DECREE OF THE PRESIDENT

ON MEASURES FOR DEEPENING OF LAND AND AGRARIAN REFORM

IN

THE KYRGHYZ REPUBLUC

In the process of land and agrarian reform a class of agrarian businessmen and free peasants is being formed, their economic and farming independness of agricultural commodity producers is being enlarged and a new multistructural economy is being formed now.

With the purpose of creating effective conditions for economic and farming activity of peasants, agricultural commodity producers and further improvement of their business activity by transfer to the advanced market land and agrarian relations, provision of equal development of all forms of farming and ensuring the state support of the reform, I hereby state as follows:

- 1. To consider that the citizens of the Kyrghyz Republic living and working in rural areas in kolkhozes and sovkhozes, are entitled to receive their land shares excluding plots from the National Land Fund and pastures.
- 2. To determine that the citizens of the Kyrghyz Republic and legal persons of the Kyrgyz Republic enjoy the right to use land shares and sale, exchange, inherit, use as a collateral, rent this right to use land share.
- 3. 49 year period of land use is defined for the land users. On expiry of this period (31 December 2042) land users working on their land plots enjoy the preferential right to prolong the period of land use.
- 4. To consider that the National Land Fund consists of 25% of all agricultural land plots.
- 5. Citizens and legal persons are entitled to run joint farms by voluntary pooling of their land (plots) shares.
- 6. An owner of the right to use land in 1994 can sale and exchange it just to the members of existing (former) farms and as of January 1, 1995 to other citizens and legal persons of the Kyrghyz Republic.
- 7. The subject of exchange of the right to use land plot (share) can be the right to use another land plot (share).
- 8. The Government of the Kyrghyz Republic, if required, is entitled to set up the land reallocation fund by buying out the rights to use land plots (shares) at a market price from citizens and legal persons.

- 9. The right to use land as a collateral shall be regulated by the Law On Pledge of the Kyrghyz Republic. To define the Kyrghyz Peasant's Bank and its branches as a pledgee of the right to use land plots (shares).
- 10. Citizens having received land plots (shares) as land users shall use them exclusively for agricultural production.
- 11. Maximum land share size for one family shall nor exceed in the farms: of intensive crop farming 20 ha; of medium-intensive crop-farming 25 ha; of mountainous and livestock trend 30 ha.
- 12. Citizens having received land plots (shares) before the introduction of this Decree can retain their right to use land shares within the limits provided by point 11 of this Decree and the rest remaining part shall be returned back for further allocation. For the land plots exceeding an average land share a compensation in cash shall be provided to the tune determined by the Government of the Kyrghyz Republic.
- 13. Pastures are not liable to allocation to citizens and can be just rented subject to requirements of the Ministry of Agriculture and Water Resources of the Kyrghyz Republic. Sheferds and other workers of remote livestock-breeding enjoy the preferential right to get pastures on the basis of long-term and short-term leasing.
- 14. Interference of the state power bodies into farming activity of the owners of the right to use land plots(shares) is forbidden. In case of illegal actions of officials of the state power bodies, the owner of the right to use land shall be compensated the damages including lost profit at the expense of the corresponding local budget.
- 15. To consider the following executive bodies of the Government of the Kyrghyz Republic responsible for implementation of land and agrarian reform:

The Ministry of Agriculture and Food of the Kyrghyz Republic;

local state administrations;

- rural committee for land and agrarian reform (hereinafter referred to as rural committees)
- 16. The Government of the Kyrghyz Republic shall in a two week period settle the issue on viability of delegating to the Ministry of Agriculture and Food the authorities of the State Property Fund in privatisation and denationalisation in agrarian sector.
- 17. The Ministry of Agriculture and Food shall:
 - assure the development and adoption of normative documents regulating the process of land and agrarian reform, privatisation and denationalisation of agricultural enterprises;
 - provide coordination of activity of local state administrations and rural committees in land and agrarian reform.

18. The Heads of local state administrations shall:

- develop regional programs and take practical measures on implementation of land and agrarian reform;
- exercise control over the observance of legislation of the Kyrghyz Republic in implementation of land and agrarian reform by all agricultural enterprises and organisations regardless of their ownership;
- set up rural committees and provide direct administration of their activity.
- 19.To increase the existing interim land tax rate by 20 times. To define that 50% of the land tax amount shall be deducted to the local budget and exclusively earmarked by the rural committee concerned for a social development of the given region and the rest part deducted to the national budget for financing of the state support of implementation of land and agrarian reform.

To charge the Ministry of Agriculture and Food with control over receipts of land tax and their designated use. In case the resources are used not for designated purposes they shall be withdrawn to the budget.

- 20. The Ministry of Agriculture and Food shall fix minimum allowable dimensions of land plots for commodity agricultural farms on the territory of concrete agricultural enterprises on the basis of local conditions.
- 21. The Government of the Kyrghyz Republic shall develop and implement the system of measures on state support of land and agrarian reform by the following directions:
 - Formation of a part of authorised capital of peasant banks and credit cooperatives being established;
 - allocation of commodity and investment credits for the development of agricultural business;
 - compensation of a part of voluntary insurance fees to peasant (individual) farms;
- 22. The Government of the Kyrghyz Republic shall:
 - develop and start implementing the Republic Program of Land and Agrarian Reform on the basis of this Decree;
 - in a two-week period approve Regulations on Procedure of issue of the right to use land plots (shares), on rural committee for land and agrarian reform, on procedure of allocation of land plots from the National Land Fund, on reorganisation of agricultural enterprises;
 - within a two-week period define the procedure of reorganisation of breeding and seed-breeding farms and pilot and experimental farms of scientific agricultural establishments and approve their list;

- submit proposals to Jogorku Kenesh of the Kyrghyz Republic on introduction of changes and additions into legislative acts, subject to this Decree;
- within a month correlate its decisions with this Decree;
- 23. To charge the Government of the Kyrghyz Republic with control over execution of this Decree.

24. To recommend Jogorku Kenesh of the Kyrghyz Republic to consider the issue of legislative provision of urgent organisation and legal measures on deepening of land and agrarian reform provided by this Decree.

This Decree shall come into effect as of the moment of its signing.

President of the Kyrghyz Republic

A.Akaev

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