

Leasing of Farmland and Land Consolidation

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SUMMARY

Leasing of farmland is increasing in Norway and is involving approximately 45 percent of the agricultural area in use. Active farmers are in need for more land, because of technological and market forces tend to push a development towards fewer, bigger, and more efficient farms. This is not unique for Norway. It is global phenomenon. To get access to more land farmers lease land, but it is casual whom they lease from. That often causes fragmentation of leased farmland, with the consequence that the operating costs increases. The Land Consolidation Act has measures that to some extent can solve this situation. The land consolidation court should consider leasing arrangements in the land consolidation area. If land consolidation affects a lessee or any other person with similar rights, the land consolidation court shall resolve the relationship between him and the owner if necessary. Until now, the measures in The Land Consolidation Act have not been used to great extent. There are at least three main possibilities to use land consolidation: One; the land consolidation court may allocate the leased farmland closer to the active farmers' operational farm centre. Two; allocate leased farmland at a central position in the land consolidation area so that many farmers will want to lease. Three; modify the properties so that the lessee got farmland as exchange for forest or outfield areas. These three fundamentally different ways of solving the problems are analysed and practical examples are shown.