Trip Report: "Study tour to Ukraine" - June 20, 2004 to July 4, 2004

This report contains six sections. In the first section, I provide some background to the Chernobyl Nuclear Power Plant explosion and detail the land-related consequences of the accident. In section two, I present information on association development in Ukraine, and emphasize the political role played by the Ukraine Association of Farmers. In section three, I summarize the notes from meetings with specialists with the Ukraine Land Titling Initiative and the UN Agricultural Policy and Human Development Project. In section four and five, I give contact information for the organizations visited and a list of other land-related organizations. Section six lists the documents that will be submitted in addition to this report.

BACKGROUND AND CURRENT SITUATION

The explosion and subsequent fire that occurred in the Chernobyl Nuclear Power Plant in April of 1986 released over 50 million Curies of radiation and contaminated over 140,000 km² of land in Ukraine, Belarus, and Russia. Land is considered to be contaminated if the density of radioactive caesium ¹³⁷Cs exceeds 1 Ci/km². The territory of contaminated land is divided into four zones within Ukraine. The first zone, called the "Exclusion Zone," has a contamination density greater than 40 Ci/km² and includes the territories that are adjacent to the Chernobyl Nuclear Power Plant and within a 30 km radius. Zone two is called the "zone of obligatory resettlement" and refers to land that has a contamination density between 15 and 40 Ci/km². Land in zone two is not contiguous. Land in zone three has a contamination density between 5 and 15 Ci/km², and in Ukraine is called the "zone of guaranteed resettlement." The least contaminated zone, zone four, has a contamination density between 1 and 5 Ci/km². According to UN estimates, 5% of the area in Ukraine is contaminated, 1.5% of Russian territory, and 23% of territory in Belarus is contaminated. The radioactive fallout fell largely on forests, wetlands, arable lands, and pastures. An estimated 150-200 thousand people live on land that is designated as contaminated.

The removal of agricultural land from production has had serious socio-economic effects on the populations involved. Poverty has increased, further constraining local capacity to deal with health and environmental challenges that have resulted from the Chernobyl accident. Despite initial governmental efforts to educate the population about the ill-effects of eating contaminated food, the practice of gathering wild mushrooms and berries at no monetary cost continues as much out of cultural tradition as economic necessity. The major source of continued internal exposure is the voluntary consumption of contaminated food from privately cultivated land plots and animals and from mushrooms and berries that grow wild in forested areas.

The increased consumption of contaminated food is just one result of constrained economic opportunities caused by environmental contamination. Economic reforms such as decollectivization and land reform exacerbate the situation, because of the associated discontinuation of social and health services that were offered on collective and state farms. Other reforms associated exclusively with contaminated lands include a withdrawal of land from agricultural production and forestry and restrictions of access to and transportation through certain areas. These systemic changes, having occurred only six years after the Chernobyl tragedy, initially plunged the rural population into poverty where a large percentage of the population remains today. Limited economic opportunities among the rural population on contaminated land have ultimately led to a reduction in the decline of dose rates (or increase) among the population that lives in contaminated areas.

The return of contaminated land to commercial agricultural use is unlikely to happen soon. The products that can be grown even on the least-contaminated land are not considered "clean" by standard measures. Research on reclaiming abandoned agricultural land has been conducted in two prominent research institutes in Russia, and methods do exist for reducing contamination levels, but the resources required to undertake such a project are not available. In light of this constraint, the short-term strategy is to concentrate available resources on reducing the contamination of produce grown on land already under cultivation¹.

¹During a meeting with the Radioecology Center in Chernobyl, I asked a scientist to speak to the potential of reclaiming contaminated land. In response, I was told that according to Ukrainian law, production is prohibited in the Exclusion Zone, although "there is no problem to produce, but the products would be contaminated." Later in the week when speaking with a specialist at the Ukrainian Land Titling Initiative, I learned that two weeks prior a law had been passed that allowed production on contaminated lands. I was not able to confirm this before leaving Ukraine.

