



REPUBLIC OF ESTONIA
LAND BOARD

Land acquisition for implementing governmental projects in Estonia

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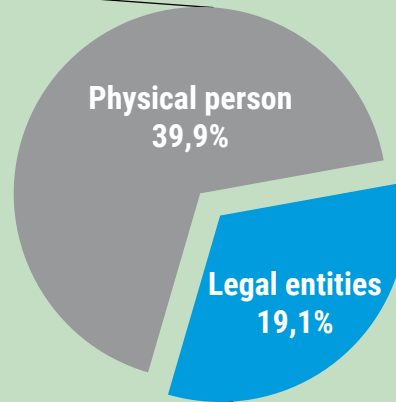
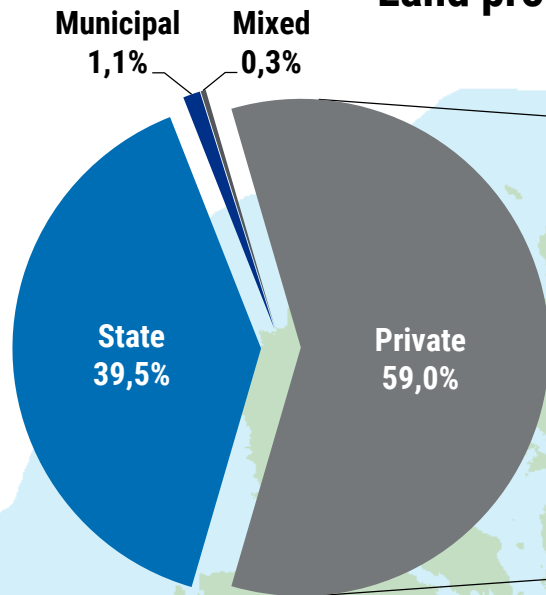
28.03.2019

