CMU resolution the action plan for the implementation of the Land reform communication strategy in 2022	Budget funds necessary for sustainable land reform communication allocated	MoA, MCIP, CMU	September, 2021	CMU resolution adopted
7.1.5 Create and disseminate a set of communication materials on land reform: fact sheets, FAQs, leaflets, posters, brochures, ads, videos etc.	Information materials available to the public MoA, MCIP	MoA, MCIP	July, 2021	Materials produced and disseminated among local governments
7.2 Citizens' legal education and support				
7.2.1 Establish a special section on the FLA web page entirely dedicated to the land reform containing all relevant information & training materials	Convenient tool for getting explicit information	Free Legal Aid/MoJ	July, 2021	Section established and accessible

Name and description of the actions/measures	Expected results	Responsible institution	Deadline	Deliverables and indicators of fulfilment (KPI)
7.2.2 Optimize of the FLA web-page search function to access all relevant content by keyword	Quick access to necessary information	Free Legal Aid/MoJ	July, 2021	Function fully operational
7.2.3 Promote FLA at all available channels: web pages of central and local state bodies, their pages in Social media, on TV, outdoor & others.	Raised awareness of public on FLA & its services	MCIP	December, 2021	FLA logos, telephone number and web page published

7.3 Managing expectations of key stakeholders and mitigating risks

7.3.1 Hold public presentation of the land reform roadmap	Public informed of the Government's plan for the land reform implementation	MoA	May, 2021	Roadmap presented at the high-level event
7.3.2 Create a landing page for the land reform roadmap and public monitoring of its implementation	Transparency and accountability to public	MoA	July, 2021	Web page created and accessible
7.3.3 Create direct channels for informing farmers and OTGs on the land reform implementation (newsletter, Viber/Telegram Channel)	Efficient outreach of target audiences	MoA, MCIP	August, 2021	Channels created

7.4 Stakeholders engagement and establishing a coalition for the transparent land market

7.4.1 Roadshow in support of land reform – series of public discussions/consultations with key stakeholders	Awareness raised and feedback gathered for further adjustments of strategies	MoA	July, 2021	Meetings conducted; feedback summarized
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Name and description of the actions/measures	Expected results	Responsible institution	Deadline	Deliverables and indicators of fulfilment (KPI)
7.4.2 Following public consultations launch the land reform agenda initiative jointly with major NGOs in support of the Government land reform roadmap	Group of 3rd party supporters (land ambassadors) formed	MoA	July, 2021	Agenda published No less than 20 reputable NGOs support (sign) the land reform agenda
7.4.3 Create Public Council for Land Reform – Advisory Body to the Cabinet of Ministers	Civil society actively involved in the land reform implementation	MoA, CMU Secretariat	July, 2021	CMU order issues

7.5 Promotion of the State Agrarian Registry

7.5.1 Develop and approve by a MoA order action plan for promotion of the State Agrarian Registry in 2021	Coordinated and efficient communication activities	MoA	August, 2021	MoA order issued
7.5.2 Develop and approve by a CMU resolution the action plan for the promotion of the State Agrarian Registry in 2022	Budget funds necessary for promoting SAR allocated	MoA, MCIP, CMU	September, 2021	CMU resolution adopted
7.5.3 Create and disseminate a set of communication materials on Agrarian Registry: fact sheets, FAQs, leaflets, posters, brochures, ads, videos etc.	Information materials available to target audiences	MoA, MCIP	July, 2021	Materials produced and disseminated among local governments, TSNAPS, Farmers and OTG Associations
7.5.4 Launch a communication campaign to support the roll-out of the State Agrarian Registry	Raised awareness of SAR, target levels of sign ups	MoA, MCIP	August, 2021	MoA action plan (7.5.1) implemented

Name and description of the actions/measures	Expected results	Responsible institution	Deadline	Deliverables and indicators of fulfilment (KPI)
7.5.5 Training online courses on SAR developed and launched	Target audiences educated on SAR functions and opportunities	MoA	September 2021	Training courses accessible at SAR web page

7.6 Monitoring public perception and evaluating efficiency of communication campaigns

7.6.1 Media monitoring on land reform established, analytical reports produced on monthly basis and shared with all responsible state bodies	Communication units of responsible state bodies equipped with a tool to analyze efficiency of communication activities	MoA	June 2021	Media monitoring reports available to all relevant state bodies
7.6.2 A methodology for identifying legal issues, an action plan to address these issues, and measuring the impact of community capacity building on land issues developed and approved	Government equipped with a tool to analyze efficiency of communication strategies and adjust them accordingly	Free Legal Aid/ MoJ/MoA, CMU	August, 2021	Methodology adopted

