

Non-profit making Land Companies in Germany

The **legal basis** for non-profit making Land Companies (*'Landgesellschaften'*) is to be found in the 'Reichs' Housing Act (RSG) enacted in 1919. In 1949 it was incorporated by the new Federal Republic and, since the Contract of Unification of 1990, also applies for the new federal states. The RSG specifies that individual federal states can found non-profit making land companies. The special position of companies, their rights and special tasks are based on the aforementioned RSG.

The land companies are joint stock companies in the **legal form** of a GmbH (*company with limited liability*). The non-profit status is specified in the articles of association of the companies.

The federal states are **main shareholders** in the land companies. Shares are partially held by the 'Landwirtschaftliche Rentenbank' (*bank for projects related to agriculture*), federal state banks and other corporations under public law such as regional corporate bodies (districts, communities) and the regional State Farmer's Association.

The land companies have received **capital resources** for their work for public benefit. Capital contributions were mainly made in cash form, and for some federal states in the form of land areas.

The land companies are organs of the federal state policy for the development of rural areas. They are normally under **supervisory control** of the state departments responsible for agriculture. Other state departments are represented in the supervisory bodies. Land companies acting in public interest may be audited by the audit courts.

The **business objective** of land companies is to strengthen economic potential and to improve living conditions in rural areas.

A central task is to implement the structure policy for agriculture and rural areas. The land companies cooperate in planning, financing and execution of measures to improve structures in rural areas which are mainly supported by the public sector. With their respective portfolio of services the land companies enhance state government administration and work on the government's behalf in some sections.

The **main tasks** and **services** provided by the land companies include:

Land procurement, land utilization and land management for structural improvement measures in agriculture as well as for community and regional development projects, ecological and other public projects. The area available to the companies which currently covers approx. 65,000 hectares serves to fulfill such purposes.

To prevent land speculation, the non-profit making land companies are also furnished with ***pre-emptive rights pursuant to the German law on Real Estate Transactions.***



Improvement of agricultural business organization by means of professional planning, filing of applications and process support (technical and administrative processing) of investment projects in agriculture eligible for subsidy.

- Improvement of area available by means of respective measures of increase
- Improvement of farm buildings by means of building measures in older farmsteads
- Rural settlement from restricted village locations and construction of farm and residential buildings; planning, construction support, processing of subsidy procedures



Execution of measures for re-organization of land holding and re-organizing of property ownership by means of

- voluntary exchange of land
- accelerated amalgamation
- cooperation in land re-parceling processes in accordance with the Land Re-parceling Act
- appraisal and re-organization of property ownership by means of land exchange and public land consolidation measures in the east German federal states as well as the consolidation of building and land property pursuant to the Agricultural Restructuring Act



Village planning and renewal, land and community development as project management from under one roof, especially in the case of reciprocity between community and agricultural structural development.

- Integrated development planning, regional management
- village development
- land utilization and development plans, sectoral planning
- land procurement for local communities
- development of building land for housing, industrial, commercial and recreational facilities



Other Services

- Land management, especially for the federal states
- compensatory land management for compensation of constructional encroachment of nature and landscape
- planning, implementation and support of projects of integrated land development and EU Community initiatives



The land companies cross-link structural development measures of the European Union, the German government and the federal states on a local basis. They operate across all departments and administrative bodies. The land companies do not receive state grants for their services directly. They finance their operations via **earnings and fees** for their work.

The regional **field of work** of the land companies is specified in the articles of association. In practice, this is normally restricted to the respective federal state. The non-profit making land companies have field or branch offices whose **organizational structure** is normally based on that of the federal state administration system. This ensures complete processing for rural regions throughout the respective state.

Organizational structure: There are currently 9 non-profit making land companies / land settlement companies in Germany. They operate in 10 territorial states and 2 city-states. The companies have a network of branch and business offices whose organization is normally based on that of the federal state administration system. This ensures complete processing for rural regions throughout the respective state.

BBV LS	BBV LandSiedlung GmbH, München Team-Standorte in Ansbach, Augsburg, Bamberg, München, Schwandorf und Würzburg
HLG	Hessische Landgesellschaft mbH, Kassel Zentrale und Bereich Nord: Kassel Bereich Süd: Gießen und Mörfelden-Walldorf
LGMV	Landgesellschaft Mecklenburg-Vorpommern mbH, Schwerin Außenstellen in Greifswald, Neubrandenburg, Rostock
LGSA	Landgesellschaft Sachsen-Anhalt mbH, Magdeburg - <u>zugelassen auch in Brandenburg</u> - Außenstellen in Halle, Klötze, Magdeburg, Stendal, Wittenberg
LGSH	Landgesellschaft Schleswig-Holstein mbH, Kiel Büro in Lübeck
LSBW	Landsiedlung Baden-Württemberg GmbH, Stuttgart Büros in Adelsheim, Donaueschingen, Freiburg, Ravensburg, Ulm
NLG	Niedersächsische Landgesellschaft mbH, Hannover - <u>zugelassen auch in Bremen und Hamburg</u> - Geschäftsstellen in Aurich, Braunschweig, Bremerhaven, Göttingen, Hannover, Lüne- burg, Meppen, Oldenburg, Osnabrück, Verden
SLS	Sächsische Landsiedlung GmbH, Meißen Büros in Aue, Bennewitz, Radibor und Rötha
ThLG	Thüringer Landgesellschaft mbH, Erfurt Arbeitsstützpunkte in Meiningen, Neustadt/Orla, Sondershausen

The land companies are members of the Federal Association of non-profit making Land Companies (BLG) in Germany which has its head office in Berlin. The BLG organizes continuous exchange of information and experience between the land companies.

Non-profit making Land Companies

Central offices, branch and field offices, offices or team locations

