

THE RIGHT TO LAND

**IN THE UN DECLARATION ON THE
RIGHTS OF PEASANTS AND OTHER
PEOPLE WORKING IN RURAL AREAS**



№2
November 2023

Dear Friends!

You are reading the second issue of the Bulletin prepared within the framework of the Peasants' Rights and Food Sovereignty Project, entitled "The Right to Land in the UN Declaration on the Rights of Peasants and Other People Working in Rural Areas".

Before the war, a free market for the purchase and sale of agricultural land was launched in Ukraine on 1 July 2021, and it is still functioning despite Russia's full-scale military aggression. Currently, individuals can buy land of up to 100 hectares. In the second stage, starting from 1 January 2024, legal entities and citizens of Ukraine will be entitled to purchase land up to 10,000 hectares in one hand. Those who want to launch this process in turbo mode promise that in two months the land market will see many more players and, of course, foreign investment, which is necessary for Ukraine's reconstruction.

This completely disregards international and domestic pre-war practices, which show that investment raises serious concerns about national food security and the provision of quality and safe locally-produced food to people. Important societal issues are completely ignored: will such large-scale investments yield positive results for the public welfare, or will they harm the livelihoods of residents, their food self-sufficiency, social security, the environment, and more?

Since governments play the main role in managing foreign investment and negotiating its involvement, they have a key role in creating necessary conditions for achieving social consensus and balance of interests of society, investors, local communities, rural landowners, and land users. At the international level, many important regulatory and methodological documents, mechanisms, and tools have been developed and are being used that have proven to be effective in this important area of social relations.

The evidence presented in the Bulletin shows that discrimination against farmers and other small agricultural producers is increasing in Ukraine with the introduction of a free land market. Ukraine needs immediate international technical assistance on how to address these serious problems in a civilized manner during the war and in the years of post-war reconstruction for its successful integration into the European community.

I sincerely would like to pay tribute to the members of the Association of Farmers and Private Landowners of Ukraine who have been selflessly defending their legal right to land for many years, especially Ruslan Khomych, Oleg Bondarenko, Vasyl Gordiyko and Vasyl Burlaka, farmers who willingly gave their time and made an invaluable contribution to the preparation of analytical materials to reflect the real state of affairs regarding the functioning of the land market in different regions of Ukraine in today's difficult conditions.

**Olena Borodina,
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National Academy of Sciences of Ukraine**





Dear readers!

I welcome everyone who works on the land in Ukraine today, who cares about it, who does their best to protect and preserve our main wealth for future generations.

Today, during these difficult times of war, it is largely up to farmers and peasants to provide food for the people and our army. It is the rural population that suffers the most from the aggression of the Russian terrorist - many villages, farms and rural infrastructure have been destroyed. Hundreds of granaries have been demolished by shelling, and part of the fertile Ukrainian land is littered with mines and other explosives left behind by the "razis" when they retreat. Every day, Ukrainian farmers demonstrate their resilience by sowing, harvesting, and delivering crops to consumers under fire.

In addition to the problems caused by the war - multiple drops in grain prices, rising input prices, and logistical difficulties - the main problems for all those working on the land are weak protection of property rights, raiding, unpredictable government actions, and constant changes in legislation. Up to 80% of farmers need various forms of state support.

Nevertheless, rural people, farmers, and households committed to their land and cultural values are symbols of strength and renewal. And the agriculture remains a powerful political leverage both in our country and internationally.


Peasants play a crucial role in agricultural development and their land rights, decent life, and cultural identity are now internationally recognized. With the adoption of the UN Declaration on the Rights of Peasants and Other People Working in Rural Areas, the world has finally agreed that peasants deserve to have their rights protected, supported, and recognized.

In the bulletin "The Right to Land", we turn to the Declaration to emphasize the importance of peasants' right to land and discuss how it can be implemented in Ukraine.

Please read, share your thoughts, and circulate the bulletin in your circle. I sincerely hope that the experience of our peasants and farmers will be a source of inspiration for all of us! Together we can do everything!

**Vadym Ivchenko,
Member of Parliament,
Representative of the Association of Farmers and Private
Landowners in the Verkhovna Rada of Ukraine,
Member of the Verkhovna Rada Committee
on National Security,
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OBSERVANCE OF THE RIGHTS OF PEASANTS AND OTHER PEOPLE WORKING IN RURAL AREAS TO LAND



The land is the main national wealth that is under special protection of the state. Land ownership is guaranteed by the Constitution of Ukraine. Land plays an important role in the socio-economic development of society, as it is the foundation of the ecosystem, natural capital, the basis for agricultural production, living space for the rural population, and a prerequisite for their economic progress and well-being. Ukraine has a significant land potential, accounting for 5.7% of Europe's territory. Out of 60.3 million hectares, almost 70% are highly fertile agricultural land.

Access to and control over land is fundamental to the subsistence of many people living and working in rural areas. Moreover, access to land is the fundamental basis for their social security, livelihoods, cultural identity, and spirit. This access therefore plays a central role in the observance of human rights. When individuals or certain social groups are restricted or denied access to land, or restricted from using land for food production, socio-economic and spatial vulnerability is exacerbated. In other words, discrimination in access to land impedes the full realization of human rights in general. Such discrimination is particularly acute in rural communities, critically affecting their existence and survival. However, the urban population is also indirectly affected by such conditions in terms of basic rights, primarily the right to affordable and quality food produced in an environmentally friendly manner at the local level.

Over the entire history of civilized human development, land has been considered not only as a factor of production, but also as a unique public good: a safe form of preserving the acquired wealth, gaining social and political benefits, and ensuring family food sovereignty. Today, most people, regardless of their occupation, seek to acquire a share of land or expand their existing land holdings. Unlike other productive assets, land that has been privately or jointly owned for a long time is "sacred" to peasants and, except in emergencies that lead to its sale, it is preserved as a kind of family or ancestral inheritance, in other words, an untouchable family asset. It is inadequate to perceive land only in a narrow economic sense - only as a commodity, as a factor of production and its disposal under unregulated market conditions.

The realization of the right to land is crucial for reducing rural poverty. It provides jobs, housing, food security, and a source of income for the most vulnerable people. Equitable access to land for smallholders can also have a multiplier effect on economic growth, increasing domestic demand and reducing youth migration to urban areas. With the growing demand for land and the involvement of international "investors" in land acquisition, states should be particularly careful about how they use land resources. The UN Declaration on the Rights of Peasants and Other People Working in Rural Areas sheds light on the social, economic, and cultural importance of land not only in sustaining rural areas but also in promoting food security, as detailed in Article 17 of the document.