Part III

Monitoring of the Strategy Implementation



Monitoring operational and organizational setup

The Ministry of Agrarian Policy and Food of Ukraine will ensure and effective monitoring of the overall implementation of the land reform strategy and shall report to the coordination and monitoring body (or Steering Committee) on the regular basis on the progress achieved. Organization of the regular monitoring and evaluation of the Strategy implementation should be done on the basis of legislation and institutional development progress as well as on the basis of quantitative indicators and the collection of comparable data that would allow to track the progress quantitatively, and to identify areas of a particular attention. The MoA can involve technical assistance from 3d parties to ensure effective monitoring and evaluation of the land strategy implementation progress.

Coordination and monitoring body which will meet on the biweekly basis to discuss the progress and take decisions to ensure a timely progress on the reform. It shall be set up within 2 weeks after the approval of the land strategy and draw up and adopt its own rules of procedure. The members of the coordination and monitoring body shall consist of a chairman, vice chairman and members appointed by the MoA. The members shall include high-level managers of the line ministries and agencies involved (Mo), SGC, MoE, MCTD, NAIS, MENR), the Presidential Administration, the Verkhovna Rada of Ukraine, representatives of major NGOs, professional organisations, civil society and donors.

Strategy monitoring and key performance indicators matrices

Strategy legislation and institutions development progress

Each strategic priority contains a corresponding Implementation and Action Plan Matrixes with deliverables, timing and indicators of fulfillment. This will form a natural basis to track the progress of the land strategy legislation and institutions' development.

Strategy progress quantitative indicators

Quantitative indicators of the land reform progress will complement the progress on the land legislation and institutions' development.

Key performance indicators (KPI)	Measurement units	Territory coverage (national or local)	Source of the data	Relevance for strategic priority (SP)
Registered state border	km	National	SGC	SP1.1.1
Updated cartographic basis	Sq.km	National, oblast and OTG	SGC	SP1.2.1
Registered rights on pre-2013 registered land plots	# of plots and their corresponding area	National, oblast and OTG	SGC, MoJ	SP1.2.4
Registered boundaries of the territories of communities and districts	# of registered administrative units	National, oblast and OTG	SGC, MCD	SP1.3.4
Registered land (by land type and ownership)	# of registered plots, corresponding registered area and a share of the total	National, oblast and OTG	SGC	SP1.3.5; SP1.5.1
Registered boundaries of the ESAs	# of registered ESAs	National, oblast and OTG	SGC, MENRm NAIS +	SP6.1
Registered cultural heritage objects	# of registered cultural heritage objects	National, oblast	SGC, MoC	SP6.1
Registered farms in the SAR	# of registered farms	National, oblast and OTG	MoA	SP2.3
Amount of state support channeled via the SAR	% of the total agricultural support budget	National	MoA	SP2.4
Cadastral plots without registered rights (by land type)	# of plots, corresponding registered area	National, oblast and OTG	SGC + NAIS	SP1.3

Key performance indicators (KPI)	Measurement units	Territory coverage (national or local)	Source of the data	Relevance for strategic priority (SP)
Land prices (lease, emphytheusis, free privatization and sales/purchases)	Weekly report on prices (UAH/ha) and other terms of land transaction	National, oblast and OTG	NAIS	SP1.5.1
Registered mortgages (total and facilitated by the PCG)	# of deals with corresponding terms (# plots involved, their area, type of transaction, value and other terms of mortgages)	National, oblast and OTG	NAIS + NBU	SP4.1; SP4.2
Small farmers support	% of total agricultural support budget channeled to small farmers	National	MoA	SP4.5
Land related budget revenues	For 3 types of taxes: land tax, single agricultural tax, and income tax (on leases) - # of tax payers - # of land plots liable for taxation - land area - revenue generated	National, oblast and OTG	SGC + NAIS + State Tax Administration	SP5.1
Land use comprehensive plans	# of OTGs plans	National, oblast	MCTD	SP5.2
Land-related court cases (by type)	# of cases	National, oblast and OTG	State court administration	SP7.2
Requests for a land related free legal aid by type	# of cases	National, oblast and OTG	Ministry of Justice/FLA	SP7.2

