REPUBLIC of TAJIKISTAN

LAW "On Dekhkan Farms"

Article 1. Objective of the Present Law

The present Law shall determine the legal grounds for building and activity of dekhkan farms in the Republic of Tajikistan.

Article 2. Legislation on the Dekhkan Farm

The legislation of the Republic of Tajikistan on the dekhkan farms shall be based on the Constitution of the Republic of Tajikistan and consist of the present Law, other regulatory acts of the Republic of Tajikistan, and also on the international legal acts adjudicated by the Republic of Tajikistan.

Article 3. Concept of the Dekhkan Farm

A dekhkan farm (a farm) (hereinafter referred as to 'dekhkan farm') shall be an independent unincorporated company founded on the individual work of one person or members of one family and other persons jointly producing agricultural products that shall be based on the land and other property of the dekhkan farm.

Article 4. Members of the Dekhkan Farm

Members of the dekhkan farm shall be spouses, children, adopted children, parents and other persons occupied by joint work.

The employed persons in the dekhkan farm shall not be included in the structure of the dekhkan farm, and their employment with the dekhkan farm shall be regulated by the Labor Code of the Republic of Tajikistan.

Article 5. Dekhkan Farm as Form of Economics

The dekhkan farm alongside with commercial organizations and businessmen shall be an equitable link of the economic system. All its economic operations shall be implemented by cash and payment on account under the parties' agreement.

The dekhkan farm shall independently determine the structure and mode of production taking into consideration its interests; it can be engaged in any kind of activity unless it is prohibited by the legislation of the Republic of Tajikistan.

Organs of government shall not interfere with the economic activities of the dekhkan farm except for the grounds prescribed by the law.

Article 6. Right and forms of Building of Dekhkan Farm

Each sui juris citizen of the Republic of Tajikistan shall have the right to build a dekhkan farm.

The dekhkan farm can have the following forms:

- a) a dekhkan farm founded on the individual activity;
- b) a dekhkan farm founded on the family business and joint estate;
- c) a dekhkan farm built in the form of special partnership on the basis of common property and founded under the contract of joint activity.

Article 7. Head of the Dekhkan Farm

One of the able-bodied members of the dekhkan farm with knowledge, skills and work experience in agriculture can head the dekhkan farm.

The head of the dekhkan farm shall represent its interests in relations with natural persons, legal entities and state bodies, organize economic activities.

Article 8. Rights of the Dekhkan Farm Members for Building Incorporated Economic Partnership or Production Co-operative

The dekhkan farm members shall be able to build incorporated economic partnership or production co-operative on the basis of the farm property pursuant to the Civil Code of the Republic of Tajikistan.

The incorporated economic partnership or production co-operative shall possess the right of ownership transferred to it in the form of donation or any other contribution made by the dekhkan farm members, and also the right of property received as a result of activity and other grounds not contradicting to the Law.

The contribution of the dekhkan farm members – members of the economic partnership or production co-operative – shall be established proceeding from their shares in the right of ownership of the dekhkan farm and in the procedure prescribed by the Civil Code of the Republic of Tajikistan.

Article 9. Coordination of the Dekhkan Farms' Activity

The coordination of the dekhkan farms' activity and implementation of the government policy on development of scientific-technical progress, investments and forecasting in this sphere shall be implemented by the authorized body of the Government of the Republic of Tajikistan.

Article 10. Terms and Conditions for Granting Land

The region (city) executive body within the limits of its competence established by the Land Code of the Republic of Tajikistan shall grant the land for life inherited use to build a dekhkan farm on the ground of the citizen's application.

The dekhkan farm can lease follow-up land for its production purposes.

The land as a rule shall be granted as a unified mass.

Drawing up of the cadastral documentation of the land, agrochemical and ecological investigations of soil shall be paid by the appropriate budgetary funds. The land user can also independently order and finance the specified activities. The dekhkan farm shall cover the costs for allotting land and registration of the land utilization certificate.

If the dekhkan farm is organized on the territory without industrial enterprises and social public utility companies, the government shall bear responsibility for its primary landscape, construction of roads and power lines, water supply, installation of telephones, and betterment of land.

