Land Settlement Cooperatives

The primary objective of land settlement cooperatives is to allocate land to farmers who have either no land or small holdings to make their living on. Its operational scope is the same as that of agricultural cooperatives. However, land settlement cooperatives put more emphasis on land development including familiarizing members with appropriate farming techniques and modern irrigation methods.

Background

The allocation of land to farmers through the cooperative method was first practiced in 1935 in the Lam Luk Ka district, Pathum Thani. Total farmland of 4,109 rai was purchased from the Ministry of Finance for allotment in the form of a land hire-purchase cooperative. Later in 1938, by the government's issuance of the Royal Decree Determining the Forcible Area in Chiang Mai, the first Land Settlement Cooperative was established in San Sai district, Chiang Mai, covering an area of 8,913 rai, and was followed by the establishment of another land settlement cooperative in an area of 54,798 rai in Mueang district, Samut Sakhon. Another land settlement cooperative type called
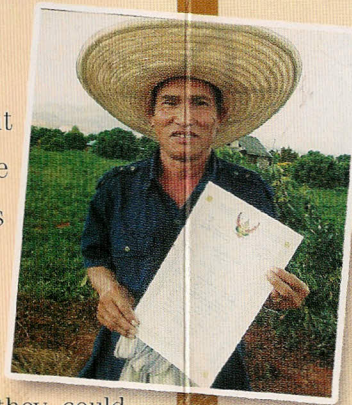
Land-tenant Cooperative was established in 1975, in the deteriorated national forest reserve area in Bang Saphan district, Prachuap Khiri Khan, covering an area of 46,974 rai with initial membership of 1,232 families.

Objective

As mentioned earlier, land settlement cooperative is organized to solve the problems of landless farmers or farmers with insufficient land holdings. It is also aimed at improving tenancy and squatting conditions in public land or forest reserve areas by allocation of land from which they could earn their living through the cooperative system. The major task of the government in developing Land Settlement Cooperatives covers two main aspects: the arrangement of land and the establishment of a cooperative.

Arrangement of Land

After receiving the land, the Cooperative Promotion Department conducts a feasibility study to identify land size, soil series, rainfall intensity, and water resources. The information is used for both physical and land use planning. Supporting services such as irrigation facilities, roads, schools, health centers, and market centers are then provided in the land settlement cooperatives. In the selection of members, a screening committee, chaired by the Chief of the District Office and appointed by the Minister of Agriculture and Cooperatives, is responsible for selecting the qualified applicants. The necessary qualifications of an applicant are:

1. Thai nationality and sui juris;

2. Well - behaved and willing to follow the regulations set by Cooperative Promotion Department;

3. Diligent, healthy and able to do farming;

4. Not insane; and

5. Landless or have insufficient land for earning a living.

The Cooperative Promotion Department provides the selected farmers with training on the cooperative principles and practices, and procedure for cooperative establishment including member rights and duties. After the farmers have completed the said training program they are, then, allowed to work on land assigned by the cooperative authority. In distributing land to farmers, the respective priorities are given to

(1) those who have occupied and utilized land in the project area, but without any legal document;

(2) those residing in the district or province where the project area is located; and

(3) other persons.

Establishment of Cooperative

After the members have been permitted to occupy and utilize the land, the Cooperative Promotion Department helps them set up a cooperative in accordance with the procedure set by the Department. Following the cooperative principles and practices, land settlement cooperatives run their business by the board of directors elected among members at the general meeting and the manager and staff of the cooperatives employed from qualified persons. The government assists the cooperatives with advice, guidance and financial support on business operation ranging from production, credit, marketing, land ownership, and public services to the cooperatives.

Types of Land Settlement Cooperative

The source of land received for allocation determines the type of land settlement cooperative to be set up.

1. Land Settlement Cooperatives. When any vacant public land has been classified by the National Land Allocation Executive Committee as agricultural land, the Cooperative Promotion Department acquires the said land for allotment. Farmers who have fulfilled the cooperative conditions are later be given the right of land ownership.

2. Land Hire-purchase Cooperatives. Land may be purchased from private land owners for allotment if it is considered justified with the volume of investment and overhead costs. When the farmers have paid all the installments and fulfilled all the requirements, they are granted the right of land ownership.

3. Land Tenant Cooperatives. Forest reserve areas which are extensively squatted upon by farmers and cannot be restored to their original condition may be acquired and rented out to farmers through the land tenant cooperative method. Land ownership, in this regard, will not be transferred to farmers, but the right of land utilization can be inherited.

Granting Right of Ownership

Only members of land settlement cooperatives or land hire-purchase cooperatives are given the right of land ownership when they have fulfilled the conditions set by the cooperatives as follows:

1. The individual has been a consecutive member no less than 5 years;

2. The members must be fully utilizing the land for farming purposes;

3. All installments for land preparation have been fully paid;

4. All the debts with the cooperative have been fully paid; and

5. Approval has been received from the cooperative and the Cooperative Promotion Department for the issuance of the land title or certificate of land utilization. The legal document issued for this purpose cannot be transferred to other persons for a period of five years, except by inheritance or transferring to the cooperative where they belong.

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