

## AGRICULTURAL LAND MARKET IN THE REPUBLIC OF MOLDOVA: ACHIEVEMENTS AND PROSPECTS

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**Abstract:** *The last decades of the last century in the Republic of Moldova, as in a number of other European countries, were highlighted as a period of socio-economic changes of exaggerated proportions. The absolute dominance of state property, being a consequence of the revolutionary experiment since 1917, served as a main cause of the backward living conditions of the country's population, the permanent lack of food in shops and local markets, miserable salaries, etc. At the same time, the state authorities for a period of at least 10 years (1990-2000) by all means delayed the start of real reforms of the national economy. Only in 1998 was the National Program "Land" launched, according to which agricultural lands of approximately two thousand agricultural enterprises were subjected to the privatization process with the subsequent revitalization of both private ownership and the free market for agricultural land in the Republic of Moldova. The detailed analysis of the local agricultural land market over the last almost 25 years, the identification of both the results obtained and the unsolved problems with the indication of scientifically substantiated ways of solving them, serves as the main purpose of this article.*

**Keywords:** *Land market; agricultural land; market prices; geographical zoning; main factors determining market prices; weather conditions*

### 1. Introduction

Being at the stage of almost a quarter of a century since the completion of the agrarian reform in the Republic of Moldova (2000-2025), it is logical to conduct a detailed analysis of both the results obtained and the existing shortcomings, as well as to outline the argued ways to eliminate them. As the main economic effect of the process of reforming the land relations authors call the extraordinary increase in labor productivity in agriculture, which amounted to almost 4.0 times in the above-mentioned period. If in the years before the reform, an indigenous farmer from the Republic of Moldova processed an average of 3.3 ha of agricultural land, then in 2023 (the last year for which we have official statistical data) this area amounted to 13.05 ha.

Investments in the country's agricultural sector have also increased significantly, the infrastructure of the agri-food market has developed considerably, the assortment of these products has diversified, etc. The eloquent indicator of the positive effect of the privatization of agricultural land is the permanent increase in the market price of a hectare of agricultural land in the Republic of Moldova throughout the post-privatization period.

## 2. Materials and Methods

The main sources of analysis and evaluation were the data of the National Bureau of Statistics of the Republic of Moldova for the respective years, the results obtained in the process of conducting scientific research within the National Institute of Economic Research, bibliographic sources on agro-economic topics, etc. The following main methods of addressing the problems were used: analysis and synthesis, systemic approach, monographic analysis, grouping, extrapolation, statistical observation, comparison, the method of tables and graphs.

## 3. Results and Discussion

The first quarter of a century of revitalization of the land market, often called the agricultural land market, in the Republic of Moldova, is approaching its end (summer 2025). Based on this rather considerable period of operation, the main goal of this article is to conduct a thorough analysis of both the results achieved and the ways of further development of this important fragment of the general market management mechanism.

We recall that the revival of the agricultural land market in the Republic of Moldova became a reality in the summer of 2000, when the National Program for the Privatization of Agricultural Land, well known in the country and abroad as the National Program "Land", was successfully completed.

As the main result of this event, we would like to mention the fact of radical and quite dynamic changes in the general employment scenario available in the national economy of the Republic of Moldova. According to the data of the National Bureau of Statistics of the Republic of Moldova, if in 2000 year the number of the population employed in agriculture, hunting and forestry was 765 thousand people, then in 2023 this number was reduced to 185.0 thousand workers (excluding the population on the left side of the Dniester) [1, 2].

Given that the volume of work (in physical terms) remained approximately the same, reducing the number of labor forces means a corresponding increase (i.e. 4.0 times) in labor productivity in the agricultural sector. As a consequence, it can be noted that a good part of farmers during the analyzed period switched to other branches of the national economy.