Other countermeasures have been undertaken to reduce exposure on contaminated land. Nine monitoring categories have been established with monitoring responsibilities allocated to specific governmental agencies. The monitoring categories include: 1) air and transport of radioactivity in the environment, 2) underground water, 3) surface water and bottom sediments, 4) soil, 5) agricultural soils, 6) forest and other ecosystems, 7) food produced on household land plots for personal consumption, 8) food produced on large farms for sale, and 9) drinking water. Although countermeasures have been identified, in practice the capacity of governmental agencies to manage the aforementioned monitoring responsibilities are inadequate according to an official with the Ministry of Emergency Situations.

INFORMATION ON ASSOCIATIONS IN UKRAINE

Ukraine Association of Farmers – Ivan Tomadg, Director Sormovskaya Str., rm. 6,7 Kyiv, Ukraine Tel. + 38 044 566-13-30 Email: admin@farmer.org.ua Internet: www.farmer.org.ua

I was unable to arrange a meeting with a representative of the Ukraine Association of Farmers, but did manage to obtain comments from three specialists about the association. Victor Zaiats from the Ukraine Land Titling Project noted that the association focused on legal and rural credit issues. When asked if the association serves an advocacy role, Victor responded, "No organization in this political situation is in the position to advocate for rights. It is not realistic."

Dr. Mykalo Pugachov of the UN Agricultural Policy and Human Development Project contradicted Mr. Zaiats and noted that the Ukraine Association of Farmers did in fact lobby on behalf of its members. Currently one of the critical issues is pension reform for landholders. This issue hinged upon the legal definition of a commercial farm, because family farmers do not pay pensions. The account supplied by Dr. Pugachov describes how the Association of Farmers initially gained presence when it began to look for people who were interested in agricultural politics. In fact, Ivan Timadg, the direction of the Ukraine Association of Farmers, was a Member of Parliament in 1998. A recent decision was made by

the board of the association to lobby not just for farmers, but for all people who had land. Brennan Klose from the Ukraine Land Titling Initiative does not believe that the Association's aims are so lofty. He adds that in his opinion Ivan Tomadg has a political agenda. According to Mr. Klose, the Association works mainly with heads of large farms – "not so much with small private farms."

An ongoing service provided by the Association is to supply all farmers with a newsletter that explains current land regulation. Regulation that concerns prices of food is also of interest to farmers and the general population. The high price of local food in relation to imported food raised great concern and stimulated action on the part of the Ukraine Association of Farmers.

People's Voice Project – Alexander Kucherenko, Project Manager 13a, Pymonenka Str. <u>akucherenko@icps.kiev.ua</u> Kiev, 04050, Ukraine Tel. + 38 044 236 4116, 236 4196 Fax: + 38 044 236 4668

Alexander Kucherenko's work has focused on association development in Ukraine. His current project involves the utility sector and innovative ways to meet the energy needs of poor residents at the municipal level. Past projects have involved pensioner populations, urban immovable property reform, and agricultural land reform. When asked to describe what he believes are the challenges to association development, Mr. Kucherenko replied that citizens of Ukraine do not desire to work together towards a common goal. Three reasons for this include: 1) lack of democratic culture; 2) lack of trust; and 3) mistrust of ideas whose purpose is to unite people. In Mr. Kucherenko's opinion, people in Ukraine do not believe that they will get anything accomplished if they unite. He is careful to point out one exception – agricultural associations. Agricultural associations meet the needs of their constituent population and work towards political goals. These two qualities, according to Mr. Kucherenko, set agricultural associations apart from other types of associations.