Presentation structure

- Land structure
- Land acquisition
- New legislation
- First feedback

Land property structure

Land property structure

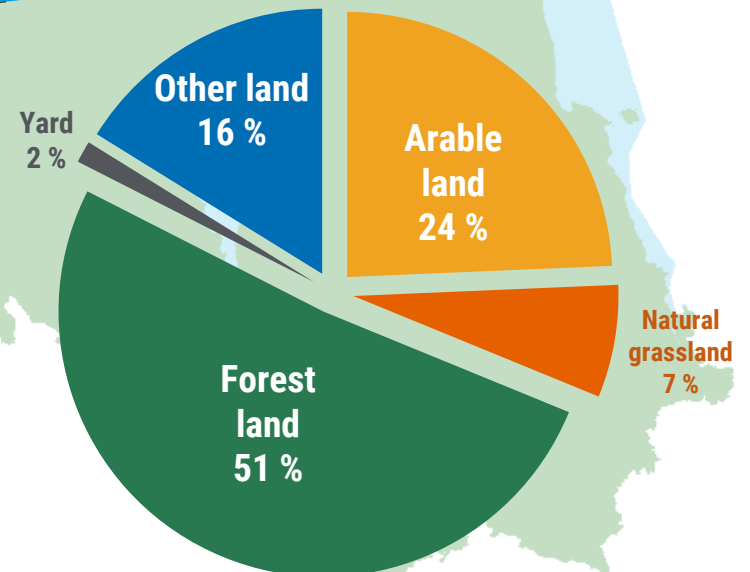


Republic of Estonia

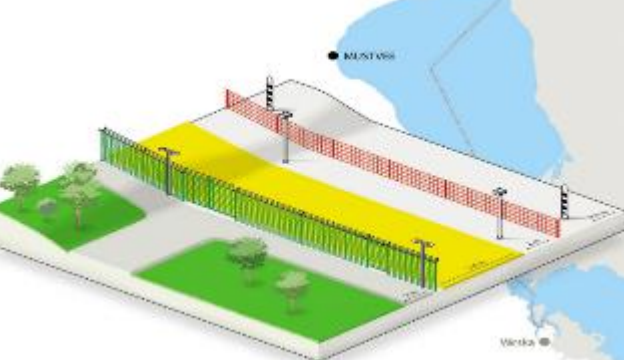
Area: 45 336 km²

Territorial sea
area: 25 139 km²

Registered land use types



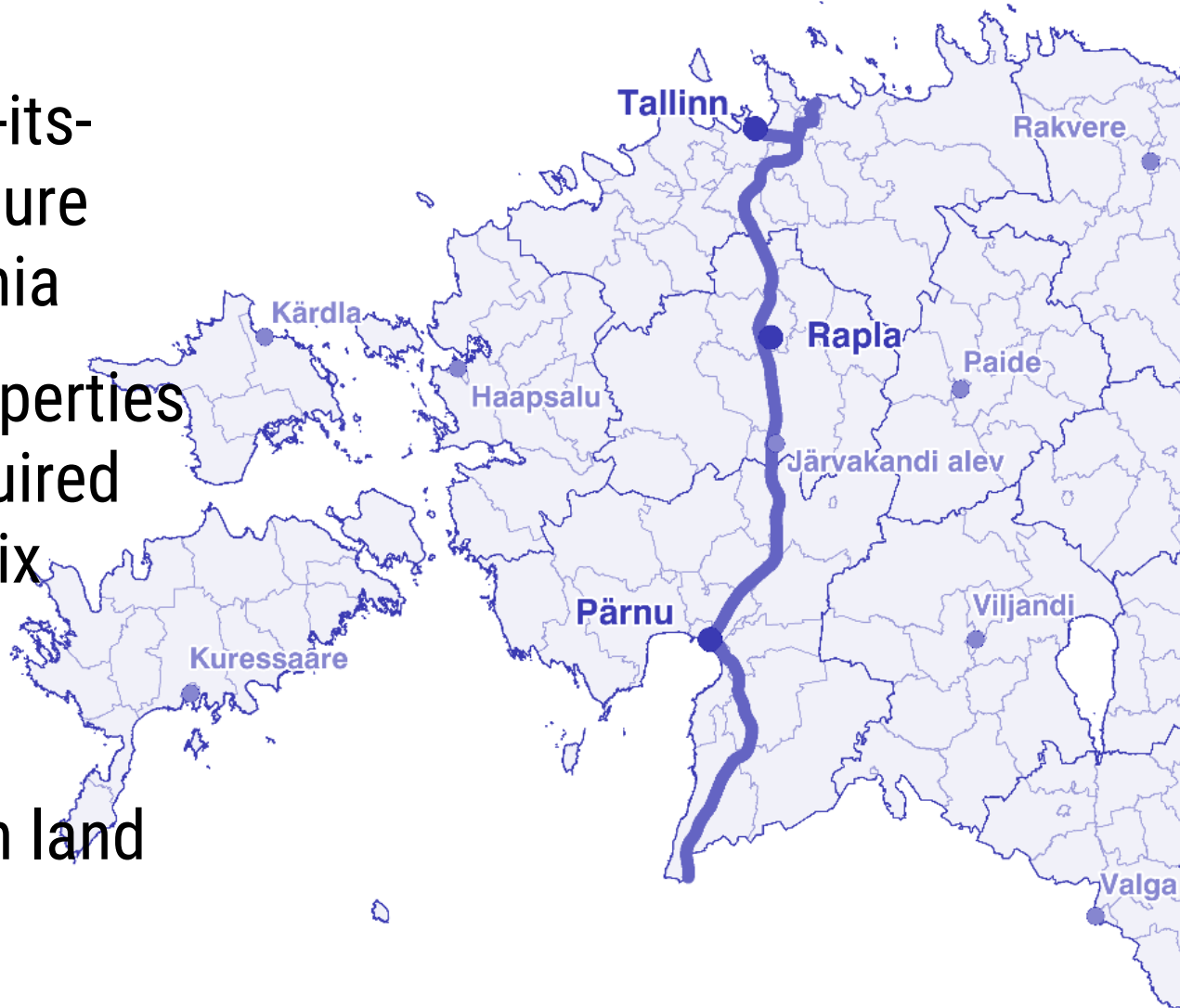
Land acquisition by state



- road construction
(94% of all land transactions)
- state border
The government decided to demarcate the Estonian-Russian border by the 100th anniversary of the Republic of Estonia
- creation of military training areas
- acquisition of land in nature protection areas with strict restrictions on land use