Figure 1. Land rights of peasants and other people working in rural areas

LAND REFORM

The development of the market economy in the rural areas in the late 1990s was accompanied by the transfer of agricultural land to peasants under the slogan **"land should belong to those who cultivate it"**. In the process of division and privatization of state land, peasants received private land shares, but no opportunities were created to use them to ensure an adequate standard of living. People were left with limited access to new knowledge, means of production, and financial resources, including credit, and were not allowed to freely sell and buy their land shares, which prevented them from exercising their right to land.

The right to land provides for the unity and indivisibility of the right to access and acquire ownership of land resources and the right to use them in a manner consistent with peasants' culture, traditional production practices, environmental requirements, knowledge, skills and priorities. The right of peasants to land has an upward nature and sometimes requires agricultural reforms and intervention measures to reduce the concentration of land in the hands of certain subjects of land relations.

Introduced as a temporary measure in 2001, **the moratorium on the sale and purchase of agricultural land** lasted for more than 20 years, and the restrictions it imposed subsequently became the basis for many violations in the field of land use (shadow purchase and sale schemes, landlessness of peasants, underpayment of rent, lack of competition in the rental market, etc.). Having received land shares in their ownership, peasants faced numerous problems with their registration and allocation in kind, and even with access to land, only in rare cases could they provide themselves with financial material, and technical resources.

Lifting the moratorium on the sale of agricultural land has become one of the most urgent priorities for the Ukrainian government. However, **due to imperfect regulatory regulation, a wide range of communities** have felt the threat of landlessness, weakening of food sovereignty, accelerated rural degradation, and ultimately the loss of the territory and living space of the state. The land is an extraordinary commodity, the physical limited supply of which on the market determines the need to ensure enhanced regulation of the procedure for establishing land ownership and land use. Many believe that the proposed models of the Ukrainian land market are designed to provide easy access to agricultural land for large investors and legal entities, and the risks that more than 4 million rural households and about 40,000 farms in Ukraine will not have priority but also real opportunities to acquire land will only grow.

A survey conducted by the I. Kucheriv Democratic Initiatives Foundation in 2019 revealed the following: if the land moratorium were lifted, 48% of landowners would have no plans for their land, 7% were considering selling or disposing of some land, and 4% were even considering buying land. As for those who leased their land, 11% planned to keep it with the current renter, 2.5% were considering changing the renter, and 26% had not yet made a decision. In particular, among those who grew food for sale, 19% were ready to sell their land and only 14% planned to buy other land. Interestingly, among those whose land remained unused, only 18% were considering selling, while 61% did not intend to take any action with it.

Source: Only 7% of landowners are going to sell their shares if the market opens. URL: <https://agrarii-razom.com.ua/news-agro/lishe-7-zemlevlasnikiv-zbirayutsya-prodavati-pay-u-razi-vidkrittya-rinku>

In the run-up to the adoption of the Law of Ukraine on the lifting of the moratorium on the sale of agricultural land, Ukrainian society actively expressed its position (including in the form of pickets, crowded rallies, demonstrations, marches, etc.). The information space was full of discussions of the arguments for and against the implementation of these statements and initiatives.

Farmers, small landowners, and ordinary peasants, with the participation of a wide range of civil society and state institutions, expressed their concerns about the consequences of opening up the land market.

A **Public Forum "The Right of Peasants to Land: Will Land Reform Secure Peasant Farming in Ukraine"** was held on 26 November 2019, where a vigorous discussion among farmers, members of private farms, civil society organizations, academics, and international institutions resulted in a resolution in which the public expressed its vision of the introduction of a land market.



It was noted that the lifting of the moratorium on the sale of agricultural land should be subject to the establishment of a transitional period during which strict state control over land market operations should be ensured; including adequate restrictions on those who may acquire land in private ownership and the size of the maximum area of land owned by individual citizens of Ukraine to prevent concentration of agricultural land and speculation in the market.

The changes proposed by representatives of the general public to limit the concentration of land ownership by individuals within 100 hectares were supported in the final version of the Law of Ukraine "On Amendments to Certain Legislative Acts of Ukraine on the Conditions for the Turnover of Agricultural Land" (**No. 552-IX of 31.03.2020**) and at the first stage of the land market opening became almost the only factor in its civilized functioning. Unfortunately, some of the proposed restrictions on the right to acquire land ownership, such as residence in rural areas, farming on the land, and the availability of qualification skills and experience of potential buyers, were not supported.

The comprehensive work to protect peasants' rights to land continued in the years that followed, and even during the bloody Russian aggression. In 2022, in the active phase of the war, **the Public Forum "Peasants and Farms during the War and Post-War Reconstruction of Ukraine: Political Dialogue"** in Kyiv was held.



Understanding the fatal impact of the war and the need to protect peasants' rights to land, the Forum's resolution stressed the need **to suspend market transactions for the sale and purchase of agricultural land during martial law and the post-war period** to ensure national security and preserve the territorial integrity of the state during the war and post-war reconstruction; to amend the Law of Ukraine "On Amendments to Certain Legislative Acts of Ukraine on Improving the System of Management and Deregulation in the Field of Land Relations" (**No. 1423-IX of 28.04.2021**) to simplify the mechanisms for farmers to acquire ownership of land transferred to them for permanent use; to develop a state programme for demining, restoration of agricultural land, transferring it to other categories, and withdrawal of some damaged agricultural land from circulation with the provision of adequate compensation to farmers and peasant-owners; to perform an inventory of economic entities, the land fund in the post-war period, etc. to provide information for the development of a scientifically based differentiated agricultural policy for different groups of producers and to create favorable conditions for the development of the farming system.

The authorities do not listen to the voice of society and the gradual opening of the land market continues. **Starting from 1 January 2024, legal entities will be entitled to acquire agricultural land, and the maximum amount of land available for purchase will be 10,000 hectares.**

Clearly, in wartime and the first post-war years, most peasants who defend our country, including those who have taken part in military operations, will not be able to become full-fledged participants in the land market. Granting ownership of agricultural land to legal entities without any rational safeguards may also have threatening consequences. This will create conditions for excessive concentration of land ownership, increased polarisation of society on this basis, land speculation, etc. Another serious concern is that full liberalization of the land market will not guarantee that the economic growth that the authorities hope for (if it does occur) will benefit the entire population. The results of such growth are likely to be benefited by new large landowners - national, foreign, or transnational. Moreover, the World Bank, the IMF, and the European Bank for Reconstruction and Development have all clearly expressed their concerns about corruption and poor governance in Ukraine. Therefore, the intensification of land sales to legal entities does not guarantee any benefit to society and the interests of the Ukrainian population.

