# The Evolution of Land Titles System in China and Chinese Land Titles Legal System

Qiu Liefei qiuliefei@163.com

Ministry of Land and Resources of PRC. 11th Oct. 2010. Lima

# Part 1. the evolution of land titles system in PRC.





人民公社所有制
People's Commune Ownership

农业生产合作社集体所有制
Collective ownership
of Agricultural
Cooperation

"三级所有,队为基础"集体所有制度 Three-level Collective ownership with peasants group as the principle entity



#### 1.Land Reform in 1950s

#### (background)

- In feudal society of China regarding the land ownership, large-scale land owned by landlords and small parcels owned by peasants.
- The landlords and rich peasants, accounting for 10% population took up 70-80% of total land area, mostly high-quality farmland. The poor peasants, middle peasants and other people only held 20-30% of land area.
- CPC released the policy that required each peasants had their own lands, which had been gained the overwhelming applauds of the peasants.

#### -1. Land Reform in 1950s

The People's Republic of China was founded in 1949; LAND REFROM ACT was released on July 30, 1950.

The Feudal landlord ownership was abolished and the land owned by the landlords was confiscated and was allocated to the peasants for free, which led to the individual land ownership.

During this period, peasants not only got land and also held the rights for land disposal, trading and leasing.

#### -1.Results of Land reform in 1950's

The outcomes of land reform was to end the Feudal Landlordism of land ownership and to distribute the land to the tillers.

300 millions of landless peasants (2/3of the population) acquired land without paying after the land reform completed in 1952.

The direct positive effects during 1949 to 1952: The average annual growth of food output was 13%. The average annual growth rate of cotton was 61%. 改革的直接成效: 1949-1952, 粮食年均增长13%,棉花年均增长61%。



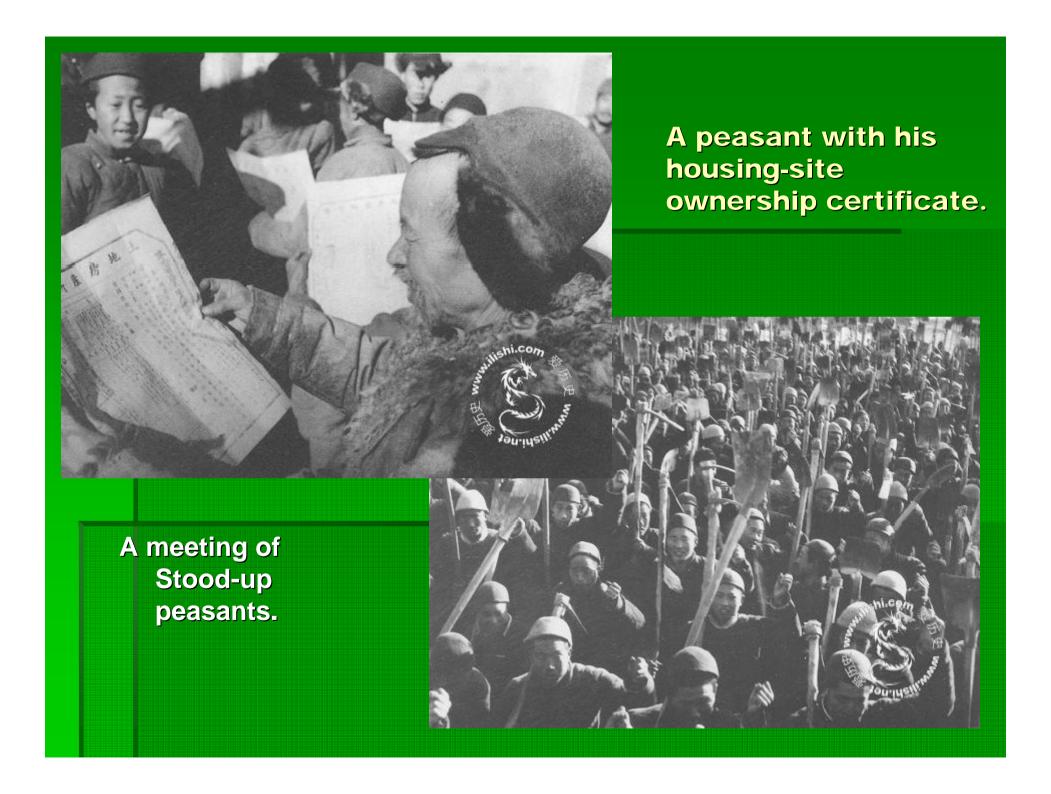




- 分到土地和生产资料的农民。
- peasants who had been allotted with land and production materials



农民在丈量土地。
a peasant was doing surveying on land.



## 2. The establishment on collective ownership system of land in the mid 1950's.

#### a. Mutual-aid team:

In this phase, the agricultural land is private-owned land and peasants were self-financing and assistance with each other.

