The federal law on rural land rights in Switzerland

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Some data and information concerning Swiss agriculture

- Since 1996, 32% of the farms disappeared
  - 2000: 70'537
  - 2016: 53'232 (-25%)
- Average size of a farm: 19 ha
- Still 4.3% of the population is rural, employed in agriculture
- Arable land: 1'049'072ha, 142'073ha organic farming, 14%
- New younger trained farmer per year: 1000, but 1300 are needed
- Self-sufficiency rate: 55%, but 100% for meat, dairy products
- Top rate of subsidies worldwide
- Very capital intensive and industrial agriculture next to a part of sustainable agriculture (more on non-favoured areas)
A law to maintain rural land property

**Goals** of Art.1 of the federal law on rural land rights (211.412.11 Bundesgesetz über das bäuerliche Bodenrecht. BGBB)

- To foster the maintain of rural land property, specially family farms as a base of
  - a strong farmer community
  - a productive agriculture, takes into consideration a sustainable soil management and improves the structures
- To strengthen the position of the land – manager (farmer) and of the tenant as well and to support them also with regard to acquire land
- To prevent excessive prices
Tools: Restrictions for the farm land trade and favourable framework for the taking over for family members

90% of the rural land in Switzerland is in private hand, only 3% in the hand of legal persons, 7% is public land.

Tools (selection only)

- Selling farm land to a non-direct family member or outsider requires approval of the cantonal authority.
- When farms are taken over, the earning value has to be paid.
- Relatives and tenants have a pre-emption right.
- Usually, the property must be sold as a unity. → Interdiction of the split of the property into partial plots.
- Cantonal regulation asks non-family buyers to provide a certificate of professional qualification.
Access to land for Newcomers (no – family members or no- tentans) and for legal persons

- Newcomers interested in the land and property of retiring farmers: up to 80 competitors apply for a farm (if the farm is to sell)
- Mostly very expensive, despite measures to prevent land speculations
- For legal persons: there must be one person as a (self) land – manager who holds a share of 2/3 of the land property and the proof of a professional qualification
- Only 1% of the farms are organised as legal persons, only 3% of the land is owned by legal persons
- When farmers retire and there is no family succession: only 5% of the cases!
  - They usually keep the farmhouse and rent or sell the land to farmers out of the neighbourhood ➔ foster the structural change
  - Or they keep the farmhouse and sell the land to out-siders (seldom)
  - They sell the farmhouse and the land to out-siders (seldom)
Conclusion

- The BGBB shouldn’t be weakened, even though the access to land for new-comers is difficult
- The BGBB pointed out the importance and possible positive effect of a favourable legal framework
- The BGBB show the high relevance of agriculture land in Switzerland. Still 95% of all farms were inherited within the respective families. (Prize: earning value)

BUT

- There is a real risk of watering down the positive effects of the BGBB
- The Federal Council wishes to repeal the restriction for disposal for small farms and part-time farms. This would have the effect of a reduction of 43% of all Swiss farms!
Thank you for your kind attention