Even though most of the agricultural land market's operation was in wartime, land sales and purchases are ongoing. Transactions were temporarily suspended only in March-May 2022 when all registers were closed, notaries' work was suspended, etc. (Figure 2).

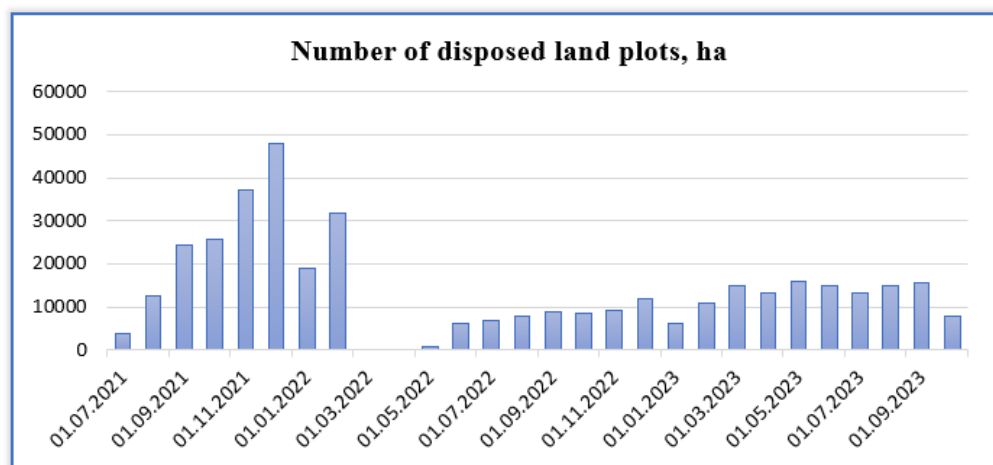


Figure 2. Number of disposed land plots in 2021-2023

According to the **Land Relations Monitoring**, from the beginning of the land market opening to October 2023, more than 220.0 thousand hectares of land covering almost 500 thousand hectares were alienated (Fig. 3). In total, as of the end of October 2023, 289 thousand hectares were sold, which is less than 1% of the total area of agricultural land in Ukraine .



*- the calculation of the indicators takes into account the following types of civil law transactions: sale and purchase, exchange, gift, life estate;

** – the calculation of the average value of 1 ha does not take into account civil law transactions, information on which was received by the StateGeoCadastre without specifying the value.

Figure 3. Land relations monitoring data as of October 2023.

The average cost of 1 ha of land was UAH 40.0 thousand. These are actual data of concluded transactions, but it is difficult to determine market trends because of the war and its consequences.

The average value of land plots alienated in October 2023 varies by region from UAH 23.0 thousand in Zaporizhzhia region to UAH 155.0 thousand per hectare in Lviv region (Fig. 4). Such prices are more indicative of the situationally formed wartime purchase and sale price than of the real value of land and matching supply and demand in certain regions.

In summary, despite the large-scale war and all its effects, the land market in Ukraine is functioning; economic decline, impoverishment of the population, large-scale internal and external migration, and physical destruction of Ukrainians do not stop the free sale and purchase. At the same time, legislative innovations are being introduced, including taxation, which not only fails to improve peasants' access to land but also encourages them to abandon land use (agricultural production) and even ownership of agricultural land. At present, all the catastrophic consequences of this state of affairs for national and public security cannot be foreseen, especially given the significant displacement of people from the war zone and occupied territories, soil destruction, etc.

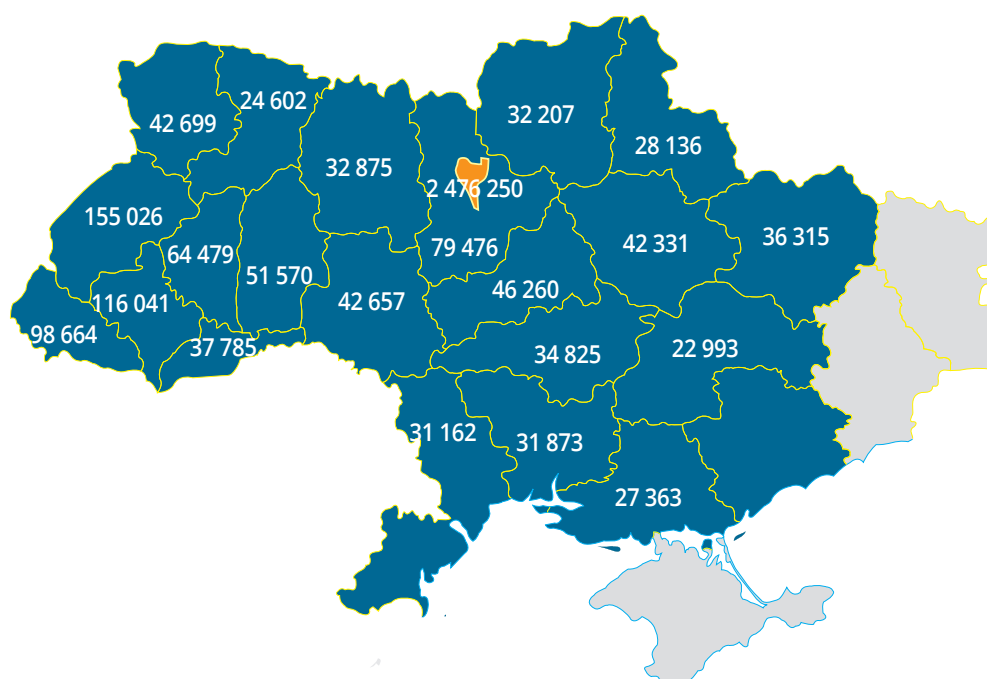


Figure 4. Average value of 1 ha of disposed land plots by region

PEASANTS, LAND AND WAR



Peasants have always shown a strong commitment to their land and homeland. They are deeply connected to it and understand its value, as it serves them not only as an indispensable means of food production but also as a source of their livelihood and traditional way of life.

