

Regional expert workshop on land accounting for SDG monitoring and reporting
25-27 September 2017 Bangkok, Thailand

Land accounting in the Russian Federation



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National vision

In October 2012, by the order of the Government, changes were made to the Federal plan of statistical works¹, in terms of natural resources.

The major purpose of the work:

- conducting a valuation of natural resources
- calculations the productivity of natural resources.

- 1) <http://www.gks.ru/metod/fpl08-10.html>

Policy priorities

The work will be concentrated on the development and production of:

- Asset accounts (within the framework of the Balance Sheet of assets and liabilities)
- Physical flow accounts
- Environmental activity accounts

Data sources (1)



The Federal Service for State Registration, Cadaster and Cartography²:

- Data base of state cadastral land valuation.
- State reports on the state and use in the sectors of the economy.
- Forms of federal statistical observation on the availability of land and their distribution by ownership, categories, land and users in the Russian Federation
- Directory "Land Fund of the Russian Federation"

Federal State Statistics Service³:

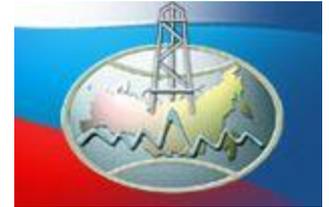
- Forms of federal statistical observation

2) <https://rosreestr.ru/site/en/about/>

3) http://www.gks.ru/wps/wcm/connect/rosstat_main/rosstat/en/main/



Data sources (2)



Ministry of Natural Resources and Environment of the Russian Federation⁴:

- Information about protected areas by the square included in the statistics of the Russian Federation "specially protected natural areas" (classification of the International Union for Conservation of Nature (IUCN)).
- Data for forest land by area included in the statistics of the Russian Federation "Area of forest land and lands of other categories on which forests are located."

4) <http://www.mnr.gov.ru/english/>

Approaches of land evaluation



Cost approach:
the new
at
ation
position
incurred costs



Comparative
approach:
a set of pricing
factors of a
specific market,
present at the
valuation date



Income approach:
current value of
future benefits
from owning this
asset

Methods of land evaluation: comparative approach

➤ **Method of direct comparison (sales):**

- more applicable to the evaluation of undeveloped land plots;
- availability of information on transaction prices (supply prices) with land plots similar to those assessed;
- allows to determine value of a land plot on the basis of sales prices (bid prices) of similar plots by making corrections, taking into account differences in the main characteristics of the valuation object and analogues;

Methods of land evaluation: comparative approach

➤ **Selection method:**

- estimation of built-up land plots;
- availability of information on transaction prices or supply (demand) quantity with real estate objects that include similar land plots;
- conformity of land improvements to its most effective use;

➤ **Distribution method:**

- estimation of built-up land plots;
- for each type of property there is a normal ratio between the cost of land and buildings;

Methods of land evaluation: income approach

➤ **Method of land rent capitalization**

- evaluation of built-up and undeveloped land plots subject to the possibility of obtaining land rent from the estimated land plot separately from buildings and structures;
- principle of expectation;

➤ **Remainder approach for land**

- evaluation of built-up and undeveloped land plots subject to the possibility of building up the estimated land plot with income-enhancing improvements or the possibility of commercial use of a land plot that generates income;
- it is useful in cases where there is no reliable data on sales of free plots of land;

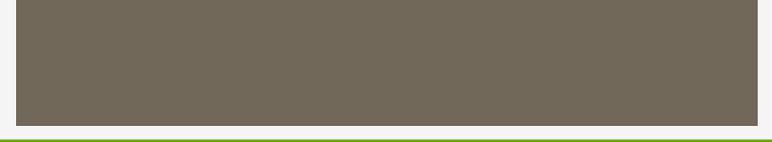
Methods of land evaluation: income approach

➤ **Method of intended use**

- evaluation of built-up and undeveloped land plots subject to the possibility of using the land plot in a way that generates income;
- can be used in assessing any land plot that has a development perspective;

Problems of land evaluation

- assessment of land, including soil, as a natural resource and national heritage;
- land evaluation as a commodity (land valuation) for specific transactions;
- land evaluation for state needs within the framework of the state cadastral valuation of land - mainly for tax purposes;
- assessment of ecosystem services;
- environmental damage caused to lands, ecosystems, soils;



Thank you for your attention!

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