

Abstract for the 2016 Conference of the Danish Environmental Economic Council

## **Land consolidation used for facilitating multifunctional land allocation processes**

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Traditionally, land consolidation is the reallocation of parcels with the aim to establish larger parcels for landowners in exchange of their former smaller and fragmented land plots. Hereby farmers increase their productivity through time saved from less transport between land plots and by economies of scale from increased size of the land plots. With the ongoing development of the farm structure the need for land consolidation in Denmark today do also stem from the fact that one farm enterprise often consists of several farm units. Further, societal demand for nature areas allocated for restauration of streams, wetlands and semi dry habitats for the purpose of providing recreational opportunities and supporting biodiversity also poses a demand for reallocation of land lots and land ownership which can be met by land consolidation. In this project five functional purposes are investigated (Farm economics; Biodiversity; Water quality; Recreational opportunities; and Rural development) which through negotiation are merged to one multifunctional reallocation plan as part of the land consolidation process. The resources available for the reallocation plan are limited by a budget constraint.

The first results from the project where land consolidation is used in three case studies for facilitating multifunctional land allocation processes in the municipalities of Skive, Jammerbugt and Ringkøbing-Skjern are presented. Focus in the presentation is on how to measure the effect of land plot reallocation on farm productivity and profitability and to discuss how a multifunctional land consolidation process can contribute to a socio economic optimal reallocation of land plots.

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