Peasants have always been and remain those who can face threats and danger, especially when they come from hostile forces. They are well aware that defending their land means preserving an established way of life and heritage for future generations.

Today's reality shows that peasants are at the forefront of the fight against the hostile Russian invasion. In February 2022, they jumped right in to defend their homeland when troops of enemy vehicles were moving through the roads and fields of Ukraine. On 24 February, the day of the offensive, each community formed voluntary territorial defense groups, which included people of all age groups. The land is everything to the villagers: family, home, work, and life.

The scorched land

War causes physical destruction of agricultural land through bombing, hostilities, and other destructive impacts. This seriously complicates agriculture and reduces farmers' access to land.

Military operations damage soils through mechanical, physical, and chemical impacts, disrupting their structure and functions. This leads to a deterioration in the physical and chemical characteristics of the soil. The consequences can vary depending on the type of hostilities, and disruptions to the terrain, soil, and defenses. Hostilities also lead to land contamination by war products and desertification, which has a devastating impact on biodiversity and landscape structure¹. As of March 2023, according to the State Emergency Service, 2 million 591 thousand hectares of land require inspection for mines and explosive remnants of war. As a result of excessive contamination with various chemical compounds dangerous to human life, a significant portion of these lands will be withdrawn from cultivation and will require long-term restoration. Food production is impossible on this land!

Man-made disasters are also a serious concern. For example, as a result of the destruction of the Kakhovka hydroelectric power station, "approximately 10,000 hectares of agricultural land on the right bank of the Kherson region and 20-30,000 hectares on the occupied left bank were flooded. 94 percent of irrigation systems in Kherson, 74 percent in Zaporizhzhia, and 30 percent in Dnipro regions are left without a water source"².

Non-accessible land

According to the **Law of Ukraine No. 2952-IX of 24.02.2023 "On Amendments to Certain Legislative Acts of Ukraine on the Protection of the State Border of Ukraine"**, the borderline with the aggressor country of Russia (length - 1974.05 km) and Belarus (length - 1084.2 km) was extended to 2 kilometers. Thus, the military has been granted the opportunity to change the designated purpose of state and municipal land (for engineering and fortification structures) within this strip and to seize

1. The impact of Russia's war against Ukraine on the state of Ukrainian soils: results of analysis. Ecoaction. URL: <https://ecoaction.org.ua/wp-content/uploads/2023/03/zabrudnennia-zemel-vid-rosii2.pdf>
2. How the Kakhovka Hydropower Station disaster could affect the environment and agriculture. Slovo I Dilo. URL: <https://www.slovoidilo.ua/2023/06/13/infografika/suspilstvo/chym-mozhe-obernutysya-katastrofa-kaxovskij-hes-ekolohiyi-ta-silskoho-hospodarstva>

agricultural land along the state border without compensation. The law prohibits agricultural and other activities there, except for those related to the direct protection of the border.

On the one hand, this is a necessary measure that will last for the duration of martial law and 1 year after its termination. It is driven by the need to preserve the lives of people living under the threat of constant enemy shelling and to provide space for the military to install defenses, mines, etc. On the other hand, all agricultural land in this two-kilometer zone is subject to mandatory taxation, which means, for the most part, a rent of 12% of the normative monetary value (NMV) per year, a land tax and a minimum tax liability introduced in 2022. For many small producers, this is "unaffordable" as there is practically no production.

Farmer Oleksandr Zhdanko from the village of Krasnopillia, Sumy region, currently cultivates only 100 hectares of 300 hectares of sown land. The rest of the territory is under constant shelling. His land is located in the two-kilometer border zone.

To abandon land that cannot be cultivated means to lose it forever... We do not receive any state support at all, although people received subsidies of 3,000 hryvnias per hectare last year, and 4,000 per hectare this year - we have not been given a single penny. "Because it's a war zone, everything will be taken away from you or beaten up, there's no point in giving you anything." Is there any point in taking taxes from us? And then we get letters from the tax service: "We will send an unscheduled audit" and so on. I had to take out a loan and repay 100,000 hryvnias.

Oleksandr has not given up hope of returning to work on his land and is planning further activities. He sowed 10 hectares of wheat to save seeds for the next year.

Source: "We get no support at all". How a farmer works under fire on the border of the Sumy region with Russia. Suspilne News. URL: <https://suspilne.media/582157-pidtrimki-ne-otrimuemo-zovsim-ak-pracue-fermer-pid-obstrilami-na-kordoni-sumsini-z-rosieiu/>

Beyond the border areas, there is a significant amount of land in Ukraine that has been exposed to danger as a result of mining by enemy explosive weapons during hostilities. This process leads to the formation of areas of potential danger for farmers.

Being aware of the importance of access to these lands and the urgent need to resume agricultural production, farmers, at their peril, sometimes take responsibility for the demining process and cultivation of such land plots.

The aftermath of the war poses a huge challenge to society, requiring immediate solutions to existentially important issues of its further recovery: how to ensure adequate protection for peasant owners whose land was destroyed as a result of the hostilities, how to help all peasant farmers not to lose their right to land and the right to live in rural areas. The successful resolution of these issues will be crucial for the food supply of Ukrainians, the sustainable development of the country, the restoration of the rural village network, and the support of peasants and farmers who play an important role in the country's life.

RUSLAN HOMYCH – *Head of the Lebediya Farm, Head of the NGO "Association of Farmers and Private landowners of Volyn region"*

SURVIVE, WHATEVER HAPPENS



"Lebediya" is how Ruslan Homych, a Polissya peasant, poetically named his farm in his native village of Krovatka, Lutsk Rayon, Volyn Oblast, located 30 km from the regional center. "According to the writer Serhiy Plachinda, this is the ancient name of Ukraine," explains the farmer. We understand that we are looking at a peasant for whom setting up a farm has become a realization of a dream.

Ruslan has been working towards this dream for 8 years - the farm was registered only at the end of 2020 because of administrative obstacles related to the StateGeoCadastre.

The farm is operated on 401 hectares of land. Lebediya is based on two parental shares and two purchased neighboring shares, while the rest are leased shares. "These are heavy soils, there can

be 6-7, up to 10 different types of soil on one field - podzolic, sands, waterlogged, etc. This year, 20% of the land on my farm was not sown because of flooding, and 30% was sown very late," says the farmer.

