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# Security of Property Rights and Land Use Transition in Ukraine

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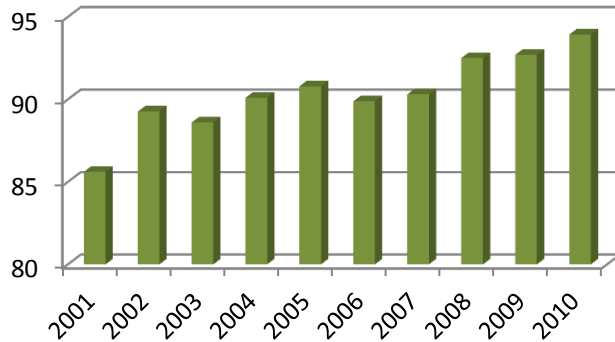
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## Rented Agricultural Land, %



## Summary of Ukraine Land Reforms

- 1991 & 1992: Right to independent management; private rights
- 1994 & 1995: Improved process for land transfer
- 1998: Members of collective farms may purchase land
- 1999: Right to exit a collective
- 2002: Clarification of ownership/boundaries
- 2002: Moratorium on land sales
- 2013: Expected end of moratorium

## Methods

SUR Regression Analysis

Dependent variables:

- Share of land in fruit
- Share of land in grains

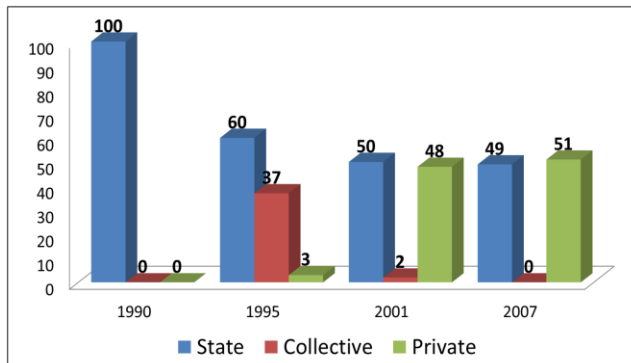
Independent variables:

- prices (lagged)
- share of land rented (& lagged share)
- total land in farming

R fruit 0.33; grain 0.07

## Question: Are The Tenants' Rights Secure?

## Share of Ag Land by Ownership Type



Source: Center for Land Reform Policy in Ukraine

## Conclusions

- Ukrainian agriculture has not kept pace with other sectors under post-Soviet reforms
- Establishment of market for agricultural land is stagnant
- Rental market has substituted the land sales
- Ag land rental market has a strong negative association with production of perennial crops
- Share of land in grain is more responsive to lagged prices than share of land in fruit.

Perennial crops farming area, Ukraine 2004