As a final result, we can note such phenomena as the diversification and much more dynamic growth of the country's gross domestic product, the modernization of the structure and the increase in the level of competitiveness of domestic products, the relative and absolute growth of exports, etc. It should also be noted that in recent years the contribution of agriculture, forestry and fishing to the formation of the country's gross product has stabilized at the level of  $10.0 \div 12.0$  percent of the country's GDP with obvious prospects for future growth of this percentage through various methods of modernization, increasing the level of competitiveness of domestic agri-food products, etc.

In this context, it is worth emphasizing the important role of the agricultural land market as an important (basic) mechanism of the future agri-food complex of the Republic of Moldova.

First of all, it should be emphasized that being located in the immediate vicinity of the 47th parallel in the Northern Hemisphere of the planet, this complex has favorable weather conditions, agricultural lands of the highest fertility level (chernozems), qualified labor force, etc. According to updated statistical data, the land area of the Republic of Moldova is 3384.7 thousand hectares, of which agricultural lands occupy 2514.5 thousand hectares or 74.3 percent. In geographical terms, the total area of agricultural lands in the Republic of Moldova

is divided into three relatively identical areas (in terms of area) - North, Center; South and the Administrative Territorial Unit on the left bank of the Dniester river [3]. Due to the lack of data on the functioning of the land market on the left bank of the Dniester, this article reflects the problem addressed only on the territory of the geographical areas on the right bank of the Dniester.

As the main factor in the formation of market prices of agricultural lands, their intended destination is highlighted. Based on this expectation, the first group of administrative-territorial units was formed in which the overwhelming majority of sale-purchase transactions were carried out with the aim of using the acquired areas for the production of agricultural products and/or the development of the livestock sector. The respective data are presented in Table 1.

Table 1

**Transactions of sale-purchase of agricultural land with the purpose of using it  
predominantly for agricultural activities**

data of 2023

Districts	Area, ha	Total amount of transactions, MD lei	Price, MD lei/ha
<b>Northern Region</b>			
Briceni	562,57	33968595,69	60380,85
Dondușeni	277,27	13528736,32	48792,19
Drochia	404,26	14853983,5	36743,53
Fălești	159,31	8712471,5	54687,45
Florești	14,27	593394,03	41569,34
Glodeni	311,31	20266277,58	65099,42
Ocnîța	608,72	70770640,66	116261,12
Râșcani	767,76	33183281,45	43220,83
Sângerei	500,27	62953812,22	125839,67
<b>Total</b>	<b>3605,74</b>	<b>258831193</b>	<b>71783,10</b>
<b>Central Region</b>			
Anenii Noi	422,28	34642359,52	82036,58
Călărași	125,61	6680980,56	53189,05
Criuleni	73,11	7430964	101646,43
Dubăsari	227,28	28973476,3	127477,76
Nisporeni	148,48	5211581,64	35099,95
Rezina	194,28	7930181,86	40818,67
Șoldănești	483,93	19800378,16	40915,59
Telenești	101,31	5255886,8	51879,04
<b>Total</b>	<b>1776,28</b>	<b>115925808,8</b>	<b>65263,25</b>
<b>Southern Region</b>			
Cantemir	61,63	2604960	42267,32
Căinari	66,84	2459709,36	36801,06
Căușeni	219,14	8610107,89	39290,07
Ceadir Lunga	2,88	133268,91	46272,32
Cimișlia	153,31	7069927,49	46113,8
Comrat	217,18	9194381,35	42335,34
Leova	57,57	2525267,15	43863,45
Taraclia	130,9	5451000	41642,25

Ștefan Vodă	39,42	1401899	35564,58
Vulcanesti	74,03	1251900	16910,44
<b>Total</b>	<b>1022,9</b>	<b>40702421,15</b>	<b>39791,20</b>
<b>General total</b>	<b>6404,92</b>	<b>415459422,94</b>	<b>64865,67</b>

Source: Prepared by the authors according to data from the Real Estate Registry

Of the entire area of agricultural land, sold-bought in 2023 as agricultural land, only 6404.92 ha were used. The rest of the sale-purchase transactions were carried out with the aim of future use of the purchased areas for various capital constructions, including residential premises, industrial, commercial objects, etc. It should be noted that the centers of gravity of these administrative units are, as a rule, the municipalities of the country, primarily - Chisinau, Balti, Cahul and others in which the market price of a single hectare of agricultural land in 2023 was (on average) 153100.15 MD lei or 2.36 times more expensive than analogous land, sold-bought for future use in the agricultural sector. (tab. 2).