On the guard of the farming forefront

"Lebediya" grows traditional crops for the Polissya region, including all the vegetables of the "borshch" set. It was thanks to the results of this labor that, at the beginning of the full-scale invasion, Ruslan and his colleagues opened their farming front: "During the three months of 2022, when the war started, I hardly spent a night at home. I transported almost a thousand tonnes of finished and semi-finished products from my surroundings: by train and by car. There wasn't a day when I didn't send supplies to Kyiv - to the subways, to the Ohmatdit, to hospitals, to the military who were defending Ukraine, and all over Ukraine."

The farm continues its efforts to this day: free deliveries of vegetables are sent to hospitals in Lviv, Kharkiv, and Kyiv; twice a week, the farm delivers ready-to-eat meals to local hospitals. Lebediya also actively helps the Armed Forces of Ukraine. In addition to food, which is regularly supplied to military units, the farm also allocates funds for military equipment. Of course, this drains funds from the farm itself.



What is the most difficult thing to deal with today?

Despite defending the state with all its strength, Lebediya eventually found itself unprotected. After all, with the opening of the land market, the rent increased fourfold. "Today, it is 47% of the normative monetary value of the share per year, while it should be 12-15%," says Ruslan Homych.

Last year, the farmer was unable to pay the increased rent for 60 land shares, hoping to compensate this year, given the martial law. But he got an even bigger problem: "Since there was no personal income tax paid in these poor Polissya areas, there was no full tax filling, we were subject to the minimum tax liability: it is UAH 2000 for 1.80 hectares of land share plus UAH 600 in land tax. This means a tax burden of UAH 2600 per land share, plus the rent of UAH 9200 - and you can calculate how much you have to pay for 2 hectares of floodplain. By the way, I have a colleague whose land was flooded by almost 100%, but he also has to pay rent and taxes!"

During the war, it is certainly important to fill the budget. But it is also important to take into account the specifics and capabilities of different regions. For example, today the minimum tax liability (MTL) is calculated for the entire land use area of Lebediya, without taking into account the fact that 20% of this area is flooded and no crops were grown there this year, and therefore no income was generated. Fortunately, the Volyn lands were not affected by bombing and mining, but the war took away labor. Ruslan Homych says that today you can walk through the village and not meet a single man. "I have a huge combine harvester, and there is no one to get on it. You can't put a simple driver on it. The tractor driver has broken legs, his second injury. It's good that we have the opportunity to reserve the remaining men."



What has changed for the community after the land market was opened?

Ruslan notes positive cases of public action in land issues at different levels of state power in the Volyn region.

The community jointly uses communal land, such as pastures and water bodies; these relations are mostly regulated without conflict. In particular, the community members proposed to pay the land tax for pastures at the expense of the owners of animals using these pastures, in proportion to their livestock. The regional council has allocated funds for sowing community pastures.

However, Ruslan Homych warns of a threatening trend of massive land purchases after the opening of the land market. He emphasizes that it is unacceptable to buy and sell land in times of war and believes that Ukrainian legislation should be amended to cancel all land transactions made during martial law. This refers to both the purchase of individual shares and reserve land.

The farmer is so confident that all land sales during the war will be canceled that, as head of the Regional Association of Farmers, he has prohibited members from buying land through consulting firms. "Half of my colleagues or their relatives are at war today, these guys are not able to be participants in the land market, and the market is not stopped. They stand for this territory, for this land."

Ruslan Homych says that in the Polissia border areas, fictitious persons from national and foreign legal entities have appeared, with "big" money behind them. They try to buy at least one share and lease as much land as possible. In doing so, they pay a much higher price, which is essentially legal, but small farms cannot withstand such competition. One of the motives for this is the interest of the neighboring state to acquire large tracts of controlled land in the areas bordering Poland. Small producers are in an unequal position compared to representatives of "big" agribusiness. They do not have the necessary funds to buy back leased land, and in the context of the war, they are unable to obtain a targeted loan from the state.



In addition, most farmers and small producers are recruited to the Armed Forces of Ukraine, they do not carry out production, and their land is subject to a minimum tax liability and land tax. There are 400 such families in Ruslan Mykolaiovych's community. Fiscal officers are just afraid to give them receipts: "For a large part of these receipts, we are now asking for a large loan because our farm will have to pay about UAH 2 million in tax liability alone so that it does not fall on people." The consequences of this situation are already evident in the inventory of property and the massive displacement of small producers from their land. A big problem is that the land cadastre is closed and there is no way to prove the legality of lease agreements.

A particularly big problem for small farmers is the taxation of agricultural buildings and structures that were not used for their intended purpose during the war.

What does the farmer offer?

Ruslan Homych, as a member of the local community and head of the Volyn Farmers' Association, uses every opportunity to communicate with the authorities at all levels: "Give us a tax that we can afford." He emphasizes that when the [Law on the Minimum Tax Liability](#) was adopted, the interests of Polissya and highland areas were not taken into account, and this needs to be corrected by making appropriate amendments³.

In two years, Lebediya Farm has reduced the area under cultivation by 10 times. Ruslan Homych plans to move forward on this path: "We are trying to pull out the MTL but at the cost of refusing to use the land. We will either reduce production volumes or close the agricultural business, but in such a way that the family does not fall under a loan obligation."

3. In accordance with [subparagraph 69.15 of paragraph 69 of subsection 10 of section XX of the Tax Code of Ukraine](#), the general minimum tax liability is not accrued or paid for land plots, land shares located in the territories of active hostilities or in the territories of Ukraine temporarily occupied by Russia. Pursuant to Article 38 of the [Tax Code of Ukraine](#), the amount of the MPL depends on the normative monetary value of the land, the number of months of use of the land plot and the coefficient introduced, the value of which corresponds to the organisational and legal status of the business entity. There are no separate adjustments for inaccessible, flooded and other problematic land.



To support farmers, Ruslan Homych, as Head of the Volyn Association of Farmers and Private Landowners, began to actively involve representatives of farming households in its ranks - there are 180 of them in the Association, which is 95% of its members. The Association organizes free fairs for them in the regional center where they can sell their products, helps them register as individual entrepreneurs, and advocate for their interests with the tax authorities.

Ruslan Homych emphasizes the passivity of the state in protecting small producers and the additional pressure on them from big agribusiness. He is convinced of the importance of adopting the Law of Ukraine "On Service Cooperatives", which was previously rejected by the Verkhovna Rada (due to the failure to agree with the Tax Service on the status of profitability or non-profitability of such cooperatives). This will make it easier for small producers to cooperate in the logistics and storage of agricultural products.