Rail Baltica in Estonia

- It is the first-of-its-kind infrastructure project in Estonia
- 619 private properties have to be acquired within four to six years
- no previous experience with land consolidation



The impact of railway construction on land ownership and use

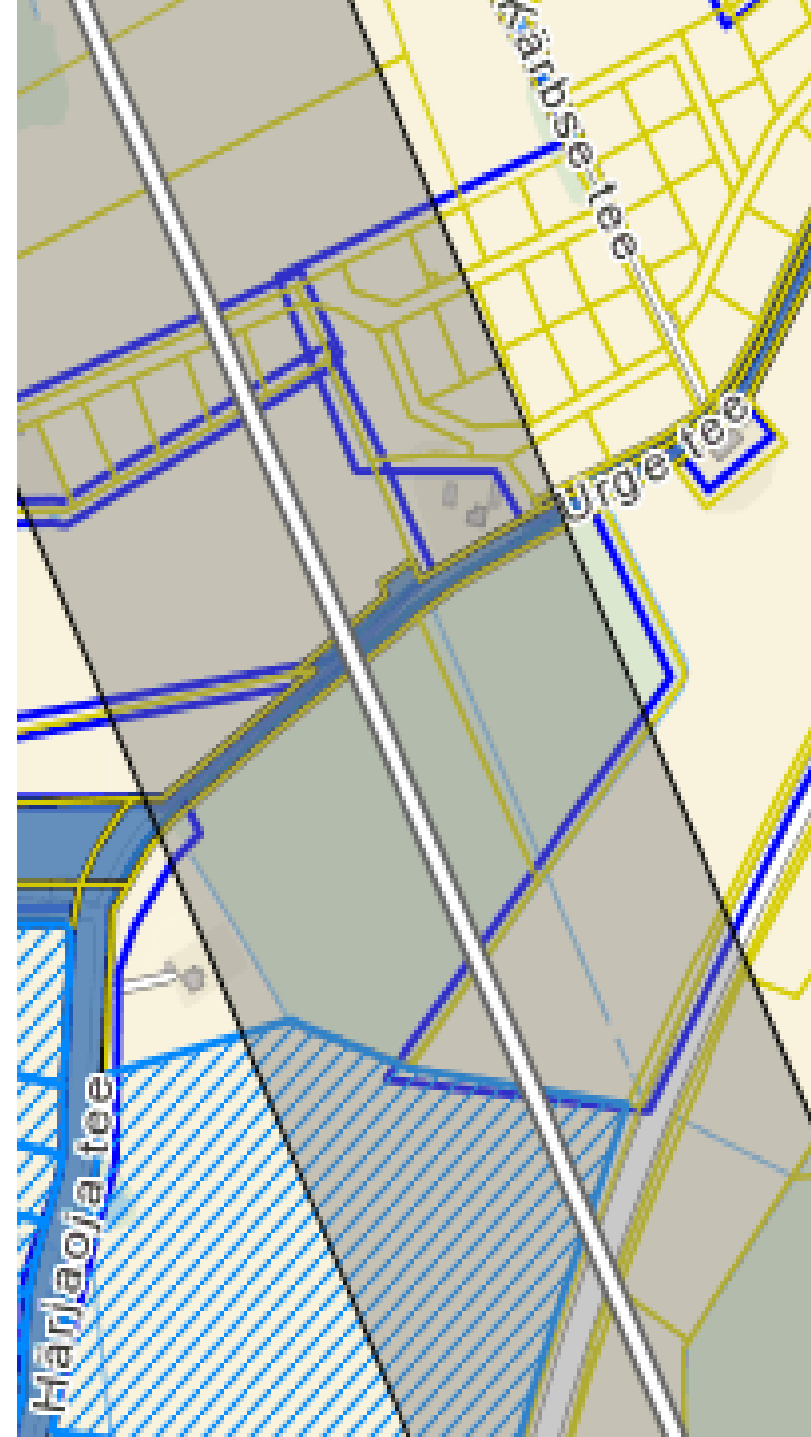
- Landowners and users might be losing all the land use or their houses
- The implementation of new railway object might be involved with negative impact (noise, the loss of view, the value decrease of property, etc.)
- The costs of future land use depends on the length of the bypass
- The land use might be fragmented after the implementation of new railway route