#### b. Agricultural production cooperatives (1952-1956)

For cooperatives, the agricultural land is classified as collectiveowned land, peasants were working together with an unified income distribution.

• The cooperatives were autonomies and cooperation economic organizations with village-based.

# 3. People's Commune Phase (1958-1962-1978)

- Communalization and communal ownership of land and other production materials had been generally realized in rural areas at the end of 1958.
- Hundreds of millions of peasants were allocated to 5 millions production teams in the communalization movement. (1958-1962)

# -3 Special features of People's Commune System

- a. The scope was large. There were more than ten thousands people in a same commune representing a village or town.
- b. Almost all the production materials and rural land were belonged to the commune.
- c. The distribution of life necessities was equal and fair according to the numbers of people per household.

## -3.Partial Adjustment of People's Commune System(1962-1978)

- China faced economic difficulties during 1958 and 1960.
- CPC minimized the counting unit of cooperative in 1962.
   The People's Commune became smaller and didn't own land directly. Production team was the actual landowner.
- The three management levels were Commune, Group of teams and production team.
- The basic production and management unit is the group of teams or the production team.



- 上世纪70年代,大寨"铁姑娘" 队队员在劈山造田。
- To develop new agricultural land on barren mountains in 1970's.

- 上世纪70年代,人民公社社员集体收割稻子。
- To harvest paddy in 1970's. 14

## 4. Household contract management system of rural collective-owned land(1978--)

Economic reform in China started in 1978.

The reformation in rural area was to eliminate the people's commune and to implement the household contract management system of land.

Collective-owned land were divided according to the numbers of people in the collective and contracted to peasants for cultivating and managing. Part of foods outputs were collected by government as national ordering food, the rest( most part ) could be kept by peasants themselves and sell out.

Household contract management system had been carried out in 1978 in few areas, it became widespread in 1983.

(一)家庭承包经营的成效 Effects created by household contract management system of rural collective-owned land. (take a county as example)

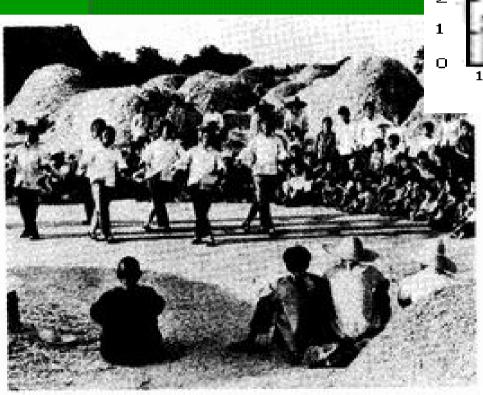


图16 实行联产承包责任制后,风阳县农民家教主收"保证国家的,留足集体的,剩下都是自己的"

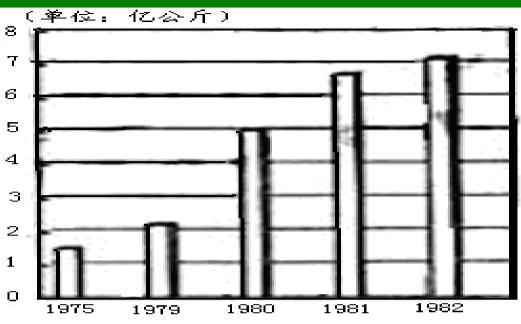


图17 凤阳县粮食产量变化图

# -4. Effects of household contract management system of collective-owned land

- a. As the rapid increasing in agricultural productivity, foods security issues had been overcome. The average annual growth of agricultural output was 6.7%, the per capita real GDP growth was 5.1% per year from 1978 to 1986.
- b. The income level of peasants had been improved, as a result, the poverty population declined by 2/3.
- c. The household contract management system of rural land also had great promotional effects on the economic reform of China.

## -4. Revision of the laws and regulations on rural land system

"Rural land contract law "carrying out in August 2002, provides a long-term and legal protection for peasants and guarantees the contractual and management rights of peasants.

- It clearly regulated that the contractual and management rights being acquired by family could be transferred in forms of subcontract, lease, exchange and transfer.
- Peasants needn't pay agricultural tax any longer after 2005 and till the land for free.

## **5. Reform of Urban Land Property Rights System in China**

Urban private land was transferred to state-owned step by step.

- a. Private land of landlords, Capitalists and former government had been confiscated and been transferred to state-owned land from 1949 to 1952.
- b. By socialist transformation in urban industrial and commercial enterprises in 1950'S to 1960's, most urban land had been transferred to state-owned land.
  - c. In 1982, the Constitution clearly stated that the State has the ownership of urban land.