Table 2

**Transactions of sale-purchase of agricultural land in municipal regions (urban and/or suburban) of the Republic of Moldova (data of 2023)**

Districts	Area, ha	Total amount of transactions, MD lei	Price, MD lei/ha
<b>Northern Region</b>			
mun. Bălți	67,23	7498719,5	111531,66
mun. Edineț	541,59	22482736,2	41512,4
nun. Soroca	708,92	35645561,82	50281,76
<b>Total municipal agricultural land</b>	<b>1317,74</b>	<b>65627017,52</b>	<b>49802,71</b>
<b>Central Region</b>			
mun. Chișinău, including r. Ialoveni	487,41	322155093,4	660952,98
mun. Hâncești	322,66	26613705,45	82482,12
mun. Orhei	481,3	19285429,95	40069,09
mun. Strășeni	94,92	7425113	78225,7
mun. Ungheni	133,08	3965272	29795,21
<b>Total municipal agricultural land</b>	<b>1519,37</b>	<b>379444613,8</b>	<b>249738,12</b>
<b>Southern Region</b>			
mun. Cahul	318,21	14504184,23	45580,54
Basarabasca	244,76	60976948,19	249134,54
<b>Total municipal agricultural land</b>	<b>562,97</b>	<b>75481132,42</b>	<b>134076,65</b>
<b>General total</b>	<b>3400,08</b>	<b>520552763,74</b>	<b>153100,15</b>

Source: Prepared by the authors according to data from the Real Estate Registry

General information on the areas and market prices of agricultural land in the Republic of Moldova, according to 2023 year data, is presented in Table 3.

Table 3

**Summary of the results of the functioning of the agricultural land market of the  
Republic of Moldova in 2023 (data of 2023)**

Districts	Area, ha	Total amount of transactions, MD lei	Price, MD lei/ha
<b>General total NORTH area</b>	<b>4923,48</b>	<b>324458210,5</b>	<b>65900,18</b>
<b>General total CENTER area</b>	<b>3295,65</b>	<b>495370422,6</b>	<b>150310,39</b>
<b>General total SOUTH area</b>	<b>1585,87</b>	<b>116183553,6</b>	<b>73261,71</b>
<b>TOTAL FOR THE REPUBLIC OF MOLDOVA</b>	<b>9805,00</b>	<b>936012186,7</b>	<b>95462,74</b>

*Source: Prepared by the authors according to data from the Real Estate Registry*