We are in the need of the land consolidation!

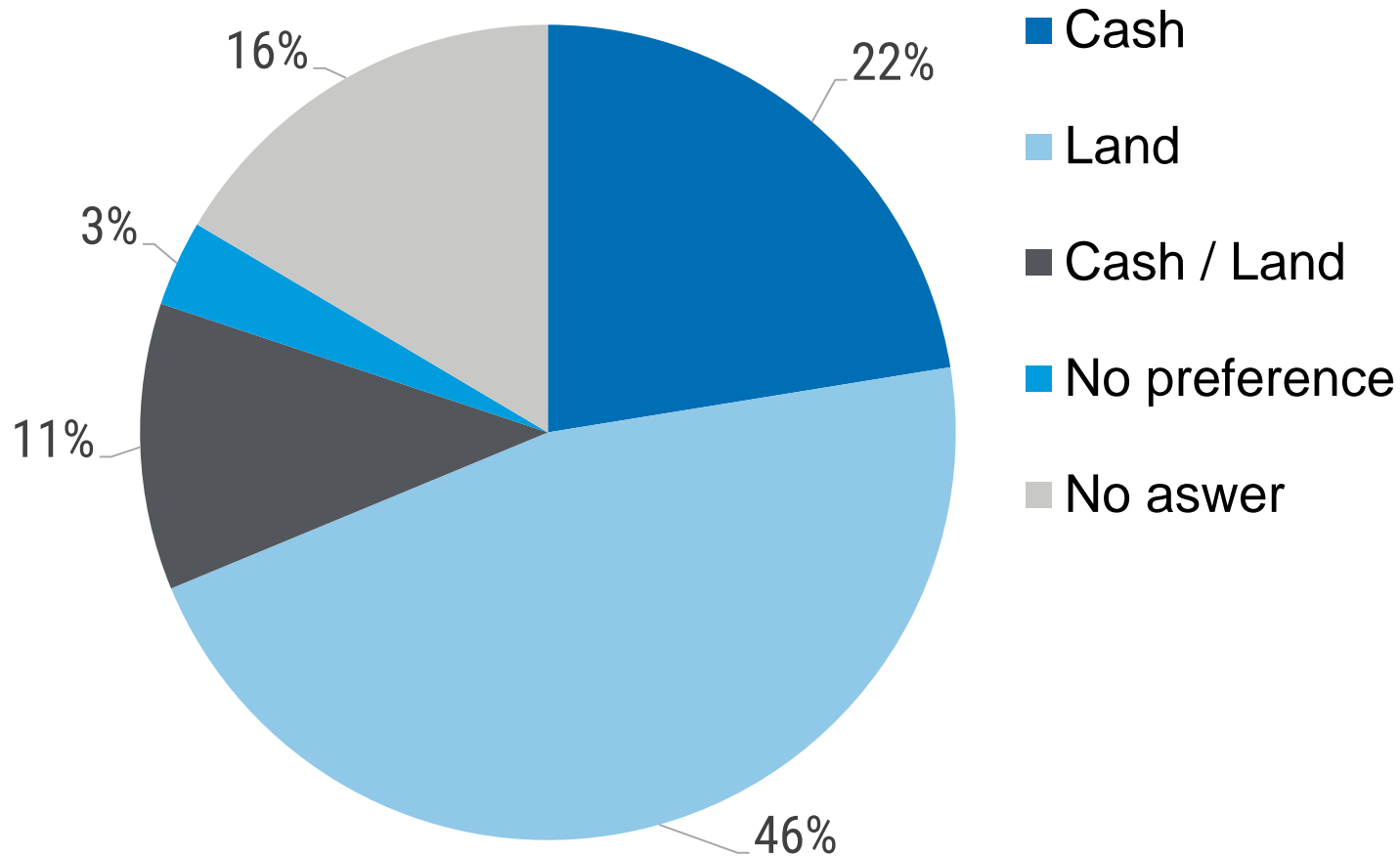
- in Estonia, land consolidation was previously carried out only in land reform
- reallocation was not used for an economical reasons but for more efficient land use
- in rural areas parcels are big enough, the median size of agricultural and forest parcel in private ownership is 5.37 ha
- Rail Baltic causes land fragmentation, therefore land consolidation is needed