The sale of land around populated areas in late 2019 and early 2020 was questionable from the point of view of the community's interests, as a result of which the community members lost space for their gardens and pastures. Ruslan is convinced that all such transactions should be reviewed and the land should be returned to the communities, with the subsequent impossibility of its privatization by anyone: it should be leased only and should contribute to the local budget.

The farmer insists on the need to prohibit the purchase of land by legal entities until a socially efficient land market is established in Ukraine; at the stage of its formation, they should be granted only the right to lease. Only community members should have the right to purchase land.

Ruslan insists on the importance of complying with the provisions of the Law of Ukraine "On Private Farming". In cases where land plots received for individual farms are not used, they should be returned to communities without the right to transfer them to private ownership.

Ruslan Homych states a disappointing fact: the owner who feeds the state today does not feel protected by it, because the Declaration on the Rights of Peasants is violated in literally every point. And, unfortunately, we do not have a local institution that would represent peasants in the framework of this Declaration before the UN. Therefore, one of the issues on the agenda for Ukrainian peasants should be the establishment of a special institution to monitor the observance of the rights of peasants in Ukraine, which would be their representative body in relations with the UN.

OLEG BONDARENKO – *Head of the Kalyna farm, Head of the NGO "Association of Farmers and Private Landowners of Sumy Region"*

A FARMER IS SOMEONE WHO CAN WALK AROUND HIS LAND WITH HIS FEET IN ONE DAY



The Kalyna farm is located in the village of Lipova Dolyna, Romny Rayon, Sumy Region, 80 km from the state border. People are used to the constant shelling and continue to work in the fields: "What can you do! The land can't be overgrown with weeds," says Oleg Bondarenko, head of the farm and Head of the Association of Farmers and Private Landowners of Sumy Region.

We interviewed him about the current problems of exercising the right to land.

About the farm and the Farmers' Association

The farmer runs a farm on 50 hectares of arable land and 30 hectares of other land. He owns 14 hectares of it privately, and the rest is land of permanent use. He specializes mainly in growing crops. Previously, he was engaged in processing, employing up to 20 people. He had his retail units in Sumy, selling flour, bread, and other food. Now he has given up this business due to the worsening economic situation.

He is not in a hurry to buy back the land yet, as he is convinced that there are so many inconsistencies in the land legislation that such a deal could be canceled at any time, and he does not have the financial means to afford it.

The land in Romny Rayon is fertile - it is the best black soil, so many people are willing to run an agricultural business: 232 farms and about 700 individual entrepreneurs engaged in agriculture are registered in the Rayon. There are also about 7,000 individual private farms that are not yet registered as individual entrepreneurs.

Oleg Bondarenko notes that there is an urgent need to support small producers, in particular in the field of accounting and taxation, which is being carried out by the regional AFZU through the formation of its advisory service. He emphasizes the need for state support programs, without which the current situation could lead to massive bankruptcy of farmers and small producers. Oleh emphasizes the importance of the local Association, in particular, in resolving the issue of removing taxation from mined land, land on which defense facilities have been built, etc. The Association's appeal was submitted to the Sumy Rayon Council, which made the relevant decision.

Oleg is in direct contact with the vast majority of small producers and knows their problems. He notes that when trouble strikes, people unite with each other.

Do you plan to increase the size of your farm?

I have never set this as a goal. You know, farming is not a business, it's a way of life. I have 1 hectare of privately owned forest, and 2 hectares of a beautiful pond with clean water, where there are lots of fish and people can spend their holidays. You can grow niche crops and get 100 to 500 thousand hryvnias per hectare. We have to understand that our duty is not just to make a fortune, but to create a comfortable living environment for those people who are close to us. We want them to live, work, and rest there in harmony with nature.



Today, for instance, no expansion or increase in production is possible. Our villages are practically empty, there are no workers.

How did the opening of the land market affect you?

We are supporting the introduction of a land market, but it should be of the European type. There is a French model: You live in the countryside for 5 years, work on this land, show results, and only then do you have the right to buy a land plot. It's the same in Poland. But there is no such thing in the world as anyone, even a foreigner, who can just come and buy 10,000 hectares of land! A farmer is someone who can walk around his land with his feet in one day.

We are now facing an intentionally created problem of lower prices for our products. While the price usually changes by 10-20%, today it is 200-300%. For example, I see on the market that the price of vegetable oil has fallen by 10% at most. And the price of the raw products has dropped by two or even three times!

This is being done to ensure that we do not have the economic capacity to run a profitable business, pay taxes, and plan further activities. This means that we will not be able to buy back our land plots. And they will say to us: you don't know how to manage... Instead, agricultural holdings have their direct contracts for the sale of products. Currently, the price of an export contract is \$283 per tonne of corn. The maximum price of wheat in the world is USD 1 thousand. The maximum price of corn is USD 800. We understand delivery, logistics... But our products should cost between USD 250 and 300.

Today it is hard to sell our grain. We tried to export to Europe via Hungary and Romania, but everywhere we went we encountered problems with the sales market. This is the main factor affecting us now.

One more important point is that today all the resources we use for production have risen significantly in price. Even if we look at the production profitability, for many it is a 50% loss. Minus 10-20% at the expense of reserves can somehow be pulled out, but minus 50% is the collapse of a small farm.

What has changed in your village since the moratorium on land sales was lifted?

Many people who have the opportunity to terminate their lease agreements and take back their land shares from agricultural holdings are taking it. This is because there is a very big problem with employment today. So people are setting up their own jobs and family farms to work and earn money

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for themselves.

Has the land rent changed?

Increased. Lease agreements for land shares were re-registered at the maximum rate: previously it was 5-7%, but now it is 12% of the normative monetary value.

There is a lot of competition for land shares now. Farmers are trying to explain to landowners that a larger amount of money for land leases from an agroholding can be a one-off payment. And then there is no guarantee because these companies are large enterprises, they can include the leased land in their financial obligations, the land of the farmers will also be included in that pledge, and its future fate may be very uncertain.