Article 11. Standards of Granting Land to Build a Dekhkan Farm

The following sizes of land shall be granted to the citizens of the Republic of Tajikistan for life inherited use to build a dekhkan farm:

- a) Average land share of each member of the agricultural organization who has a land patent;
- b) Average-region (average-city) land share granted from the special fund for each of the ablebodied member who wants to build a dekhkan farm.

Article 12. Formation of Special Land Fund for Building a Dekhkan Farm

To organize a dekhkan farm, the executive body of the region (city) shall found a special land fund on account of:

- a) The land out of exploitation or considered less valuable;
- b) Resource land;
- c) The land of all grades that was not utilized on target;
- d) The land granted for agricultural production and not utilized during one year; also the land granted for non-agricultural purposes and not utilized during two years;
- e) The forestry land uncovered with timber and bushes feasible for cultivation (*suitable for agricultural production*);
- f) The land of the agricultural organizations that are not efficiently utilized;
- g) The land of the dekhkan farms that stopped their activity;
- h) The newly reclaimed land.

In accordance with the decision of the regional (city) executive body the revealed land included in the special land fund shall be withdrawn for building dekhkan farms. The consent of the land users to withdraw the land shall not be required.

One shall not build a dekhkan farm on the land of seed-growing farms, nursery-gardens, breeding purpose farms, research institutions, research-and-production establishments, educational institutions, experimental farms, technical training colleges, comprehensive schools, and also on the land of the state water economy.

Article 13. Land Utilization Right of the Dekhkan Farm

The land utilization right shall be certified by the land utilization certificate issued to the head of the dekhkan farm in the procedure prescribed by the Government of the Republic of Tajikistan.

The right to lease out land shall be determined by the agreement of the parties.

Article 14. Procedure of Granting Land from the Special Land Fund for Building Dekhkan Farms

The citizens who want to organize dekhkan farms, including those who move from other regions (cities) for permanent residence, shall have to submit their applications with necessary grounds to the executive body of the region (city) where the land is located.

The application shall identify the utilization objective of the land asked, its supposed size and location, and total number of the able-bodied people.

Executive body of the region (city) shall take a decision on granting the land within a month after the application is submitted.

In case the decision is not taken in due course or the information about the special land fund is concealed, the guilty officials shall be answerable pursuant to the law of the Republic of Tajikistan.

Article 15. Building of Dekhkan Farms on the Land of the State Farms and Other entities

The land of the state farms and other entities (except for those specified in Article 12.3) shall be conditionally distributed between permanent members and, in accordance with the general meeting's decision, other citizens included in the list of sharers by taking them into partnership that provides the right for every citizen and in connection with local conditions, location of the resource land, inhabited localities and other factors.

The regional (urban) committee on land-utilization shall determine and the local government (city authority) shall approve the land share.

Article 16. State Registration of the Dekhkan Farms

Pursuant to the law of the Republic of Tajikistan the dekhkan farm, after receiving the landutilization certificate, shall be subject to registration in the notary office and registering in the state statistical body at the location of the dekhkan farm.

Economic partnership and production co-operative built pursuant to the law of the Republic of Tajikistan after receiving the land-utilization certificate shall be subject to the state registration in the local agency of justice and registering in the local statistical body.

Village (inhabited locality) djamoat shall register every dekhkan farm, economic partnership and production co-operative to record the basic data.

Article 17. Rights of the Dekhkan Farm and its Members

The dekhkan farm and its members shall have the right to:

- a) Independently manage the land;
- b) Lease out the land or part of the land in case of temporary invalidity, military draft, studies and other cases prescribed by the law of the Republic of Tajikistan;
- c) Receive full indemnification of the costs used to increase the land productive capacity and the losses, including foregone income, in case the government withdraws the land;

- d) Be the proprietor of the made production and incomes received from its sale, demand their share;
- e) Voluntarily refuse the land use;
- f) Leave the dekhkan farm according to his (her) share without the consent of other members of the dekhkan farm;
- g) Use mineral resources (sand, road metal, clay, stones, water springs) and other useful properties of the land of the dekhkan farm;
- h) Acquire, lease or temporarily use the property of organizations and _____;
- i) Conclude agreements on implementation of business activity;
- j) Build a utility room on the area of no more than 0,03 hectare in case the gross area of the land available is not more than 1 hectare;
- k) Have other rights prescribed by the legislation of the Republic of Tajikistan.