What is the benefit from the Rail Baltica project?

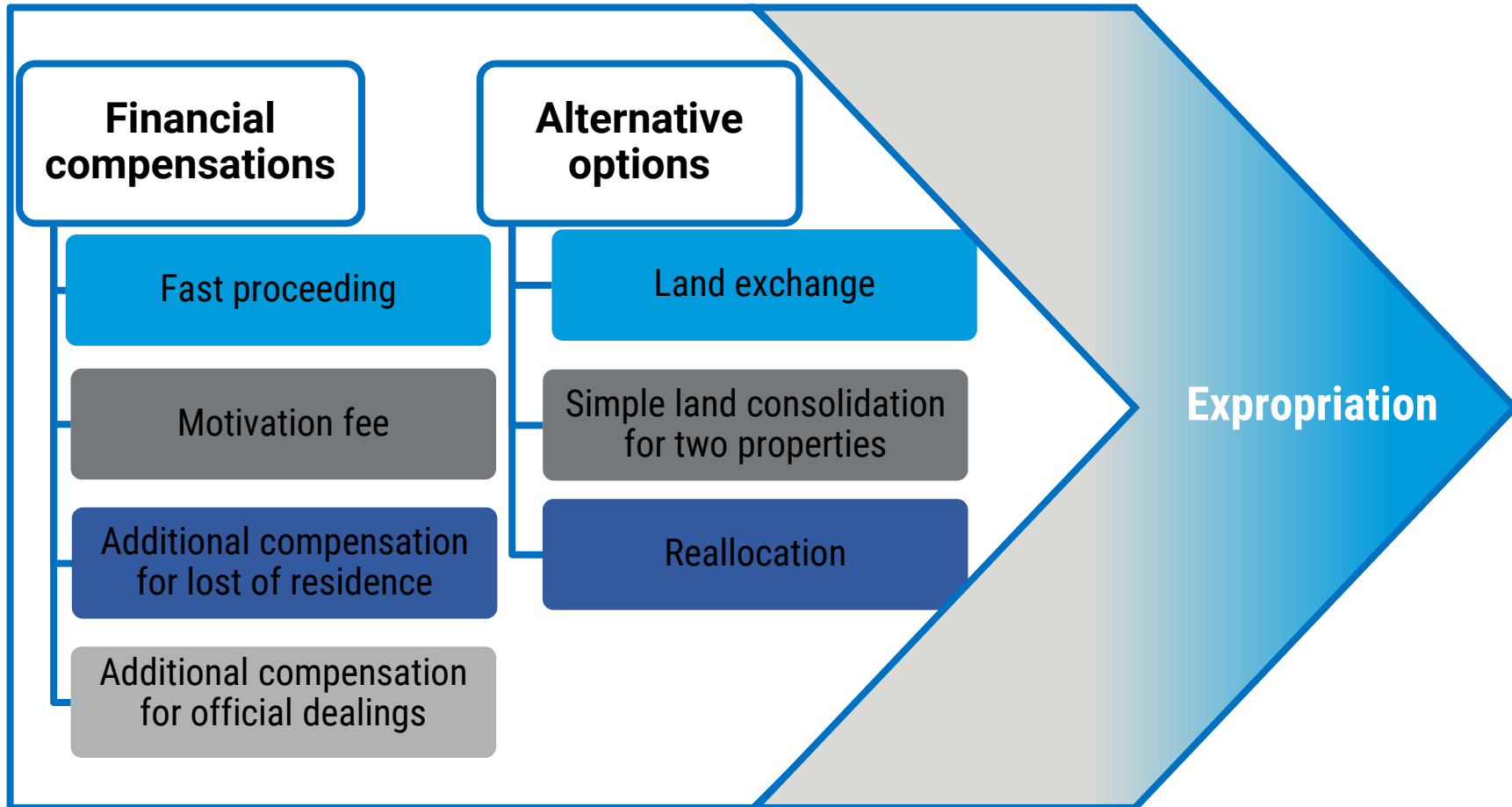
- This project gives us possibilities to develop and improve our competence
- We are involved to the supplement of legislation
- It gives us opportunities to develop the land consolidation and cadastral operations