NOTES FROM MEETINGS

Brennan Klose - Ukraine Land Titling Initiative

At the start of our conversation, Mr. Klose provided an historical overview of land reform in Ukraine. He explained how the 13,000 Soviet collective farms replaced the over 50,000 rural

villages that comprised the Ukrainian countryside in 1900. Post-Soviet land reform has been heavily influenced by the pre-Soviet style of farming that varied by region of Ukraine. For example, in the east, land was farmed in "long thin pieces." In contrast, around the city of Lviv, "different pieces of land were farmed in random areas." In 1992 and 1993 when the State Land Resources Committee initiated land reform, two certificates were issued – one for land and the second for property. Land was not fully privatized until 1999. As a result, the land around Kyiv sold quickly to developers. However, land that is designated agricultural land can not be purchased by people who do not intend to use it for agricultural purposes. A new phase of land reform began in 2001 when the Ukraine Land Titling Initiative began calculating the cadastral value of land based on size and quality. The current status of the Ukraine Land Titling Initiative is that there are still an additional 7 million land shares to be valued. Although funding for this project ends in September, the project is expected to take an additional 4-5 years. This means that the State Land Committee will undertake the responsibility for valuing the remaining 7 million land shares. To assist the State Land Committee with their planned efforts, some farm enterprises have agreed to partially fund the Committee's activities over the next 4-5 years.

In general, the farmers who receive the cadastral value of their land shares are pleased, considering the calculation tends to increase the nominal appraised value by 1-2%. When individuals receive their parcels they have an opportunity to renegotiate their lease agreements, and frequently bid up the price. For roughly 50% of those who choose to renegotiate, these renegotiations increase the price by 1-5%.

The issue of debt restructuring has figured prominently in discussions of farm restructuring and land reform. At the onset of farm restructuring, huge debt loads burdened most collective and state farms. As reforms progressed, the farms that were politically well-connected were able to write off their debt burdens. Those who were not so well-connected could not.

Production is also changing as a result of farm restructuring and land reform. In the East, for example, former collective farms, which produced mainly grain, are switching to livestock production or are letting the fields go back to forest. One reason for this shift is the poor

quality of land in this area. Another reason is the necessity to build up herds after a mass slaughter of cattle in 1993 and 1994.

The state still controls the network of producers and processors. Prices are manipulated from the farm gate. Rents are collected as a result.

Victor Zaiats - Ukraine Land Titling Initiative

According to my conversation with Mr. Zaiats, citizens who were not part of a collective or state farm prior to farm restructuring do not have a right to farm agricultural land. He went on to explain the differences in land within Ukraine's borders. For example, the agricultural land in the south is of more limited quality. Because of the variability in quality of land, farmers have the option of substituting a plot of land originally allocated to them for a plot of land from a "Reserve Fund" of land set aside on the grounds of the former collective farm. Victor provided some historical background to our discussion of farm restructuring and land reform. He explained that the methods for distributing land shares varied. One method was to allot neighbors or relatives contingent land shares. Another method was to have farm workers pull random land shares "from a box."

When asked to describe what rights landholders have over their land shares, Mr. Zaiats responded that landholders can 1) rent land shares; 2) sell their land certificate, but not the land itself; and 3) change a tract of land for a tract in the Reserve Fund. Victor Zaiats explained that during the process of decollectivization farmers were aware of their land rights. They learned about their rights through newspapers, television, and through personal interaction. Paper certificates to specific land plots also indicate land rights.

Mr. Zaiats was careful to point out that land registration is a "big problem." According to him, the data base simply is not effective as it currently exists.

Mikhail Cheremshenski – Ukraine Land Titling Inititative

Mr. Cheremshenski provided the most measured view of the situation on contaminated lands. He is a former liquidator² and currently manages the new pilot project in Zhetomir Oblast, which is comprised of land in the third zone of contamination. When asked to describe the agricultural situation in the different "zones" of contamination, he allowed that in "non-Exclusion" zones, the doses of radiation were not big. He further argued that in the third zone (the next to least contaminated zone), "even without this pollution, this territory would not be doing well." His argument is founded on the fact that land tends to be of lesser quality in the third zone.