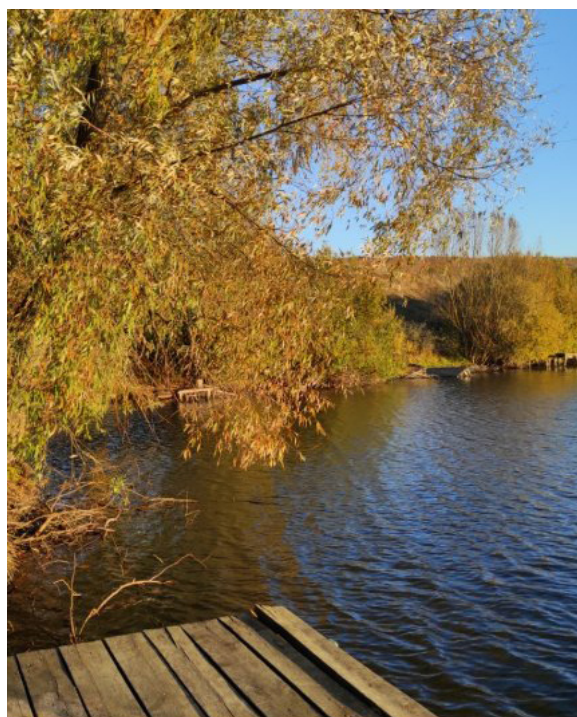
Moreover, the farmer is the person who solves all the problems of the landowners. He clears the snow, repairs roads, maintains health posts... Where corporate agricultural enterprises (agriholdings) come in, villages die out and all infrastructure disappears. People understand this and many are in no hurry to change their lessee.

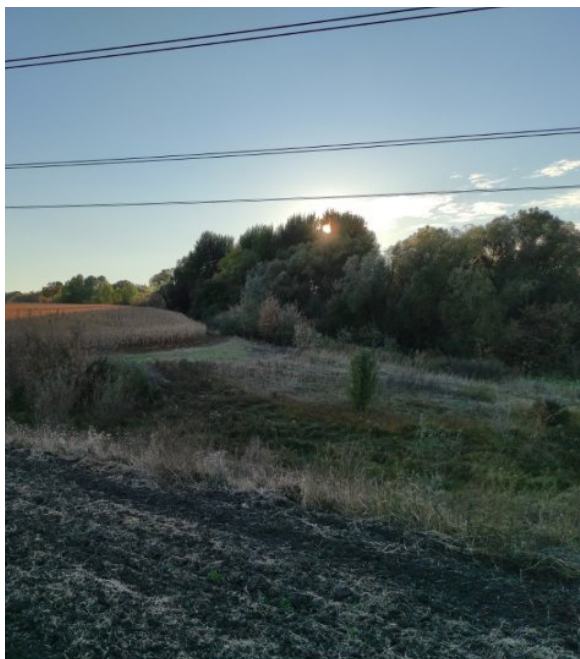
How has the introduction of the minimum tax liability (MTL) affected you?

The introduction of the MTL has had a significant impact on all farmers, as there is a big problem with selling their products by non-cash payments, officially. In our region, almost all elevators are now closed and do not accept grain. At the moment, absolutely all companies offer to buy for cash. This means that it is impossible to officially sell products and show that VAT has been paid and funds have been credited to the account. As a result, we have to pay more MTL. Another year of this situation and the farms will be completely lost.

Are there any land conflicts in your village or community?

We are not aware of any emergencies, because our farmers have a tradition: whenever a problem arises, we immediately gather - about 100 people - at the local administration, a full Hall. And it is very difficult to explain to such a gathering why something illegal is being done. And the very information that rights are being collectively defended in this area already stops anyone from engaging in dubious activities.





How does your community realize the collective right to land?

Many public lands, namely public grazing land and meadows, were given out to private ownership of 2 hectares each without any public participation. People have defended their rights and preserved the pasture, but the number of livestock is decreasing, there are no workers in the village, so there is no one to deal with it. Now the land has been distributed up to the river, it has been plowed up, and the water is silted up. We are constantly raising the issue of compliance with environmental and soil conservation legislation, but no one responds even to written appeals. Such issues can only be resolved on a mass scale - when powerful public associations come together.

How did the war affect your farming?

Our rayon is located 80 kilometers from the border. There is a defense line on our fields - there are strongholds, trenches, all these engineering structures... There are also 560 km of border, and all the borderland 15-20 km wide is very problematic for use. 10 km are mined areas, where it is impossible to cultivate the land, and we could not resolve the issue of tax exemption for these land plots for a very long time.

When the war started, farmers did not leave their land, we all stayed here and were ready to defend it. We blocked the roads and did everything to prevent the enemy from passing through. That is why Russian troops did not come to us. Then we switched to volunteer work: many farmers were unable to buy seed, and when the Europeans started sending aid, we distributed it throughout the Sumy region. We still collect food baskets and soup kits, and prepare food for the Armed Forces of Ukraine.

Does the state facilitate the observance of the human right to land?

The state declares that it follows the European path of farm development, but we see support and facilitation of agriholdings.

Ukraine has not yet ratified the UN Declaration on the Rights of Peasants, and this is an indicator of the state's attitude towards people who grow bread.

We are now planning to set up an advisory service based on our NGO that will be in touch with people. First of all, we need extensive information on agricultural markets and prices to help us make economic calculations. And then the rest of the issues - legal protection, financial literacy, including loans, taxes, government subsidies, organizational support, etc. Only by uniting all conscious people will we create a powerful civil society that will defend our rights.

VASYL GORDIYKO – Head of Avangard Farm,
VASIL BURLAKA – Head of the Poltava Regional NGO "Association of Farmers and Private Landowners named after Viktor Chmilenko, Hero of Ukraine, Hero of the Heavenly Hundred"

FARMING REALITIES IN POLTAVA REGION



The generous black soil of Poltava is Ukraine's visiting card, the manifestation of its greatest wealth, and the key to the powerful development of our country as a breadbasket of Europe and the world. Vasyl Gordiyko, head of Avangard Farm, and Vasyl Burlaka, head of the Association of Farmers and Private Landowners of Poltava Region, talk about the situation in farming and land issues in Poltava region.

The Avangard farm in the village of Midianivka, Kobelyatsky district, Poltava region, is one of the pioneers of the farming movement in Ukraine. It was founded 35 years ago, as soon as the opportunity arose. It is run by Vasyl Gordiyko, deputy head of the Poltava Farmers' Association. "Avangard grows mainly grain crops and has 41 hectares of permanent land and 34 hectares of leased land. Vasyl plans to continue expanding his farm, as its operations have been well established for so many years and it has the necessary material base. In addition, his children and even grandchildren are eager to get involved in the work on the land.