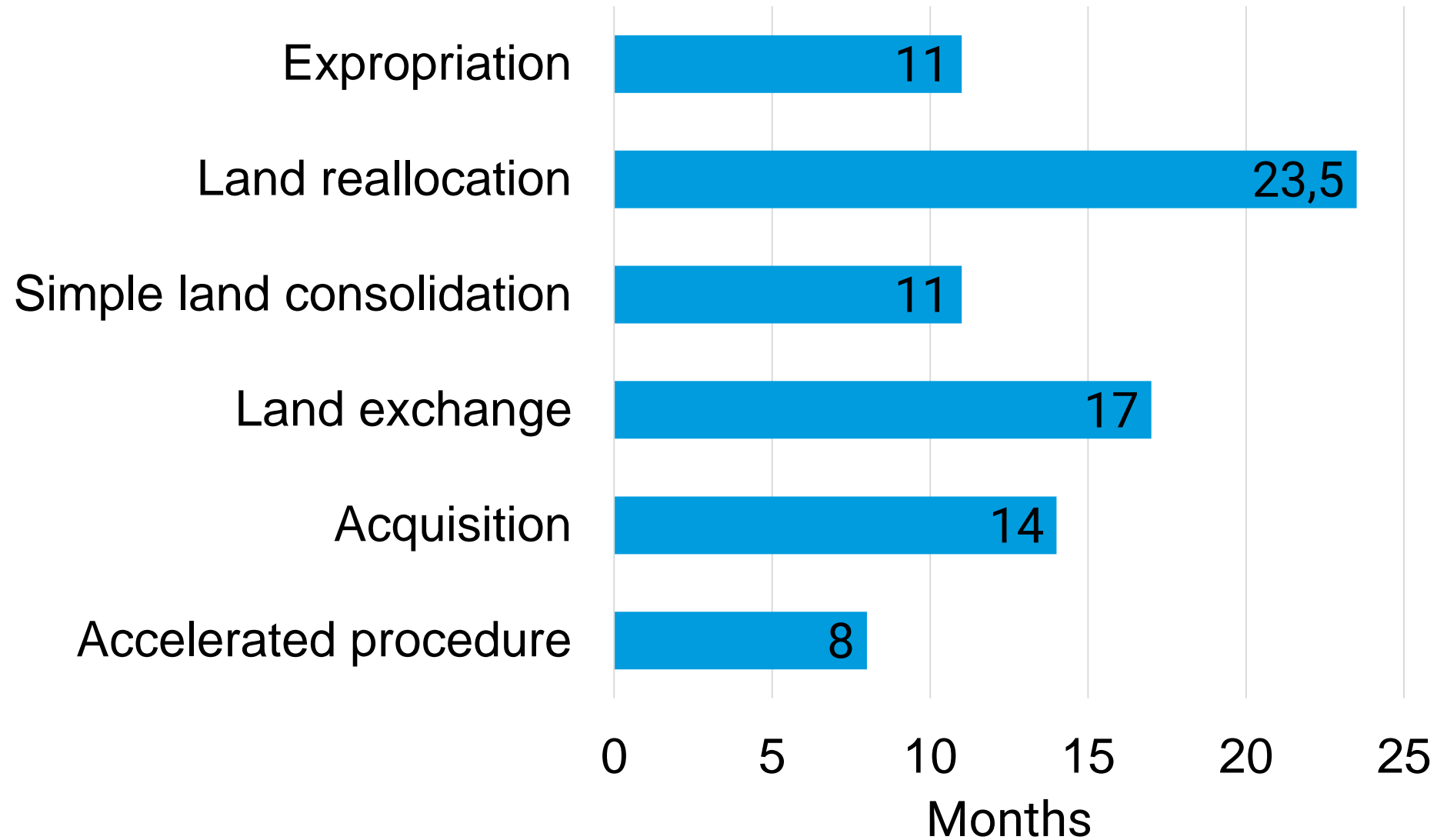
Preferred solutions by owners in Rail Baltica project