Hunt, fishery, wood fruits, including hazels, herbs, thorn-bushes, and other products of natural occurrence, or other activity on the land granted for the dekhkan farm shall be possible only with the consent of the head of the dekhkan farm or under the agreements of the parties.

If there are structures, perennials or other objects that cannot be moved to the other plot, the dekhkan farm shall reimburse the former land user the cost if the parties do not agree about a different procedure. Then the given objects shall be transferred to the possession of the dekhkan farm.

Article 18. Obligations of the Dekhkan Farm and its Members

The dekhkan farm and its members with their own share shall have to:

- a) Efficiently use the land in accordance with the target, increase its fertility, implement complex of measures on protection of land, wood, water and not allow deterioration of the environment as a result of the economic activities;
- b) Pay rent and other taxes for the land use in due time;
- c) Promote effective utilization of the land, increase crops, and submit information prescribed by the law to the local governments (region, city) in due time;
- d) Cover the losses for diminishing returns from any fault of the land user;
- e) Respect contracts and credit-accounting discipline;
- f) Not infringe the rights of other land users.

Article 19. Property Transmitted and the Right of the Member of the Dekhkan Farm for Land Utilization

Property and the right for land utilization of the member of the dekhkan farm shall be transmitted in the procedure prescribed by the Civil Code of the Republic of Tajikistan.

Article 20. Dekhkan Farm Finance

The dekhkan farm finance shall be formed by the proceeds of the production sold (activities and services), credits, budgetary provisions, donations and other proceeds.

Financial activities of the dekhkan farm shall be implemented through bank and other accounts, including currency account and realization of all kinds of settlement, credit, and cash *operations*.

Withdrawal from the bank accounts of the dekhkan farm shall be fulfilled in accordance with the consent of the dekhkan farm or in accordance with the solution of the court.

Annual report of the dekhkan farm shall be the basis of the financial report.

Article 21. Crediting of the Dekhkan Farm

The dekhkan farm can use bank credits in any form under the agreements defining credit terms and conditions.

Credit on pledge or other kinds of obligations shall ensure the return of the dekhkan credit.

Article 22. Activities in the Dekhkan Farm

Basically all members of the dekhkan farm shall be doing the work.

The work to be done with the involvement of other citizens under the contract shall be regulated by the standards of the current laws of the Republic of Tajikistan for the time being.

Remuneration of labor of the citizens who concluded the agreements shall be included in the current expenses and it must be a priority. It shall not depend on the total activity of the dekhkan farm unless there is no special agreement.

The members of the dekhkan farm and the citizens contracted to do the work in the dekhkan farm shall have all the rights prescribed by the legislation of the Republic of Tajikistan.

Article 23. Recording and Reporting in the Dekhkan Farm

The dekhkan farm shall record the results of its activity.

The dekhkan farm and associations of dekhkan farms shall have to submit the reports on their activity to the state statistical agencies of the Republic of Tajikistan.

Article 24. Insurance of Property of the Dekhkan Farm and Association of Dekhkan Farms

Insurance of property (agricultural products, cattle, fixed assets and other property) of the dekhkan farms and associations of dekhkan farms shall be implemented pursuant to the Civil Code of the Republic of Tajikistan, Law of the Republic of Tajikistan "On Insurance".

Article 25. State Social Insurance and Social Security of the Dekhkan Farm

The member of the dekhkan farm shall be subject the state social insurance on equal grounds. A member of the dekhkan farm shall the premium from the whole earnings. Actual dekhkan farm development charges shall be excluded from the earnings.

Any member of the dekhkan farm shall have the right to pension pursuant to the Law of the Republic of Tajikistan. Thus his time record shall include the whole period of work in the dekhkan farm.

Any temporarily disabled member of the dekhkan farm shall be provided with a lump-sum allowance and other privileges prescribed by the legislation of the Republic of Tajikistan.

