Bishkek January 11, 2001, #4

THE LAW OF THE KYRGYZ REPUBLIC

On administration of agricultural land

This Law regulates legal relations in administration of land of agricultural purpose and aims at promotion of efficient and safe use of land in the interests of the people of the Kyrgyz Republic.

CHAPTER I BASIC CONCEPTS

Article 1.

Land of agricultural purpose is land used for the needs of agriculture.

Article 2.

Land of the Land Redistribution Fund - land plots formed of agricultural ugodia (except pastures) in state ownership.

Article 3.

Land share - share of a land plot allocated to villagers' ownership, the ownership right to which is verified by a certificate.

Article 4.

Land plot - a single contour of a land area on site (land plot within closed boundaries - transl.note).

The authorized agencies of the Government of the Kyrgyz Republic determine the actual area of a land plot for every specific location.

The ownership right to a land plot shall be certified by a state act.

CHAPTER II THE OWNERSHIP RIGHT TO LAND OF AGRICULTURAL PURPOSE

Article 5.

Land is a national treasure of the Kyrgyz Republic and the property of the people, which lives on its territory.

Article 6.

The State and exclusively citizens of the Kyrgyz Republic who permanently reside in rural location for at least two years have the ownership right to land of agricultural purpose in the Kyrgyz Republic.

Article 7.

Allocation and transfer of land of agricultural purpose to ownership in the Kyrgyz Republic is prohibited to:

- foreign citizens, legal entities and countries;

- persons without citizenship who reside on the territory of the Kyrgyz Republic;

- legal entities of the Kyrgyz Republic, joint ventures;

- spouses, if one of them is a citizen of a foreign country or a person without citizenship.

Actions of persons who violate this Article are subject to initiation of criminal proceedings against them in accordance with current legislation.

CHAPTER III STATE REGISTRATION OF RIGHTS TO LAND OF AGRICULTURAL PURPOSE

Article 8.

State registration of rights to land of agricultural purpose, as well as of exchange, sale/purchase, mortgage, and succession of land is performed by the authorized agency of the Government of the Kyrgyz Republic.

Article 9.

State registration of unwarrantedly subdivided land shares and plots of agricultural purpose is not permitted.

CHAPTER VI INTENDED USE OF LAND OF AGRICULTURAL PURPOSE

Article 10.

Land of agricultural purpose shall be used exclusively for agricultural production.

Article 11.

Where an owner of a land plot (land share) of agricultural purpose carries out any construction on such land plot (land share) or uses it for purposes other than agricultural purposes, the State may, after notice, take such land plot (land share) in the manner provided for by current legislation of the Kyrgyz Republic.

CHAPTER V LAND OF AGRICULTURAL PURPOSE AS AN OBJECT OF LEASE

Article 12.

Land shares and plots of agricultural purpose in KR citizens' ownership may be leased out on the conditions determined by parties, exclusively for agricultural production.

Article 13.

Land plots of agricultural purpose in state ownership may be leased out on the conditions of an open competition, exclusively for agricultural production.

Sublease of land plots of agricultural purpose in state ownership is prohibited.

CHAPTER VI LAND OF AGRICULTURAL PURPOSE AS AN OBJECT OF EXCHANGE

Article 14.

Land shares and plots of agricultural purpose in KR citizens' ownership may be exchanged only for other land plots and shares within the boundaries of the same ail okmotu.

CHAPTER VII LAND OF AGRICULTURAL PURPOSE AS AN OBJECT OF SALE/PURCHASE

Article 15.

An owner of a land share of agricultural purpose may sell it only to other owners of land shares of the corresponding land plot, free of the national duty.

The authorized agency of KR Government shall register a KR citizen's own and acquired land shares in total, as a single land share.

Article 16.

An owner of a land plot of agricultural purpose may sell it as a single contour of the land area, without subdivision.

Article 17.

A buyer of land of agricultural purpose may be a rural dweller of 18 and more years of age, who is a citizen of the Kyrgyz Republic.

Article 18.

The maximum area of a land plot of agricultural purpose in a KR citizen's ownership shall not be more than 20 average land shares de-

termined for a certain ail okmotu, not to exceed 50 hectares in total.

Article 19.

Where an acquired land plot (land share) is resold, a buyer of land of agricultural purpose shall pay the national duty in the amount of 40 % of the purchase price of the land plot (land share) in the first year, 20 % - in the second year, and 10 % - in the third year.

Article 20.