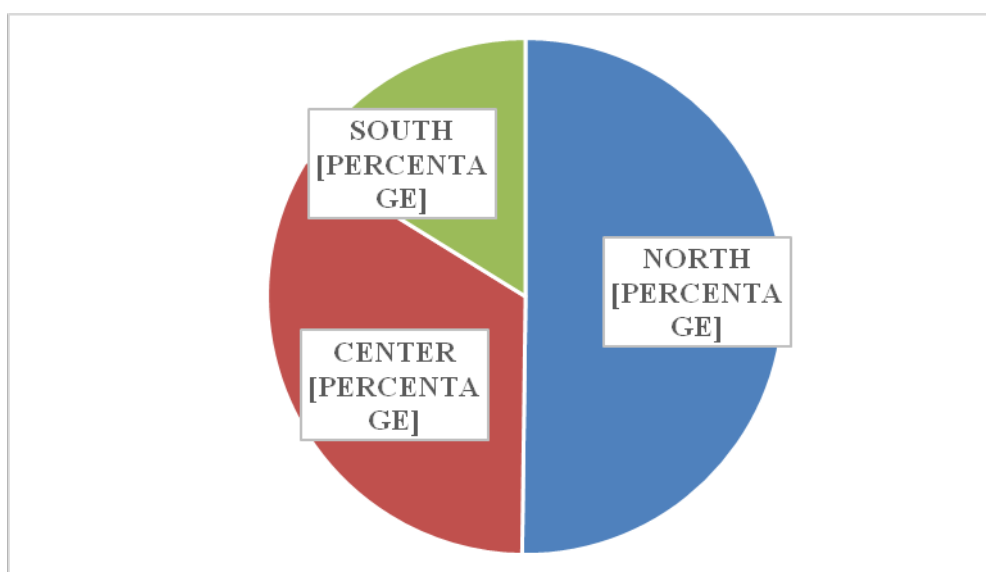


Figure 1. Area of agricultural land sold-bought in 2023 by geographical areas of the Republic of Moldova

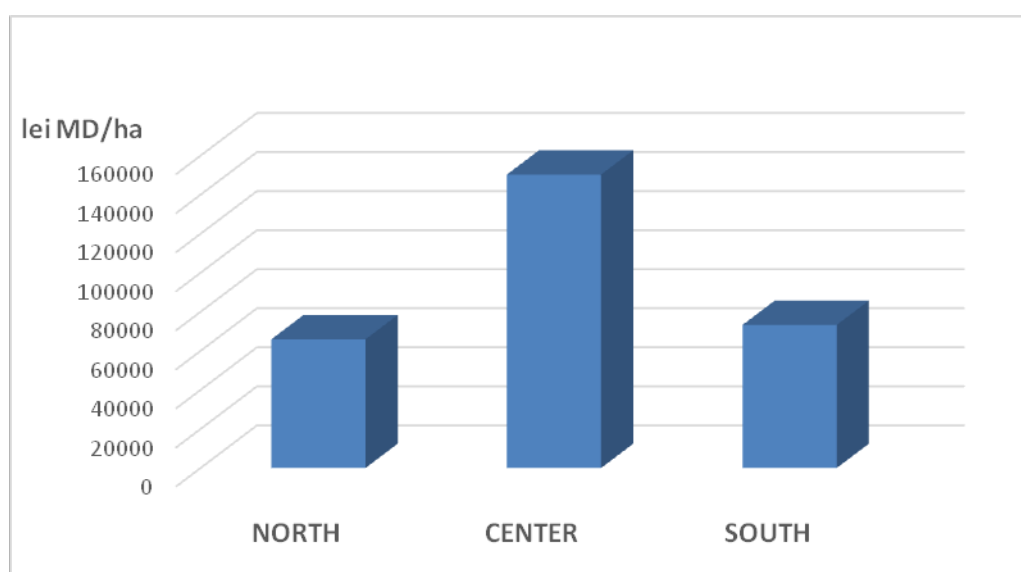


Figure 2. Average market price of agricultural land in the Republic of Moldova (2023)

### *Conclusions*

#### 4. Conclusions

Taking into account the fact that at the beginning of the process of the revival of the agricultural land market in the Republic of Moldova (2000 year) the average market price was 3.1 thousand MD lei for 1 hectare [4], we can conclude that during the first quarter of a century of operation of the local land market this price increased by 20.9 times, far exceeding the average level of devaluation of the Moldovan lei during that period.

Although the current legislation of the Republic of Moldova does not allow the sale of agricultural land to foreign investors, their total amount in 2023 amounted to more than 936.0 million MD lei and remains in constant growth from year to year.

Also based on the calculations performed, we can conclude that being accompanied by exchange transactions, inheritance, donation, etc., sale-purchase transactions form a civilized mechanism for the legitimate transfer of private ownership of agricultural land from one generation of farmers to another. As a result, the process of agricultural production and ensuring the country's food security is protected and is in constant development.

It is also worth highlighting the enormous differentiation of practically all the main indicators of the analysis performed: the area, the market prices of one hectare and the total amount of investments made on this market fragment.

#### 5. Acknowledgments

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