The term of activity in the dekhkan farm of its members and contracted citizens of the farm shall be recorded in their time records (both occupational life and continuity of employment) on the grounds of the word-record card and the documents confirming payment for social insurance.

The dekhkan farm shall independently record their members' and contracted citizens' labor activity.

The dekhkan farm shall be liable for its members who cause the contracted citizens bodily harm or do other hurt to them when they fulfill their labor responsibilities.

Article 26. State Support to the Dekhkan Farm

The dekhkan farm shall have the following privileges:

- a) Free state registration of the dekhkan farm;
- b) Release from connection charge, water supply (without utilizing of structures and technical equipment) in the procedure and on conditions prescribed by the Government of the Republic of Tajikistan;
- c) Opening of accounts in the business banks free of charge;
- d) Contract lax credit with business banks;
- e) Use the foreground right for public contracts;
- f) Improve professional skills and skill formation at the expense of the funds allocated to support small business;
- g) Use other privileges prescribed by the legislation of the Republic of Tajikistan.

Article 27. Taxation of the Dekhkan Farm

Taxation of the dekhkan farm shall be done pursuant to the Tax Code of the Republic of Tajikistan.

Article 28. Concept and Building of Association of Dekhkan Farms

The association shall be formed by voluntary amalgamation of dekhkan farms. The association shall operate on the ground of the constituent agreement and the charter approved by its participants; it shall be a legal entity registered in the local law enforcement agency.

The dekhkan farms included in the association shall have independence; the right for land utilization shall be implemented in accordance with the present Law.

Coercive actions on inclusion of the dekhkan farms to the association shall be forbidden.

Article 29. Management of the Association of Dekhkan Farms

The supreme body of the association of the dekhkan farms shall be general meeting of the participants of the dekhkan farms

The board of association managed by the chairman shall be in charge of executive functions and coordination activity of the association.

The Board of Association shall be elected by the general meeting.

Article 30. Production, Financial and Business Activities of Association of the Dekhkan Farms

In order to fulfill its objectives and goals, the association of the dekhkan farms shall have the right to:

- a) Carry out concerted action of its participants in commerce, finance and credit, and technical development;
- b) Establish financial and material resources through voluntary deductions; centralize production and business objectives;
- c) Regulate the relations between its participants through settlement prices, tariffs and scheduled prices.

The association of the dekhkan farms shall not be liable for the obligations of its participants, and the participants shall not be liable for the obligations of the association, except for cases when the association acts as a guarantor.

The charter shall determine the procedures of renunciation and liquidation of the association.

Article 31. Grounds for Liquidation of the Dekhkan Farms

The activity of the dekhkan farm shall stop in case of:

- a) Suspension of the right for land utilization in the procedure prescribed by the legislation of the Republic of Tajikistan;
- b) Decision on suspension of the dekhkan farm activity taken by its members;
- c) Not a single member of the dekhkan farm remains or there is no assignee who wants to continue the activity of the dekhkan farm;
- d) Utilization of land by the methods resulting in its degradation;
- e) Withdrawal of the land in accordance with the procedure prescribed by the law in order to solve the state and social needs;
- f) Bankruptcy;
- g) Transformation of the dekhkan farm into a different legal entity.

Article 32. Procedure of Liquidation of the Dekhkan farm

The procedure of liquidation of the dekhkan farm shall be established by the current legislation of the Republic of Tajikistan.

Relations on land utilization after liquidation of the dekhkan farm shall be determined by the working laws.

When liquidating the dekhkan farm, its property and funds shall be used to pay the contracted citizens, for payments to the budget, returning of the bank credits and settlements with other creditors.

The rest of the property and funds obtained from realization shall be saved as a co-property or distributed between the members of the dekhkan farm.

Article 33. Settlement of Disputes on Suspension of Activity and Liquidation of the Dekhkan Farm

The court shall settle the disputes on suspension of the activity of the dekhkan farm in the established procedure.

Article 34. Responsibility for Violation of Law on Dekhkan Farm

Natural persons and legal entities breaking the Law on the dekhkan farm shall be answerable pursuant to the legislation of the Republic Tajikistan.

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