Land of the Land Redistribution Fund may not be sold. In exceptional cases LRF land is transferred to citizens's ownership according to the local keneshes' proposals, based on a decision of KR Government approved by the Legislative Assembly of the Jogorku Kenesh of the Kyrgyz Republic.

Article 21.

Pastureland is in exclusive ownership of the State and may be only leased out.

CHAPTER VIII LAND OF AGRICULTURAL PURPOSE AS AN OBJECT OF MORTGAGE

Article 22.

A land share or a land plot of agricultural purpose in a KR citizen's ownership may be an object of mortgage.

Article 23.

The right to be a mortgagee of land plots or land shares of agricultural purpose is granted exclusively to banks and specialized agricultural financial institutions licensed by the National Bank of the Kyrgyz Republic.

Article 24.

If the ownership right to a land share or a land plot of agricultural purpose is transferred to a bank or to a specialized agricultural financial institution, the bank or the institution may not use such plots or shares or dispose of them at their discretion but must sell them at an open auction.

Article 25.

Land shares of agricultural purpose, the ownership right to which has been transferred to a bank or to a specialized agricultural financial institution may be sold at an open auction only to other owners of land shares of a given land plot.

State registration of sold land shares shall be performed in the manner provided for in Article 15 of this Law.

Article 26.

Land plots of agricultural purpose, the ownership right to which has been transferred to a bank or to a specialized agricultural financial institution, may be sold at an open auction to buyers of land of agricultural purpose provided they meet the requirements of Article 17 of this Law.

Article 27.

Where a bank or a specialized agricultural financial institution fails to sell a land share or a land plot of agricultural purpose at an open auction within 3 months following the date of transfer of the right of possession to the land share or plot to the bank/specialized agricultural financial institution, organizers of a competitive sale appointed by a court shall sell such land share or land plot. If there have not been any buyers at the auctions or prices offered have become lower than the standard cost of land being sold, the State has the right to purchase such land for its standard cost.

CHAPTER IX LAND OF AGRICULTURAL PURPOSE AS AN OBJECT OF SUCCESSION AND GIFT

Article 28.

Land shares and land plots in a KR citizen's ownership may be devised to one successor only. A successor, in case of transfer of the ownership right to land shares or plots to him, may use them and dispose of them at his discretion on condition that s/he meets the requirements to a buyer of land of agricultural purpose.

Otherwise the successor must transfer the land share or the land plot to another successor in 6 months, in the manner provided for by current legislation, or sell such share or plot.

Article 29.

Land shares or land plots of agricultural purpose in a KR citizen's ownership may not be given as a gift.

CHAPTER X PURCHASE OF LAND OF AGRICULTURAL PURPOSE FOR THE NEEDS OF THE STATE

Article 30.

Land shares and land plots of agricultural purpose in KR citizens' ownership may, in case of the public needs (construction of strategic projects or engineering installations), be alienated based on a decision of the Government of the Kyrgyz Republic, through buy-out, after the market price and the calculated costs (compensation for buildings, structures, etc.- transl.note) are paid or through allocation of a LRF land plot of equal value.

Article 31.

If reasons for alienation of land shares or plots of agricultural purpose for the needs of the State are unconvincing, a landowner may petition a court.

Article 32.

Leased out land of agricultural purpose in state ownership shall be alienated for the needs of the State after the calculated costs and the lost profit as of the moment of alienation are paid.

Article 33.

To allocate land to socially unprotected groups or to young families, the State may be a buyer in the agricultural land market based on a special decision of the Government of the Kyrgyz Republic approved by the Legislative Assembly of the Jogorku Kenesh of the Kyrgyz Republic.

CHAPTER XI ALIENATION OF LAND OF AGRICULTURAL PURPOSE FOR DEBTS

Article 34.

Land shares and land plots of agricultural purpose in KR citizens' ownership may be alienated for their debts which have arisen prior to implementation of this Law.

CHAPTER XII THE PROCEDURE FOR IMPLEMENTATION OF THIS LAW

Article 35.

This Law shall come into force as of the moment of official publishing (The Erkin Too newspaper # 4 of January 17, 2001), except Chapter VII.

Article 36.

Article VII of this Law shall come into force on September 1, 2000.

Article 37.

The Government of the Kyrgyz Republic shall propose amendments and addenda to the legislative acts ensuing from this Law.

President of the Kyrgyz Republic A.Akaev

Adopted by the Legislative Assembly of the Jogorku Kenesh of the Kyrgyz Republic December 18, 2000