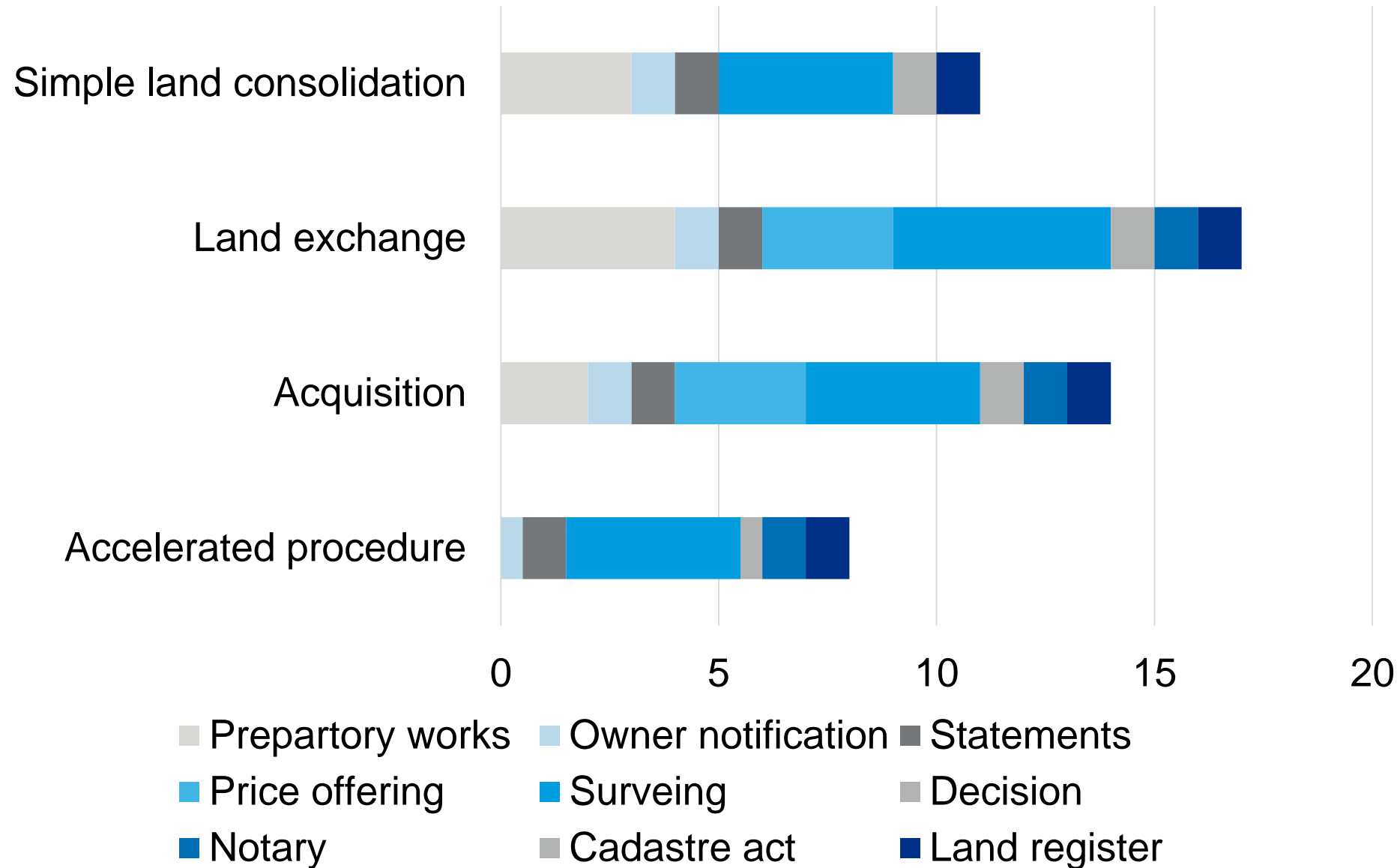
Compensation possibilities and alternative options



Duration of different alternatives



Procedures in alternatives



Land acquisition upon settlement

Fast proceeding in case of very small land acquisitions
(30% of average salary = 365 €)

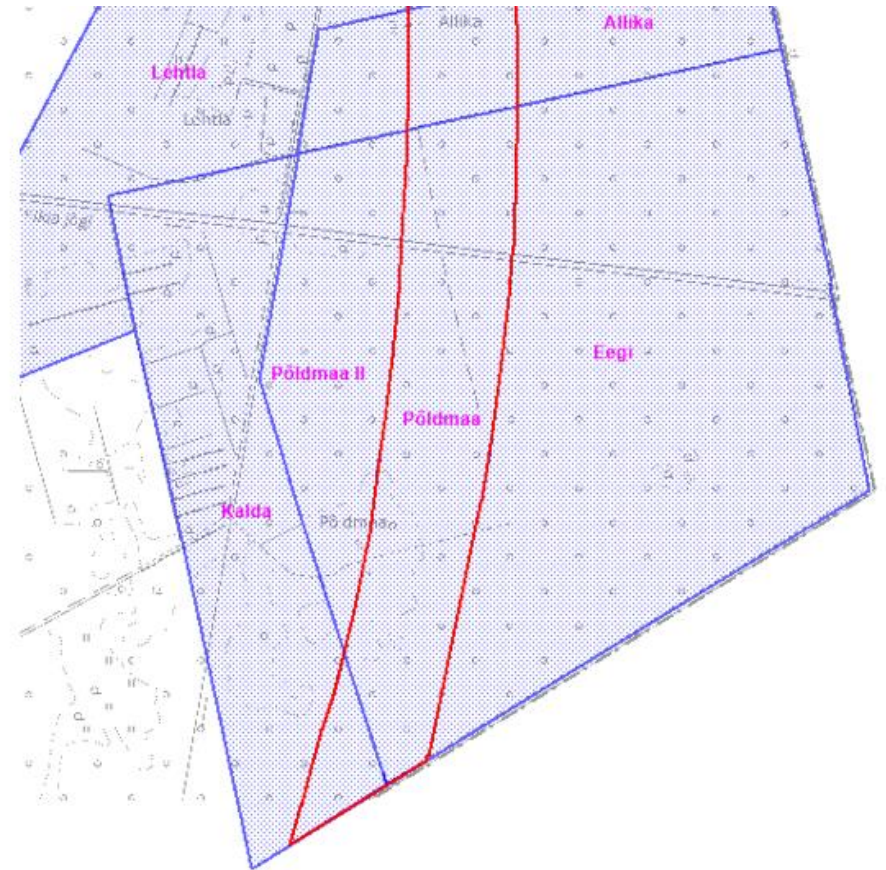
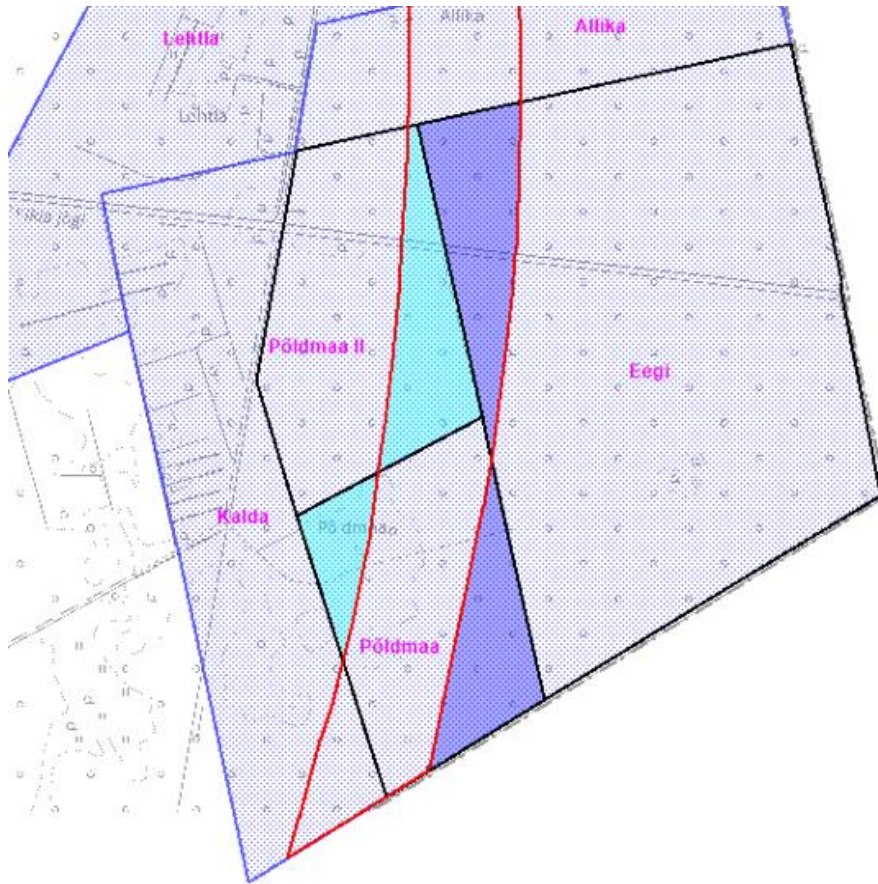
Additional compensations for voluntary agreements to sell land:

- motivational fee 20% of the value of the real property,
- compensation for the loss of dwelling 10% of the value,
- compensation for the cost of participating in procedures 115 € for every owner;

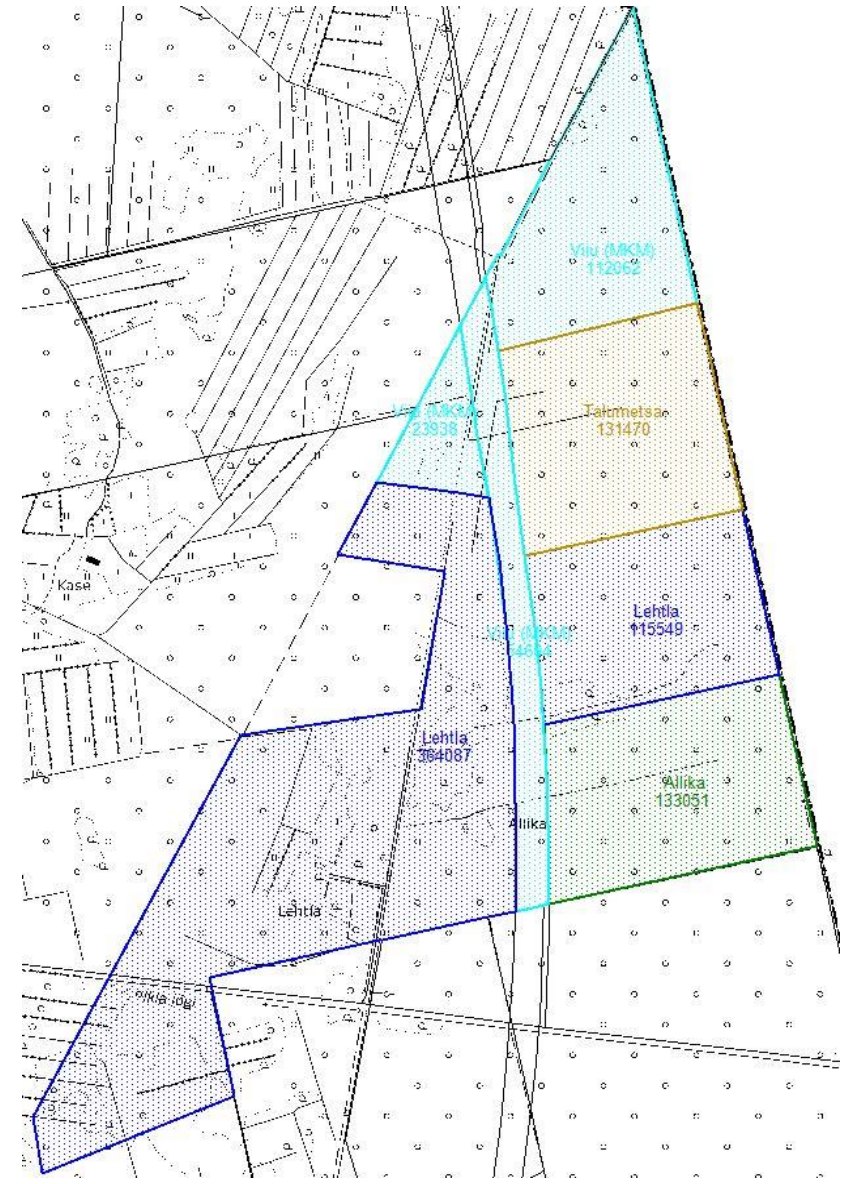
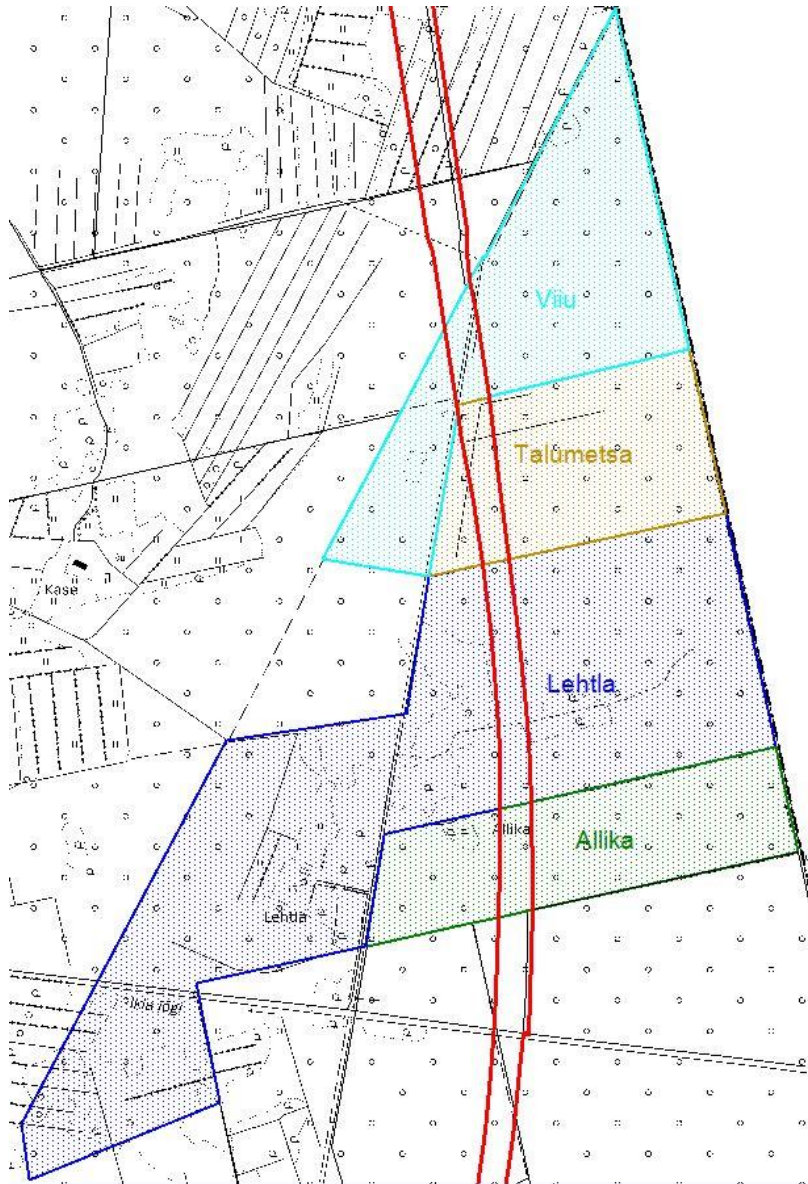
Income tax is not charged on motivational fee and compensations.

Motivational fee will not be paid in case of land consolidation and expropriation.

Simple land consolidation



Land consolidation



Reallocation

- Properties are formed in new boundaries based on the current values.
- The aim is to maintain present land use and to consider the needs of the parties.
- Reallocation is possible when there is enough state property nearby and all involved parties reach an agreement to change the boundaries.
- Motivational fee will not be paid in case of reallocation.
- The regulation of land consolidation and reallocation is being modified.

The main difference after the changing of Land Consolidation Act

- The land consolidation is not a transaction;
- Land owners do not have to go to the notary and do not have to conclude any contract, because the landowners are agreeing to change the boundary of properties course the land consolidation;
- Land Cadastre registers the property boundaries on the basis of the land readjustment documents;
- Land Cadastre applies the data to Title Book and the land owner doesn't have to do any operations.

Evaluation of land

- When acquiring land required for the construction of Rail Baltic, the owner is paid compensation;
- Evaluation of real property with buildings is based on the cost of replacement;
- Value of real property with forest is determined based on the inventory data of growing forest and the selling price of timber provided by the State Forest Management Centre;
- Certified assessor values real property without forest;
- When carrying out land consolidation, the valuation of forest is based on the method of valuation of real property with forest. Valuation of other land use types (arable land, grassland, etc.) is made based on the average transaction prices in the area.

What changed in the land cadastre?

- transfer to point-based cadastre - it allows for land consolidation purposes to measure only relevant boundary points (partial surveying);
- cadastral registrar forms the cadastral parcel based on data submitted by the surveyor and determines the area and land cover and use types based on the topographic database;
- cadastral registrar can join or subdivide parcels without cadastral surveying ;
- e-Cadastre data are official and extracts can be made;
- the whole procedure is fully digital.

Video



First lessons

- People are more interested to sell their land with +20% motivation fee, rather than start a reallocation in case of smaller pieces;
- Good start has been done in reallocation;
- Different institutions still have a little different practises.



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Aitäh!

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