He offered some important details about the nature of radiation fallout during the meltdown at the Chernobyl Nuclear Power Plant. He explained that spots of zone two radiation fell within the designated zone three band of radiation that surrounded Chernobyl. This pattern of radiation fallout meant that several population centers are located directly in severe radiation areas, while being surrounded by agricultural land that is categorized as zone three. (It is important to note that while pollution can be measured and mapped, levels of contamination shifts with wind and weather, so that one can never know from one year to the next where exactly high or low levels exist without additional testing.)

Dr. Mykala Pugachov - UN Agricultural Policy and Human Development Project

Dr. Pugachov laid out the emphases of the Agricultural Policy for Human Development Project: 1) trade; 2) agricultural finance; 3) agricultural markets; 4) land and property; and legal reform.

The project he is currently working on provides all farmers with a newsletter that explains current land regulation. Regulation that concerns prices of food is also of interest to farmers and the general population. The high price of local food in relation to imported food raised great concern and stimulated action on the part of the Farmers Association. Mr. Klose from the Ukraine Land Titling Initiative adds that in his opinion Ivan Tomadzh has a political agenda. He works mainly with heads of large farms – "not so much with small private farms."

 $^{^{2}}$ The term *liquidator* refers to the over 600,000 Soviet citizens from all over the Soviet Union who were ordered by the Soviet government to the Chernobyl site to assist with the clean-up. Some liquidators remained until the collapse of the Soviet Union.

In reference to non-agricultural land, Dr. Pugachov states that the legislation is much simpler than for agricultural land. In his opinion, the legislation in place to regulate non-agricultural land is effective.

LIST OF ORGANIZATIONS VISITED

Agricultural Policy for Human Developmen	nt Project – Dr. Mykola Pugachov, Strategic					
1/14 Sadova Str., 4 th floor	Area Manager nick@agpol.kiev.ua					
Kyiv, 01021, Ukraine						
Tel. + 380 44 253-5866, 5869, 5482						
Fax: + 380 44 253-5611						
Ukraine Land Titling Initiative Project –	Victor Zaiats, Land Survey and Cadastre					
Specialist						
36 Ivana Franko Str., Office #3, 3 rd floor	Victor@ulti.kiev.ua					
Kyiv, 01030, Ukraine						
Tel/Fax: + 380.44.238.6086	Brennan Klose, Technical Director					
	Brennan@landsystems.com					

Mikhail Cheremshenski, Program Manager for Zhetomir Project in the Third Zone

OTHER LAND-RELATED ORGANIZATIONS IN UKRIANE

National Agricultural University of Ukraine

15, Tel.	of Land Mana Heroyiv + prat@nauu.kie	Obo 38	Dr. rony, (04	Ку	V.V.Gorlachuk Kyiv, 03041, 4) 267-8233,			Ukraine 267-8221	
Institute of Agricultural Radiology – Dr. Valeri Koshparov Heroyiv Oborony Str., 15 03041, Kiev-041 Tel. + 38 (044) 267-8233, 267-8221									
Research 252067 Geroev	Institute	of Ec	onomics Kie	& v,	Organization of		Agriculture Ukraine Oborony		
Tel.	+		38		(044)			261-4821	

LIST OF PUBLICATIONS

"Agricultural Policy in Ukraine: Analysis and Research 1999-2002," Agricultural Policy for Human Development Project, UNDP Ukraine.

Shuker, Iain and Csaba Csaki. "Achieving Ukraine's Agricultural Potential: Stimulating agricultural growth and improving rural life." Joint OECD/IBRD publication. Draft, Spring 2004.

Pugachov, Mykola and M. Kobets. "Land Reform in Ukraine," Agricultural Policy for Human Development Project, UNDP, Ukraine, February 2004, no. 1.

Course syllabus on "Land Management and Land Cadastre" at the National Agricultural University of Ukraine.