Problems of running a farm during the war

The farmer understands the increase in the tax burden and land rent: "When you have money to pay, why should the budget suffer? We are an agrarian region, and our income is mostly from land. We pay people 20% of the normative monetary value of their land shares. This is 5 thousand hryvnias per hectare net. We know how much agriholdings pay, and under normal conditions, we pay no less or even more."

There were no problems with tax payments either - until this season (2023). Today, the farm is suffering from a decline in the price of its crops: "Prices have collapsed. We are operating at a loss and cannot pay the rent in full and repay the loans we have taken from banks. In 2023, individual farmers are also crying: they sowed, harvested, and paid everyone, but what do they have to live on?"

Do people realize their right to land?

In rural areas of the Poltava region, land is almost the only source of income. However, Vasyl Hordiyko is convinced that an ordinary person can't get their rightful 2 hectares today: "Now all the authorities are interested in ensuring that agriholdings and people with foreign money have priority in the land market. And the peasants who live here have no opportunity to buy land."

For example, a "tidbit" has recently appeared in the region: many lands that were previously unused due to waterlogging have become suitable for farming after climate change and water withdrawal. So the Poltava Geocadastre transferred them to the communities to run a private farming household.

"Some people were given these land plots back in the days of the previous head," says Vasyl Makarovych, "and then they leased them to me, in a civilized manner. But later this possibility was blocked. And now an ordinary person can't get the 2 hectares that every citizen of our country is entitled to. But some speculative agents appeal to people: we give you \$500, you register the land plot in your name, and then transfer it to us. In this way, a land bank of thousands of hectares has already been created. Naturally, this is profitable: buy for \$500 and then sell for at least \$2,500!"



At the same time, Vasyl notes that most people in the region who have received land are not going to sell it, but will run their farms or lease it out.

Does the government facilitate business?

The farmer emphasizes the difficulties of interacting with local authorities, which not only do not help but also try to restrict the legal rights of the owners. Vasyl Hordiyko is currently unable to realize his right to buy back his permanent land plot, although, in most communities in the Poltava region, such applications have been granted. In the Kobelyatske Rayon Council, deputies and members of the executive committee have refused Vasyl Hordiyko's request twice, and the third time the issue was not even brought to the commission's attention.

There were also difficulties with the technical documentation for the farm yards. Having found certain irregularities, the local authorities immediately complained to the prosecutor's office, which opened a criminal investigation into illegal registration of real estate. Now the court has issued a decision to arrest the property. The farmer is convinced that this issue could have been resolved more calmly and sees one goal in this confrontation: to exhaust the farmer through the courts.

In turn, he is also suing the authorities for restricting his rights: "Last year, our land lease was not renewed, although we had the primary right to do that. 43 hectares were leased to another company, although there were no violations on our part. The case has been in court since April." Vasyl Hordiyko, like the other farmers we interviewed, emphasizes the inappropriateness of opening a land market during the war: "It is wrong to sell land in these conditions, in this environment. This is a very big mistake: the country is not ready for such a fateful decision. The state should lease the land and control its intended use. It will be good for both the state and the people."

What is the situation in the Poltava region in general?

Vasyl Burlaka, head of the Poltava Farmers' Association, says that the number of farms in the region has been growing in recent years, and today there are 2,400 farms. Youth are actively involved, and they are more interested not only in growing but also in processing food.



"When we became farmers after Ukraine gained independence, it was very difficult for us to get land," says Vasyl Burlaka. But we achieved everything on our own, we managed to get on our feet without loans or state aid. Today there are more opportunities. I see that Poland and Germany now have a lot of programs to support farmers, and we should adopt this experience so that if they allocate land, they also provide funds for new equipment and farm development."



Vasyl Burlaka sees the development of cooperation as a solution for farmers: "Today, the biggest problem is selling products, there are no farmers at the market, even for an old lady it is difficult to sell something there!" He emphasizes that it is important to pay attention to setting up their own processing and storage facilities, which will enable them to sell products at more favorable prices. He points out the need for state support programs for farmers to build storage facilities, purchase cold storage, processing equipment, etc.

Farmers in the Poltava region are actively involved in helping the Ukrainian Armed Forces, supporting IDPs, hospitals, and the wounded. The war deprives farms of labor. Mechanics, combine operators and farmers are being taken to the frontline. At the same time, there are legal mechanisms exist for reserving personnel.

Today, farmers in the Poltava region use the opportunities provided by the state to develop their farms. Vasyl positively assesses the launch of the State Agrarian Register "DAR" system, where every farmer can register for state aid. He characterizes it as efficient and not bureaucratic. However, it is more difficult for older farmers with new technologies. Vasyl is also satisfied with the work of the advisory service and his direct cooperation with the administration. However, he notes the low attendance rate - only 25-30 people come to educational seminars. In general, a comprehensive approach to state aid is important, the farmer emphasizes. "We have received assistance, but we still need to look at it and analyze whether it helped.

According to Vasyl Burlaka, the implementation of the land market in Ukraine, especially during the war, is discriminatory and favors oligarchic structures. He regrets that there are no farmers on the land market. This market is now occupied by other people.

Vasyl is convinced that the war will bring about many changes in the development of society and that after the war, land, and agriculture will be of greater value and a different attitude will be taken towards a piece of bread. Therefore, the state and society need to think today about how to support and promote the development of peasant farming in Ukraine.

№2
NOVEMBER 2023



**Support to Civil Society
Organisations in Ukraine**

**BULLETIN
OF PUBLIC ORGANIZATION "KNOWLEDGE [LATFORM -
AGRICULTURAL DEVELOPMENT AND RURAL
INNOVATIONS"**

THE RIGHT TO LAND

**IN THE UN DECLARATION ON THE
RIGHTS OF PEASANTS AND OTHER
PEOPLE WORKING IN RURAL AREAS**

The bulletin was prepared by the Public organization "Knowledge Platform - Agricultural Development and Rural Innovations" thanks to a grant received from the Program "Support Civil Society Organizations (CSOs)" in Ukraine within the support of the Embassy of Great Britain.

The program is implemented by Crown Agents in partnership with International Alert and in cooperation with Crown Agents in Ukraine.

The content of the bulletin does not necessarily reflect the views of the Embassy of Great Britain, the views of International Alert and Crown Agents in Ukraine.

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