# -5. Reform of Urban Land Property Rights System in China

- d. Since 1980's, the separation of land ownership and land use rights have been progressively conducted in pace with the economic reform and opening-up. The foreign investors could obtain land use rights. The constitution in 1988 has been amended accordingly.
- e. 'The regulation on transfer of state-owned urban land' was released by the State Council in 1990. After that the land use rights could be transferred, rented and mortgaged. "Urban real estate administration law" in 1994 strengthened on land transfer and "the land administration law" clarified regulations on the transfer of construction land.

The first auction of land use rights had been hold in Shenzhen in the afternoon on 1<sup>st</sup> Dec, 1987. No.11 Buyer became the biggest winner through turns bids around 17 minutes.



# Part 2: Land Titles Types of China

### The important laws about land titles

- the constitution law.
- the res law or the property law of PRC(2007).
- the land administration law(1998)
- urban real estate administration law (1994)
- Rural land contract law(2002)
- the regulation on transfer of state-owned urban land(1990)

### **OWNERSHIP OF LAND**

#### law and legislations

- the constitutional law: All mineral resources, waters, forests, mountains, grassland, unreclaimed land, beaches and other natural resources are owned by the state, that is, by the whole people, with the exception of the forests, mountains, grasslands, unreclaimed land and beaches that are owned by collective in accordance with the law.
- Land in the urban area is owned by the state. Land in the rural and suburban areas is owned by collectives except for those portions which belong to the state in accordance with the law.
- The state may, in the public interest, requisition land for its use in accordance with the law.
- No organization or individual may appropriate, buy, sell or lease land. Land use right can be transferred.

### II Collective land ownership

- 1.Owners of collective land
- village collective economic organizations or villagers' committee;
- the collective economic organizations of the village or villagers' groups;
- collective economic organization of the town.
- Most are agricultural cooperatives.

### **IlCollective land ownership**

- 2. the owner's Right to collective land
- Allocate land to peasant to use and manage;
- Supervise peasants use land rationally;
- 47% of the whole nation's land are owned by peasant collective.

### III state land ownership

#### The Law of Land Administration:

- The State Council shall exercise the ownership of state-owned land on behalf of the state;
- The State Council empower the local government to manage state-owned land in accordance with law.

## III state land ownership

- The categories of state-owned land:
- Land in urban areas;
- Land requisitioned by the state;
- Land in rural and suburban areas that has been confiscated, expropriated or repurchased by the state;
- Forests, grassland, wasteland, floodplains and other land no longer owned by collective.
- 53% of the whole nation's land owned by state.

# IV Right to the Contracted Management of Land

#### The property law or the res law:

As regards the cultivated land, wood land, grassland, and other land for agricultural uses, shall be contracted out to the members of the collective.

The holder of the right to the contracted management of land has the right to possess, utilize and seek proceeds from the land, under the contracted management thereof, and is entitled to such agricultural production activities as the planting, forestry, stockbreeding, etc.

# IV Right to the Contracted Management of Land

- The contractual term of cultivated land shall be 30 years. The contractual term of grassland shall be 30 up to 50 years. The contractual term of wood land shall be 30 up to 70 years.
- New policy: the term could be longer than above.

## VRight to Use House Sites

- The property law or the res law:
- The holder of the right to use house sites has the right to possess and use land owned by a collective, and to construct residential houses.
- One rural family can own one piece of land for building house.
- The application for house site land after selling or leasing houses shall not be approved.

### VI Right to Use Construction Land

- The holder of the right to use construction land has the right to possess, use and seek proceeds from the land owned by the state, and shall be entitled to the construction of buildings, fixtures and their auxiliary facilities by making use of such land.
- The right to use construction land may be created through grant or allotment, etc.
- Unless it is prescribed by any law, the holder of the right to use construction land has the right to transfer, exchange, use as equity contributions, endow or mortgage the right to use construction land.

# **Granting of the Right to Use Construction Land**

- Granting of the right to use construction land refers to acts that the State grants land users the right to use the State-owned land for a certain number of years and the users shall pay the State a granting fee for the land-use right.
- The term of granting is according to the land use types, residential land is 70 years, industrial land is 50 years, public interest land is 50 years and business land is 40 years.

# Allotting of the Right to Use Construction Land

- The land-use right for the following land used for construction may, if really necessary, be allocated upon approval by local government in accordance with the law:
- 1. land used for State organs or military purposes;
- 2. land used for urban infrastructure or public facilities;
- 3. land used for projects of energy, communications or water conservancy, etc. which are selectively supported by the State; and
- 4. land used for other purposes as provided by the laws, administrative rules and regulations.

### VII Easement

• An easement holder shall, according to the contract, be entitled to utilize the realty of someone else so as to enhance the efficiency of his own realty.

- Thanks for your attention!
- Thanks to CINDER!
- Thanks to Peru!

## Welcome to Beijing!



## Welcome to Shanghai!

